

HB 1500

Budget Conference Highlights

February 23, 2013

Resolution: Major Differences

Area of Government	House	Senate	Conference
Public Education	<p>Salary Increases: Fund 11 months for teachers (\$53.5 m.), 6 months for support pers. (\$9.1 m.)</p> <p>COCA: \$6.1 million</p> <p>Strategic Compensation: \$7.5 m.</p>	<p>Salary Increases: Fund 12 months for teachers (\$58.5 m.) and support personnel (\$18.2 m.)</p> <p>COCA: \$12.6 million</p> <p>Strategic Compensation: \$3.0 m.</p>	<p>Salary Increases: \$70.2 million for 11 months of 2% salary for teachers and support positions</p> <p>COCA: \$9.4 million</p> <p>Strategic Compensation: \$5.5 m.</p>
Compensation	<p>\$30.4 m. for salary adjustments – includes compression component - \$50 per year service for state employees</p>	<p>\$38.7 for salary adjustments</p> <p>\$3.8 m. add'l for adjustments for specific employee groups</p>	<p>Chapter 3 provided a 2% increase for all groups in FY 2014.</p> <p>Increases in HB 1500 include:</p> <p>State Employee: House compression concept at \$65/year service (\$70/year for state troopers)</p> <p>Faculty, Judges and State-support locals at additional 1%</p>

Resolution: Major Differences

Area of Government	House	Senate	Conference
Health and Human Resources	<p>Reforms existing Medicaid program. Expansion contingent upon fed'l and GA reform approval, Escape clause included</p> <p>Disability Services: \$7.7 m for 200 ID waiver slots and 50 DD waiver slots, \$5.1 m. for ID crisis services, \$3.8 m. for increase waiver rates for individuals with exceptional needs</p> <p>Provider rates: \$300,000 for \$5/day day increase for adult day health care</p> <p>Behavioral Health: \$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>Disability Services: \$7.7 m for 200 ID waiver slots and 50 DD waiver slots, \$5.1 m. for ID crisis services, \$3.8 m. for increase waiver rates for individuals with exceptional needs</p> <p>Provider rates: \$5.5 m. for 10% private duty nursing, \$10/day for adult day health care, 5% Aux Grants</p> <p>Part C Services: \$3.0 million</p> <p>Behavioral Health: \$750k for discharge assistance, \$1.0 m. for children's crisis services</p>	<p>Reforms existing Medicaid program. Expansion contingent upon reform and approval by legislative Medicaid Innovation and Reform Commission</p> <p>Disability Services: \$7.7 m for 200 ID waiver slots and 50 DD waiver slots, \$5.1 m. for ID crisis services, \$3.8 m. for increase waiver rates for individuals with exceptional needs</p> <p>Provider Rates: \$4.3 m. for 5% private duty nursing, \$10/day for adult day health care, 3% Aux Grants</p> <p>Part C Services: \$8.3 m.</p> <p>Behavioral Health: \$900k children's crisis services, \$900k therapeutic drop-off centers, \$600k mental health first aid, \$500k suicide prevention</p>

Resolution: Major Differences

Area of Government	House	Senate	Conference
Higher Education	<p>Increased general operating support</p> <p>Funded add'l slots at UVA, Va Tech, WM, and JMU</p>	<p>Increased funding for financial aid</p>	<p>Provides \$3.4 million for add'l slots at UVA, Va Tech, WM, and JMU</p> <p>Provided \$8.6 increased funding for financial aid</p> <p>House research funding of \$4.0 million</p>
Commerce and Trade	<p>Used \$2.55 m. from AG Settlement for Housing</p> <p>Used \$5.1 million GOF for Fort Monroe</p> <p>Increased cap on Angel Investor Tax Credit</p>	<p>Used \$1.5 million for housing programs</p> <p>Captured \$10.0 m. GOF balances</p> <p>Provided \$1.5 m. for offshore wind energy</p>	<p>\$2.0 million for Housing Trust Fund and other housing programs</p> <p>Captures \$7.5 million GOF balances</p> <p>Increased cap on Angel Investor Tax Credit</p> <p>Provides \$1.0 million for offshore wind energy</p>

