

# **Comparison of House and Senate Budget Amendments House Bill 1500 and Senate Bill 800**

House Appropriations Committee Staff  
February 13, 2013

# Overview: Major Differences

Area of Government	House	Senate
Higher Education	Increased general operating support Funded add'l slots at UVA, Va Tech, WM, and JMU	Increased funding for financial aid
Public Education	<b>Salary Increases:</b> Fund 11 months for teachers (\$53.5 m.), 6 months for support pers. (\$9.1 m.)  <b>COCA:</b> \$6.1 million  <b>Strategic Compensation:</b> \$7.5 m.	<b>Salary Increases:</b> Fund 12 months for teachers (\$58.5 m.) and support personnel (\$18.2 m.)  <b>COCA:</b> \$12.6 million  <b>Strategic Compensation:</b> \$3.0 m.
Compensation	\$30.4 m. for salary adjustments – differences related to timing and atb vs. compression	\$38.7 for salary adjustments  \$3.8 m. add'l for adjustments for specific employee groups
Judges	Fills a total of 32 (1 new)	Fills a total of 26
General Government	Additional Rainy Day fund pre-deposit of \$49.0 m.	No RDF beyond introduced budget. Created new Financial Flexibility Reserve Fund with \$36.0 million
Public Safety	Opened Grayson Prison October 2013 vs. January 2014	No action beyond introduced budget

# Overview: Major Differences

Area of Government	House	Senate
Health and Human Resources	<p>Reforms existing Medicaid program. Expansion contingent upon fed'l and GA reform approval, Escape clause included</p> <p><b>Medicaid savings:</b> \$1.5 m. from PPACA implementation savings</p> <p><b>Provider rates:</b> \$300,000 for \$5 per day increase for adult day health care</p> <p><b>Behavioral Health:</b> \$2.5 m. for suicide prevention and mental health first aid, \$450k for children's crisis services</p>	<p>Mandates Medicaid expansion concurrent with program reforms, no GA approval required, no escape clause</p> <p><b>Medicaid Savings:</b> \$21.1 m. \$7.8 m. added cigarette taxes \$8.1 m. in Medicaid Fraud Recoveries., \$5.2 m. SB 1186</p> <p><b>Provider rates:</b> \$5.5 m. for 10% private duty nursing, \$10/day for adult day health care, 5% Aux Grants</p> <p><b>Part C Services:</b> \$3.0 million</p> <p><b>Behavioral Health:</b> \$750k for discharge assistance, \$1.0 m. for children's crisis services</p>
Agriculture, Commerce and Trade, Natural Resources	<p>Used \$2.55 m. from AG Settlement for Housing</p> <p>Used GOF for Fort Monroe</p> <p>Increased cap on Angel Investor Tax Credit</p>	<p>Used \$1.5 million for housing programs</p> <p>Used GOF for Port Eco. Dev. Zone and Captured \$10.0 m. balances</p> <p>Provides \$1.5 m. for offshore wind energy</p>

# House and Senate Revenue Changes HB 1500/SB 800

	<u>House</u>	<u>Senate</u>
<b><u>ADDITIONS TO BALANCES</u></b>		
Balances from Natural Disaster Setaside		12,037,553
Revert Auditor of Public Accounts Balances	900,000	
Revert Va Coal and Energy Commission Balances	171,135	
Revert Disability Commission Balances	38,568	
Revert Code Commission Balances	30,237	
Revert JCOTS Balances	50,000	
Revert Small Business Commission Balances	22,882	
Revert Commission on Electric Regulation Balances	9,999	
Revert Autism Advisory Council Balances	6,300	
Revert State Water Commission Balances	13,911	
Revert Capitol Police Balances	267,569	
Revert Judicial Balances	1,184,426	1,543,248
Revert DLS Balances	115,170	
Revert DSS - Auxiliary Grant Balances	500,000	
Revert Indigent Care Commission Balances	38,000	
<b>Subtotal-Balances</b>	<b>3,348,197</b>	<b>13,580,801</b>

# House and Senate Revenue Changes HB 1500/SB 800

	<u>House</u>	<u>Senate</u>
<b><u>ADDITIONAL REVENUES</u></b>		
Reflect Update to Federal Conformity	14,245,000	14,245,000
Revised Calculation of Sales Tax Shifted to TTF	(900,000)	(900,000)
Reflect HB 2155/SB 780 (Open Enrollment Requirement)	7,000,000	22,590,000
Increase Cap Qualified Equity and Subordinated Debt Credit	(500,000)	0
Reflect HB 2059 (Tax Credit for Participating Landlords)	200,000	200,000
Reflect HB 1336 (Employee Telework Tax Credit)	(1,000,000)	0
Reflect SB 767 (OTC Hotel Tax Issue)	0	760,000
<b>Subtotal-Additional Revenues</b>	<b>19,045,000</b>	<b>36,895,000</b>
<b><u>CHANGES TO TRANSFERS</u></b>		
Retain MSA Arbitration Prevention Portion	4,437,000	3,460,963
Capture GOF Balances		10,000,00
ABC Profits Reforecast		5,846,260
Transfer VASAP balances	600,000	
<b>Total Changes: Revenues/Resources</b>	<b>27,430,197</b>	<b>69,783,024</b>
Note: SB 767 defeated in House Finance. HB 2155 passed both Houses – mirrors House amendments.		

# Public Education

# 2% Salary Incentive in FY 2014 for Teachers & Support Staff – State's Share

## ■ Teacher Salary Incentive:

- House: provides \$53.5 million (11 months)
  - Optional participation & requires a local match – must provide at least a 2% increase by January 1, 2014, & would be eligible for the 11 months of funding from the state
  - Added revenue contingency language
- Senate: provides \$58.5 million, effective July 1, 2013
  - Optional participation & requires a local match – must provide a salary increase equivalent to 2% on average
  - However, divisions can opt to provide less than 2% but at least 1% and receive a prorated state match

## ■ Support Salary Incentive:

- House: provides \$9.1 million, effective January 1, 2014
  - Optional participation & requires a local match – must provide at least a 2% increase by January 1, 2014
  - Added revenue contingency language
- Senate: provides \$18.2 million, effective July 1, 2013
  - Optional participation & requires a local match – must provide a salary increase equivalent to 2% on average
  - However, divisions can opt to provide less than 2% but at least 1% and receive a prorated state match

- Both include language that school divisions cannot count the phase-in of the VRS swap as its local match

# Cost of Competing Adjustment (COCA) & Strategic Compensation Grants in FY 2014

## ■ COCA funding for Support Positions:

- House: provides \$6.1 million
  - All full school divisions at 4.6% and all partial divisions at 1.1%
- Senate: provides \$12.6 million
  - All full school divisions at 9.83% and only 3 partial divisions at 4.5%

## ■ Strategic Compensation Grants:

- House: provides \$7.5 million
- Senate: provides \$3.0 million

# Other K-12 Initiatives in FY 2014

## ■ Year-Round School:

- House: includes language for voluntary survey to school division superintendents to determine levels of statewide interest
- Senate: provides \$825,000 for planning grants up to \$100,000 to divisions interested in submitting application to DOE for new year-round programs
  - Nine existing year-round programs can apply for any balances

## ■ STEM Teacher Recruitment & Retention Bonus:

- House: provides language to expand eligibility to include middle school grades & 2<sup>nd</sup> & 3<sup>rd</sup> year experienced teachers
- Senate: decreases funding by \$308,000

- Senate: adds \$259,000 for a new STEM learning initiative for Pre-K & kindergarten-aged children through Smart Beginnings & DSS in selected localities

# Other K-12 Initiatives in FY 2014

## ■ House:

- Establishes a five-year \$30.0 million revolving Security Equipment Fund that would provide annual competitive grants up to \$100,000 per division
  - Provides \$6.0 million each year to enhance school security and would require a 25% local match
  - Funded through the Literary Fund
- Includes language that would allow schools that are not fully accredited to use their VPSA supplemental grant to purchase tablets for their 9<sup>th</sup> graders
- Eliminates proposal for a prospective funding methodology for school nurses for the 2014-16 rebenchmarking cycle

## ■ Senate:

- Supplants \$6.1 million GF in VRS costs with Literary Fund
- Assumes the additional Literary Fund revenue generated by language allowing an add-on for costs of outside collection agency fees on top of fees charged

# Senate Amendments Not In House Budget

- Adds language that would prohibit the Board of Education from granting any staffing waivers relative to teacher to pupil ratios
- Adds \$1.0 million for the Virginia Teaching Scholarship Loan program in second year
  - Restores the \$708,000 that had been reprogrammed in the Governor's amendments and adds an additional \$292,000
  - Increases the tuition amount from \$3,720 to \$10,000 per year
- Funds two technical updates in the first year:
  - Adds \$362,000 for the School Breakfast reimbursements
  - Adds \$67,835 for a Pre-K class in Accomack
- Eliminates \$210,000 for the Governor's School for Entrepreneurship summer program in the second year