Resolution: Major Differences

Area of Government	House	Senate	Conference
Natural Resources	Provided \$216.0 million for bond projects	Provided \$219.0 million for bond projects	Provides \$221 for natural resources bond projects
Public Safety	Opened Grayson Prison October 2013 vs. January 2014 \$1.3 million for school resource officers	No action beyond introduced budget \$1.0 million for school resource officers	Opened Grayson Prison October 2013 vs. January 2014 \$1.3 million for school resource officers
General Government	Additional Rainy Day fund pre-deposit of \$49.0 million	No RDF beyond introduced budget. Created new Financial Flexibility Reserve Fund with \$36.0 million	Additional Rainy Day Fund reserve of \$45.0 million
Technology	Provided \$2.5 million for cyber-security accelerator	Provided \$1.0 million for accelerator	Provides \$2.5 million for cyber-security accelerator

Revenue Changes HB 1500 Conference Report

ADDITIONS TO BALANCES

Balances from Natural Disaster Setaside	12,037,553
Legislative Balances	1,625,771
Revert DSS - Auxiliary Grant Balances	500,000
Revert Indigent Care Commission Balances	238,000
Department of Social Services SSBG Balances	2,371,057
Revert Judicial Balances	3,012,372

ADDITIONS TO REVENUES

Reflect Update to Federal Conformity	14,245,000
Revised Calculation of Sales Tax Shifted to TTF	(900,000)
Reflect HB 2155/SB 780 (Open Enrollment Requirement)	7,000,000
Increase Cap Qualified Equity and Subordinated Debt Credit	(500,000)
Reflect HB 2059 (Tax Credit for Participating Landlords)	200,000

CHANGES TO TRANSFERS

Reflect Mortgage Servicing Settlement/AG Fund Balances	6,800,000
Retain MSA Arbitration Prevention Portion	3,937,000
Capture GOF Balances	7,500,000
ABC Profits Reforecast	5,846,260
Transfer VASAP balances	600,000
Department of Health Community Health Services balances	175,000

Total Changes: Revenues/Resources **\$64,688,013**

Final Unappropriated Balance After Resource and Spending Adj. **\$10,042,864**

Public Education

2% Salary Incentives , COCA and Strategic Compensation Grants

- **Teachers and Support Salary Incentive:** Provides \$70.2 million (11 months) for the state's share
 - 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
 - Includes language that school divisions cannot count the phase-in of the VRS swap as its local match
- **COCA supplement for Support Positions:** Provides \$9.4 million in the second year
 - All full school divisions at 7.0%
 - All partial school divisions at 1.8%
- **Strategic Compensation Grants:** Provides \$5.5 million in second year

Other K-12 Initiatives in FY 2014

- **School Security:** 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
- Supplants \$6.1 million GF in VRS costs with Literary Fund from revenue generated by allowing an add-on for costs of outside collection agency
- Eliminates language for a prospective funding methodology for school nurses for the 2014-16 rebenchmarking cycle
- Includes language that expands eligibility for the STEM Teacher Recruitment & Retention Bonus to include middle school grades & 2nd & 3rd year experienced teachers

Other K-12 Initiatives in FY 2014

- **School Division Consolidation Issues**
 - 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
 - Changes the period of time that DOE would use the new blended LCI after a consolidation from 15 years to a range between 5 & 15 years
 - Adds language directing JLARC to analyze the costs of incentives for consolidation and identify possible savings by October 1, 2014
 - Requires Bedford to undergo a School Efficiency
- Any school division that is participating in an existing consolidation is exempt from these policy changes