# Senate Amendments Not In House Budget

- School Division Consolidation Issues
  - Cuts \$540,000 from Bedford County school division
  - Requires Bedford to undergo a School Efficiency Review at a cost of \$125,000 each to the division and the state
  - Changes the consolidation agreement policy by requiring DOE to use a blended local composite index (LCI) instead of the lower LCI of the two divisions beginning in FY 2014, and would impact the consolidations for:
    - Bedford County & Bedford City – effective date July 1, 2013
    - Clifton Forge & Alleghany County – effective date July 1, 2004
  - Changes the period of time that DOE would use the new blended LCI after a consolidation from 15 years to a range somewhere between 5 & 15 years
    - Change will decrease the estimated state funding for the remaining years of the LCI transition period for those specific school divisions
  - Adds language directing JLARC to analyze the costs of incentives for consolidation and identify possible savings by October 1, 2013
- Adds \$650,000 to Project Discovery for a revised total of \$1.0 million
- Adds \$175,000 for a 2<sup>nd</sup> year of funding for the College Readiness Center pilot in Henrico
- Adds \$73,982 to increase the Governor's School enrollment cap reimbursement by 50 slots up to 1,750 -- Thomas Jefferson in Fairfax

# Dept. of Education – Central Office

## ■ Opportunity Educational Institution:

- House: adds language to define the framework for the Institution and its general operations
- Senate: eliminates the \$600,926 earmarked for the Institution

## ■ Virginia Longitudinal Data System:

- House: eliminates the \$156,020 for the system
- Senate: adds language directing DOE to report a six-year plan that outlines the operating cost needs, possible improvements and outcomes for the system by July 15, 2013

## ■ House adds language to direct the Center for Innovative Technology & Department of Education to annually report to the General Assembly

- Level of broadband connectivity in each school division
- Computer ownership & broadband access for middle & high school students

## ■ Senate eliminates 3<sup>rd</sup> grade SOL testing for science and history tests, saving \$920,244 the second year

# Health and Human Resources

# Significant Differences in Approaches to Medicaid Reform & Expansion

- House phases in Medicaid reforms for existing program
  - Expansion contingent upon federal approval for each reform phase and a report on the implementation of reforms
  - Medicaid expansion must have General Assembly approval
  - Provides an escape clause if federal financial participation drops
- Senate language mandates Medicaid expansion to 133% FPL
  - Incorporates reforms for new population while simultaneously beginning reforms for current program
  - Fast tracks reforms for the new recipients of community ID and DD waiver slots
    - Conditions new slots on implementation of coordinated care for these recipients effective July 1, 2013
  - Delays enrollment of local jail inmates in Medicaid until July 1, 2014
  - Creates special fund to capture general fund savings attributable to Medicaid expansion (behavioral health services, inmate health care and indigent care)

# Major Differences Between House and Senate Budgets

<b>Spending Differences</b> (\$ in millions)	<b>House</b>	<b>Senate</b>
Medicaid & Other Provider Rates	\$4.0	\$9.2
Behavioral Health Services	\$3.0	\$4.8
Health Safety Net Providers	\$2.1	\$3.3
Disability Services	\$0.1	\$1.9
<b>Net Difference</b>	<b>\$9.2</b>	<b>\$19.2</b>
<b>Savings Differences</b>		
Medicaid Offset– Va. Health Care Fund Revenue	(\$23.2)	(\$37.6)
Legislation – Fiscal Impact	\$0.0	(\$5.2)
Remove New Initiatives	(\$4.2)	(\$2.4)
DSS Eligibility System Delays	(\$1.3)	\$0.0
DSS Supplant GF with NGF for Adoption Svs.	(\$0.8)	\$0.0
<b>Net Difference</b>	<b>(\$29.5)</b>	<b>(\$45.1)</b>

# Provider Rates

- Medicaid Provider Rates
  - ID Waiver Congregate Care Exceptional Rates
    - Both House & Senate provide \$3.7 million GF
  - Adult Day Health Care
    - House: \$5.00/per day increase in FY 14 (\$300,000 GF)
    - Senate: \$10.00/per day increase in FY 14 (\$667,000 GF)
  - Private Duty Nursing Services
    - Senate: 10% increase in rates in FY 14 (\$1.5 million GF)
- Other Provider Rates
  - Assisted Living Facilities with Auxiliary Grant Recipients
    - Senate: 5% increase in FY 14 (\$3.3 million GF)
- Senate adds language expressing intent of General Assembly to make changes in provider rates
  - Elimination of practice of pending emergency room claims related to physician fees
  - Elimination of the occupancy standards for nursing home operating rates

# Behavioral Health Services

- House provides \$2.5 million in FY 2014 to address recommendations by the Governor's Taskforce on School and Campus Safety
  - \$1.9 million GF in FY 2014 for to provide mental health first aid training across the Commonwealth
  - \$650,000 GF in FY 2014 to provide a comprehensive statewide suicide prevention program
- Children's Mental Health Crisis Services
  - House adds \$450,000 GF in FY 2014
  - Senate adds \$1.0 million GF in FY 2014
- Senate adds \$750,000 GF to expand discharge assistance programs from state mental health hospitals
- Part C Early Intervention Services for Infants and Toddlers
  - House provides \$2.3 million GF in FY 2013 and \$3.8 million GF in FY 2014
  - Senate provides 3.0 million GF in FY 2013 and \$6.0 million GF in FY 2014

# Health Safety Net

- Comprehensive Health Investment Project of Virginia
  - House: Restores \$410,000 in TANF in FY 2014
  - Senate: Provides \$427,628 GF and \$300,000 in TANF in FY 2014
- Healthy Families of Virginia
  - House: Restores \$190,000 in TANF in FY 2014
  - Senate: Restores \$700,000 GF and \$300,000 in TANF in FY 2014
- Senate provides \$1.9 million GF to address waiting lists for disability services in FY 2014
  - \$1.3 million for vocational rehabilitation services
  - \$250,000 for personal assistance services
  - \$105,000 for brain injury services

# Major Differences in Savings

- Senate generates GF Medicaid offsets by assuming additional Virginia Health Care Fund revenue
  - Senate assumes Medicaid savings of \$15.9 million from:
    - Additional cigarette tax collections of \$1.6 million in FY 2013 and \$6.2 million in FY 2014 based on current trends
    - Additional Medicaid recoveries from efforts by the OAG Medicaid Fraud Control Unit of \$8.1 million
  - SB 1186 results in \$5.2 million GF in savings in FY 2014 by requiring certain Medicaid providers to charge the program the lowest price charged by or paid to the provider by other programs

# Major Differences in Savings

- House and Senate eliminate a diversion of Virginia Health Care Fund revenue for the Foundation for Health Innovation in FY 2013
  - House eliminates \$3.0 million resulting in Medicaid GF savings
  - Senate eliminates \$1.0 million resulting in Medicaid GF savings
- Senate eliminates \$350,000 GF in FY 2013 to provide funds to local health departments for the local share of the one-time bonus provided for state employees in December
- House eliminates funds for a customer portal for the prisoner re-entry system due to delays in the eligibility modernization project
- House saves \$1.3 million GF in FY 2013 from DSS eligibility system project delays
- House saves \$828,734 GF in FY 2014 by supplanting GF with federal funds

# Compensation and Retirement

# Employee Compensation Adjustments

Compared to Introduced Budget

(\$ in millions)	House	Senate
State Employees	\$17.3	\$21.4
University Faculty	\$6.3	\$8.5
State Supported Local	<u>\$6.8</u>	<u>\$8.8</u>
Total	\$30.4	\$38.7

- House includes a 2% raise for state employees plus a compression adjustment of \$50 per year of service. Senate includes a 3% increase
- Both House and Senate include a 3% salary increase for faculty and state supported local
  - House sets adjustment for Assistant Commonwealths Attorney's at 2% as they also receive \$3,308 per year adjustment in introduced budget
- House adjustment effective one month later than Senate
  - State employees and faculty - House effective August 10 and Senate effective July 10
  - State supported local - House effective September 1 and Senate effective August 1

# Targeted Salary Adjustments in Senate Budget

Adjustment	\$ in millions
Increase in Senate Legislative Assistant Compensation by \$15,234 for each Member	\$0.7
Salary Adjustment for General and J&DR District Clerks Offices (Adjustments Vary Based on Pay Grade from 4.4% to 0%)	\$1.1
Provide NOVA pay differential to State Police in State Police Area 13 (Clarke, Frederick, and Warren Counties and Winchester City)	\$0.8
State Police with At Least 6 Years of Service - Additional 1% salary adjustment	<u>\$1.2</u>
<b>Total</b>	<b>\$3.8</b>