Other K-12 Initiatives in FY 2014

- **Virginia Teaching Scholarship Loan Program:** Adds \$708,000 in the second year
 - Increases the tuition amount from \$3,720 to \$10,000
 - Adds eligibility to top 10% of high school class
- **Year-Round Schools:** Provides \$412,500 for planning grants up to \$50,000 to divisions interested in submitting application to DOE for new year-round programs
 - Nine existing year-round programs can apply for any balances
 - Includes language for voluntary survey to school division superintendents to determine levels of statewide interest
- Adds \$129,500 for a new STEM learning initiative for Pre-K & kindergarten students
- **Opportunity Educational Institution:** provides \$150,000 in FY 2014 to pay first year start-up costs related to operating board
 - Also adds language to define the framework for the Institution and its general operations
- **Virginia Longitudinal Data System:** provides \$120,000 the second year for additional VITA related costs

Compensation and Retirement

Employee Compensation Adjustments

Compared to Introduced Budget

(\$ in millions)	Conference
State Employees	\$24.7
University Faculty	\$7.3
State Supported Local	<u>\$8.3</u>
Total	\$40.3

- Conference Report includes a 2% raise for state employees plus a compression adjustment of \$65 per year of service
 - Employees must have at least 5 years of service to receive compression adjustment and it is capped at 30 years
 - Compression add-on \$70 per year of service for State Police
- Provides a 3% salary increase for faculty and state supported local
- Effective date:
 - State employees and faculty – July 25, 2013
 - State supported local – August 1, 2013

Other Compensation and Retirement Funding Actions

(\$ in millions)

	Conference
Adjust Funding – State Employee Health Insurance	(\$7.0)
Fund UVA Health Plan Insurance Premiums	\$0.5
2 nd year Funding for Career Development Programs	\$1.0
Actuarial Review of Including Locals in State Employee Health Insurance	\$0.1
Total	(\$5.4)

Significant Language Amendments

■ Expedite Repayment of VRS Deferred Payments

- Language amendment sets aside any surplus FY 2013 revenues, up to \$100 million, after the required payments to the rainy-day fund, WQIF fund and FACT Fund, to expedite the repayment to the VRS for the payments deferred in the 2010-12

■ Review of State Employee Compensation

- Secretaries of Finance and Administration to lead a workgroup to review state employee compensation
 - ✓ Languages instructs the work-group to include as a priorities a review of compensation for public safety related personnel and compensation for deputy clerks in the district courts
 - ✓ Preliminary recommendations due November 2013, with final report due June 30, 2014

Health and Human Resources

Summary of Proposed HHR Spending and Savings Actions

- Conference report focuses on meeting critical needs:
 - Waiting lists for Medicaid ID/DD waiver services
 - Targets behavioral health services for children and adults
 - Addresses 2nd year holes in the safety net
- Savings amendments focus on technical adjustments & scaling back new initiatives
 - Medicaid
 - Virginia Health Care Fund
 - Department of Social Services
- Addresses Medicaid reform and expansion

Intellectual & Developmental Disability (ID/DD) Svs.

- Amendments address ID / DD Waiting Lists
 - 200 additional ID waiver slots in FY 14 (\$6.8 million GF and \$6.8 million NGF in Medicaid budget)
 - 50 additional DD waiver slots in FY 14 (\$869,800 GF and \$869,800 NGF)
- Expand community crisis services for adults and children dually diagnosed with intellectual disabilities and co-occurring mental health or behavioral disorders
 - \$3.8 million GF to expand adult crisis services
 - \$1.3 million GF to create crisis services for children
- Provides \$3.7 million GF in 2014 to increase Medicaid payments by up to 25% for congregate care for ID waiver recipients with the most complex medical or behavioral needs
 - Must be transitioning from an institution to the community or at imminent risk of institutionalization
- Language requires the Commissioner of the Dept. of Behavioral Health and Developmental Services to provide quarterly reports on the transition of individuals from state training centers to the community