# Other Compensation and Retirement Funding Actions

(\$ in millions)

	House	Senate
Adjust Funding – State Employee Health Insurance	(\$7.0)	\$0.0
Fund UVA Health Plan Insurance Premiums	\$0.5	\$0.5
2 <sup>nd</sup> year Funding for Career Development Programs	\$1.0	\$1.0
Actuarial Review of Including Locals in State Employee Health Insurance	\$0.1	\$0.1
SB 740 – Increase Mandatory Judicial Retirement Age to 73	<u>\$0.0</u>	<u>(\$1.2)</u>
<b>Total</b>	<b>(\$5.4)</b>	<b>\$0.4</b>

# Senate Language on Year-End Surpluses

- Senate language specifies that up to \$100 million in FY 2013 year-end revenues surpluses – after the required payments to the Rainy Day Fund, WQIF fund and FACT Fund – are to be used to expedite the repayment to the VRS for the payments deferred in the 2010-12 biennium

# General Government

# Rainy Day Fund Prepayment

- House budget increases the prepayment for the 2014-16 Rainy Day Fund deposit from the \$50.0 million proposed by the Governor to \$99.0 million
- Senate Budget keeps funding for 2014-16 biennium Rainy Day payment at \$50.0 and modifies language so that funding is held in “reserve” instead of being deposited into the Fund
  - Based on Senate language, interest would accrue to General Fund as opposed to the Rainy Day Fund
- In separate action, the Senate budget includes \$36.0 million GF in a “Financial Flexibility Reserve” fund in Central Appropriations

# Judicial Vacancies

- House authorizes the filling of 16 judgeships that are or will be frozen, in addition to the 15 proposed in the introduced budget, for a total of 31
- Senate authorizes the filling of 11 vacant judgeships in addition to the 15 proposed in the introduced budget, for a total of 26
  - 9 of the 11 judgeships authorized in Senate Budget are also in House budget (2 circuit court judgeships in the 19<sup>th</sup> circuit are not)

# Fee Increases in Senate Budget

- Senate authorizes Commonwealths Attorneys who contract with collection agencies or private lawyers to collect overdue fines and fees to offset the cost paid to the collection agency by adding that amount to the fine or fee
  - Currently the reimbursement to the collection agency comes from original cost of the fine
  - Budget assumes \$6.1 million in additional deposits to the literary fund from this amendment
- Senate budget increases the “legal aid filing fee” charged in certain civil actions in localities with a legal aid program from \$10.00 to \$14.00
  - Would increase funding for legal aid through the State Bar by \$3.2 million NGF in FY 2014
  - Identical fee proposed by Senate last year
  - Conference included \$1.0 million GF each year in lieu of the fee increase

# General Government Spending /Savings

(GF\$ in millions)

	House	Senate
Legislative Reversions and Transfers to GF	(\$2.2)	\$0.0
Funding for Capitol Square Preservation Council	\$0.2	\$0.2
HB 2093 – Additional Judgeship in 15 <sup>th</sup> Circuit	\$0.2	\$0.0
Judicial –Regional Capital Case Defender Offices	\$0.0	(\$0.2)
State Bar – Funding VA. Capital Representation Resource Center	\$0.0	(\$0.1)
OAG Office – Tobacco Enforcement (Note: House also includes \$250,000 from AG settlement funds for this purpose)	\$0.3	\$0.5
OSIG – Reduce Funding for New Office of Inspector General	(\$0.7)	\$0.0
DGS – Eliminate Funding for FICAS	(\$0.2)	\$0.0
DHRM – Fund TAL system 100% GF	\$0.0	\$0.3
DPB - School Efficiency Review Program	\$0.0	\$0.4
Treasury – Claims Bill SB 1132	\$0.0	\$0.2
Tax Department – SB 1365	\$0.0	\$0.1
Central Appropriations – Adjust Funding for WTA Costs	<u>(\$1.0)</u>	<u>(\$1.4)</u>
<b>Total</b>	<b>(\$3.4)</b>	<b>\$0.0</b>

# Higher Education

# Colleges and Universities Operating Funds

H: \$21.9 million / S: \$13.7 million

## ■ Enrollment

- House: \$7.4 million for projected enrollment growth including \$3.4 million at CWM, UVA, VT & JMU for new in-state seats
- Senate: \$2.4 million for projected enrollment growth, removing 50% of the Governor's proposed funding

## ■ Incentive / Initiative Funding

- House: \$7.8 million as proposed by Governor for incentive funding & \$1.9 million for HAC institution-specific initiatives
- Senate: eliminated all of Governor's proposed incentive funding but provides \$200,000 for two SFC institution-specific initiatives

## ■ Base Operations / O & M for New Buildings

- House: \$4.9 million for base operations and O & M which includes \$3.9 million for ODU proposed by Governor and \$1.0 million in base support re-directed from proposed financial aid increase
- Senate: \$11.1 million for base operations and O & M
  - Also includes \$3.9 million for ODU proposed by Governor
  - Senate includes \$4.8 million in O & M at colleges & universities
  - Senate includes \$2.4 million in base support (\$150,000 for each institution except ODU)

# Comparison of Operating Funding

*(GF \$ in Millions)*

	<u>House</u>	<u>Senate</u>		<u>House</u>	<u>Senate</u>
CNU	\$0.2	\$0.5	UVA	1.7	0.5
CWM	0.5	0.2	UVAW	0.2	0.2
GMU	2.4	0.6	VCU	1.6	1.0
JMU	2.0	0.4	VMI	0.1	0.2
LU	0.2	0.2	VSU	0.2	0.2
UMW	0.2	0.2	VT	1.6	1.1
NSU	0.6	0.3	RBC	0.2	0.2
ODU	5.3	4.2	<u>VCCS</u>	<u>4.0</u>	<u>3.2</u>
RU	0.8	0.4	<b>Total</b>	<b>21.9</b>	<b>13.7</b>

# Other Higher Education

- Research & Economic Development
  - House: \$4.0 million
    - \$2.0 million cancer research (UVA & VCU)
    - \$1.0 million brain injury (VT)
    - \$1.0 million economic development accelerator (UVA)
  - Senate: \$2.2 million
    - \$1.0 million brain injury (VT)
    - \$1.0 million new career pathways program (VCCS)
    - \$125,000 planning grant at Thomas Nelson CC
    - \$100,000 apprenticeship academy
- Financial Aid
  - House: \$1.0 million for new fin aid earmarked for work study
    - House re-directed \$1.0 million of proposed new aid to operating support
  - Senate: \$9.2 million for new fin aid
    - Senate added about \$7.3 million to Gov proposed budget
- Faculty Salary
  - Both House and Senate provide for an additional 1%
    - House cost \$6.0 million / Senate cost \$8.1 million
- Central Accounts
  - Senate provides \$5.7 million to eliminate higher education from the \$13 million turnover / vacancy reversion
- Equipment Trust (HEETF)
  - Senate increases second year allocation by \$12.2 million for research equipment

# Other Higher Education

	House	Senate	Comments
VT Ext O & M	413,750	413,750	
VSU Ext Wildlife	125,000	125,000	
VMI UMA	0	275,000	
VIMS Blue Crab	0	148,514	
So Va HEC	0	125,000	
Sw Va HEC O & M	(117,500)	0	HAC uses Tobacco Funds
EVMS			
CWM Partner	50,000	200,000	
Medical Model	100,000	0	
SCHEV			
TAG	0	(3,770,783)	SFC elim 2nd year incr
VLDS	(135,295)	25,000	
CSAP	(4,413,750)	(2,100,000)	
Transfer Grant	0	450,000	
Operating Spt	50,000	0	
Subtotal SCHEV	(4,499,045)	(5,395,783)	
Grand Total	(3,927,795)	(4,108,519)	

# State Library & Museums

	House	Senate	Comments
Jamestown	75,000	75,000	
VMFA	64,354	0	
Comm for Arts	0	300,000	
SMV	0	200,000	Hampton Rds partnership
State Library			
Local Lib Aid	250,000	1,000,000	
Crozet Grant	125,000	0	
Wythe-Grayson	9,000	0	
Portsmouth	2,750	0	
Curator Position	0	100,000	
Subtotal Library	386,750	1,100,000	
Grand Total	526,104	1,675,000	

# Capital Outlay

# Capital Program

- House and Senate language is identical
- House and Senate amendments both provide:
  - Authority to move the 33 projects approved for planning in Chapter 3 to construction
  - Adjustments for small repairs, infrastructure and project priorities
  - Program financing by using no more than \$250 million in bond authorization a year
  - Re-programming of a \$120 million of unused previously authorized bonds from 2008 & 2010
  - Equipment for new buildings
  - Complete funding for projects in the Chapter 3 pool
  - Planning authority for the next 26 projects

# Transportation

# Transportation Items

- Dollar amendments are identical in the two budgets – all differences relate to language

## **Like Items in House and Senate Budgets:**

- Both bodies retained the proposed transfer of an additional 0.05% of the general sales and use tax to the Highway Maintenance and Operating Fund
  - Reflected as additional \$49.0 million in VDOT in FY 2014
- Both include language prohibiting the lease, sale or operation of a seaport prior to the completion of the General Assembly study and GA approval thereof
- Both restore language in Chapter 3 regarding the purchase of facility improvements from Orbital Sciences by the VCSFA
- Both restore language in Chapter 2 regarding hazardous materials dwell time by CSX
- Both include language regarding the development of a transportation enhancement program for Virginia Byways

# Transportation Items

## **Senate Amendments Not Included in House Budget:**

- Provides \$1.0 million in the second year for the Port Economic Development Zone grant program from the Governor's Opportunity Fund
- Includes language redirecting balances from a VTA of 2000 rail project for other passenger rail and station improvements
- Directs the use of \$200,000 in the second year for the Fast Ferry Demonstration Project in Hampton Roads
- Allocates \$2.0 million of DRPT funding for a U.S. Route 1 transit study in Fairfax County
- Adopts language regarding the eligibility requirements for the veteran's ID card issued by DMV

## **House Amendments Not Included in Senate Budget:**

- Includes language prescribing that MWAA must address U.S. I.G. recommendations prior to receiving Phase II funding
- Directs the Secretary of Transportation to investigate the feasibility and efficacy of purchasing the Dulles Greenway
- Directs the VPA to study improvements necessary to relocate the Commonwealth Rail Line in Suffolk

# **Agriculture and Forestry, Commerce and Trade, and Natural Resources**

# HB 30: Agriculture and Forestry

- House budget adds a total of \$525,000 and Senate budget adds \$1.2 million over the biennium

## **Like Items in House and Senate Budgets:**

- Both include general funds to restore a proposed cut to the local Purchase of Development Rights program. Senate includes \$400,000 and House includes \$150,000
- Both provide an \$125,000 GF in the first year to restore the Beehive Grant Funds
- Both include an increase of \$250,000 in the second year to increase the GF match to industry contributions in the Reforestation of Timberlands program
- Both recognize NGF revenue for a Forest Mitigation and Acquisition Fund and include language limiting future use of state forest lands for wetlands and stream impacts

## **Senate Amendments Not Included in House Budget:**

- Provides \$132,000 GF and 2 FTEs to hire grain inspectors. Amendment includes language directing the Commissioner to ensure NGF fees are sufficient to cover program costs
- Includes \$300,000 GF & 4 FTEs to restore 3 inspector positions and create a new business development position in the division of charitable gaming

# Commerce and Trade

- House budget included net reductions of \$5.4 million
- Senate budget included a net increase of \$1.2 million offset by \$10.0 transfer from area in Part 3

## **Like Items in House and Senate Budgets:**

- Both bodies rejected a new initiative of \$500,000 GF at the VEC to support an online job recruitment site
- Both restored 6 FTE positions and provided general fund support to re-establish the wage investigation section at the Department of Labor and Industry
  - Senate provides funding in FY 2013 as well as 2014

## **House Amendments Not Included in the Senate Budget:**

- Swaps the fund source for the FY 2014 Fort Monroe Authority appropriation from the general fund to the Governor's Opportunity Fund
- Includes language providing the MEI Commission additional time to consider incentive proposals brought to their consideration
- Eliminates a new initiative of \$500,000 GF at VEDP to assist defense contractors shift to the export business
- Provides \$50,000 and language to expand the See Virginia First program to the D.C. and Baltimore areas to leverage marketing in these key tourism markets

# Commerce and Trade

## **Senate Amendments Not Included in House Budget:**

- Senate sweeps \$5.0 million in accumulated balances in the Governor's Opportunity Fund in each year of the biennium
  - Additional amendment provides \$1.0 million for the Port Economic Development Zone from the GOF
- Provides \$1.5 million GF in the second year for permanent supportive housing and rapid re-housing
- Includes \$1.5 million GF at DMME in the second year for efforts to increase offshore wind energy industry in Virginia
- Includes \$210,408 GF in FY 2014 to provide a 10% increase in state support for all planning district commissions
- Provides \$500,000 to establish a Building Revitalization Grant Fund at DHCD pursuant to SB 748 (Stanley)
- Includes \$75,000 to restore the outdoor advertising program at Tourism
- Language adds second year funding of \$500,000 for the Virginia Sports Hall of Fame through a grant to the City of Portsmouth

# Public Safety

# Public Safety

## Sheriffs

- House adds \$431,080 GF in FY 2014 to partially exempt Western Tidewater Regional Jail from the Compensation Board's cost recovery methodology; Senate adds \$766,460 GF in FY 2014 to partial exempt both Western Tidewater and Piedmont Regional Jails
- Senate includes anti-nepotism language and deducts 10 percent of the funding for any constitutional officer not in compliance

## Criminal Justice Services and Juvenile Justice

- House adds \$1.3 million for grants to hire school resource officers and school security officers; Senate provides \$1.0 million for school resources officers conditioned on using "the intelligence-led policing model"
- Senate adds \$125,000 in FY 2014 to develop a critical incident training program for schools and colleges
- House saves \$185,364 by not expanding funding for PAPIS providers
- Senate provides \$100,000 in FY 2014 to provide two grants for the expansion prisoner reentry and substance abuse services
- Senate includes language directing studies of lethality assessment programs and putting alcohol monitoring devices on first DUI offenders

# Public Safety

## Corrections

- House provides \$800,000 in FY 2013 and \$2.9 million in FY 2014 to open River North Correctional Center in October 2013 rather than January 2014
- House captures \$295,500 in savings in FY 2014 from eliminating a proposed interface between DOC and Social Services and the provision of re-entry workshops; Senate does not
- Senate requires DOC, DMAS, and DSS to work with local and regional jails to enroll their offenders in Medicaid

## Homeland Security and Veterans Issues

- House captures \$250,000 state match for defense contractor database; Senate directs this funding be used to produce National Guard ID cards

# **Agriculture and Forestry, Commerce and Trade, and Natural Resources**

# Natural Resources

## Natural Resources Bond Projects

- House provides \$216.0 million; Senate provides \$219.0 million. Difference largely due CSO projects
  - House provides \$70 million -- \$40.0 million for Richmond and \$30.0 million for Lynchburg
  - Senate provides \$78 million -- \$49.9 million for Richmond and \$28.1 million for Lynchburg
  - House also includes a project improving the supply of drinking water for five central Virginia localities and Appomattox River streamflow

## Support for Soil and Water Conservation Districts (SWCDs)

- House includes \$470,000 in FY 2014 in additional operational support for SWCDs
- House provides \$254,000 to increase maintenance on the 104 dams owned by SWCDs

## Dam Safety

- House provides \$231,706 to complete the renovation of a high hazard dam for which improvements began in FY 2013; Senate provides \$1.0 million to address two dams

# Natural Resources

## Water Quality Improvement Fund

- House allocates \$1.3 million of the WQIF deposit for the WQIF Reserve

## State Parks and Natural Areas

- House includes \$675,000 to purchase equipment and operate the newly completed Powhatan State Park; Senate provides \$600,000 for park
- Senate includes \$50,000 for additional access to Natural Area Preserves

## Other Organizations

- Senate provides \$100,000 in FY 2014 for the Interstate Commission on the Potomac River Basin's dues, \$80,000 in FY 2014 for the Chesapeake Bay Foundation's education field studies and \$100,000 in FY 2014 to preserve the colonial church tower at Historic Jamestowne

## Civil War Historic Site Preservation and Marine Resources Commission

- House provides \$300,000 in FY 2014 for the Civil War Historic Site Preservation Fund; Senate provides \$500,000
- House reduces oyster replenishment in FY 2014 by \$500,000 and captures \$221,572 GF for replacing federal funds for four positions

# **Technology, Oversight, and Government Activities**

# Technology and General Provisions

## Technology

- House adds \$2.5 million in FY 2014 for the cyber-security accelerator; Senate provides \$1.0 million
- Senate directs the Auditor of Public Accounts to audit the CGI Enterprise Applications Master Services contract and its use
- Senate requires a report from the CIO about infrastructure transition timelines; how VITA tries to ensure the market competitiveness of the NG contract; whether Virginia's needs are met; and the options available to Virginia when NG's contract expires

## General Provisions

- House requires that the Governor supply half-sheets when amending any Appropriation Act
- Senate directs that all parking in front of Old City Hall and the Patrick Henry Building be under the control of the Clerks