Behavioral Health Services

- Provides \$2.9 million in FY 2014 to address recommendations by the Governor's Taskforce on School and Campus Safety
 - \$900,000 GF for children's mental health crisis services
 - \$900,000 GF for therapeutic assessment drop-off centers to provide an alternative to incarceration for people with serious mental illness
 - \$600,000 GF to provide mental health first aid training across the Commonwealth
 - \$500,000 GF to provide a comprehensive statewide suicide prevention program
- Adds \$1.5 million GF to expand discharge assistance programs
 - Addresses a waiting list of more than 150 individuals who are ready for discharge from state mental health hospitals to the community
- Provides \$2.3 million GF in FY 2013 and \$6.0 million GF in FY 2014 for Part C Early Intervention Services for Infants and Toddlers
- Restores \$700,000 GF in FY 2014 to maintain bed capacity at Northern Virginia Mental Health Institute
- Adds language and allocates funds for DBHDS to preplan the construction/renovation of an additional facility to house and treat sexually violent predators who are civilly committed
 - Capacity at existing facility will be reached in 2015

Address Safety Net

- Provides \$2.0 million GF and matching federal funds to restore Medicaid eligibility for long-term care services effective Jan. 1, 2014
 - Restores eligibility from 267% to 300% of Supplemental Security Income (SSI)
 - Will ensure that individuals on Medicaid waiver programs do not lose eligibility
- Restores \$1.0 million GF for poison control services
 - Chapter 3 provided \$500,000 in FY 2013 only pending a review of the funding needed to support poison control services statewide through 2 centers
- Restores \$967,944 GF and \$696,362 NGF and 20 positions in FY 2014 for dental services provided through local health departments
 - Chapter 3 restored this funding for FY 2013 only, pending a report on transitioning to a preventive model
 - Advisory panel needs more time to ensure services can be transitioned appropriately to a preventive services model

Medicaid Services & Operations

- Adds \$916,624 GF and federal matching funds for nursing home reimbursement
 - Reduces the occupancy requirement for nursing home payments for indirect and capital costs from 90% to 88%
 - Adds language to authorize the development of a new nursing home reimbursement system to provide better incentives for cost effectiveness
- Adds \$800,000 for the Center for Health Innovation for grants
- Provides \$754,854 GF and \$754,854 NGF to increase payments for Private Duty Nursing Services by 5%
- Adds \$667,000 GF and federal matching funds to provide a \$10.00 per day increase in adult day health care services
- Adds \$650,784 GF and \$1.9 million NGF and 4.0 positions in FY 2014 to implement the dual eligible managed care demonstration program
- Adds \$200,00 GF and \$200,000 NGF and 4.0 positions in FY 2014 to enhance data collection, analysis and outcome measurement of reform initiatives

Medicaid Reform & Expansion

- Language requires the Department of Medical Assistance Services to seek federal authority to implement a comprehensive reform of the Virginia Medicaid/FAMIS programs
 - Benefit design similar to commercial health insurance, participant cost-sharing, coordinated purchasing, and administrative simplification
 - Provides for development and implementation of innovative pilots to improve quality and bend the cost curve
- Reform would be phased in:
 - Continues current reform efforts (dual eligible demonstration program, managed care for foster care children, eligibility and enrollment systems changes)
 - Implements reforms for current Medicaid enrollees subjected to the new MAGI eligibility (primarily women & children and elderly and disabled not receiving long-term care services)
 - Expands reforms to remaining Medicaid enrollees in waiver programs (includes those enrolled in long-term care waivers)
- Sets up new legislative Medicaid Innovation and Reform Commission to review, recommend and approve reform proposals
 - Medicaid expansion is subject to approval by the Commission if reforms are obtained
 - If approved, agency can implement expansion by July 1, 2014 or as soon as feasible thereafter
- Provides for the ability to “opt out” of the expansion if federal financial participation is reduced for new or current Medicaid enrollees
- If Medicaid expansion is approved, creates a special fund to capture general fund savings attributable to Medicaid expansion (behavioral health services, inmate health care and indigent care) and offset future costs of new population
 - Allows up to \$3.5 million to be used for health innovations to bend the cost curve and improve health care delivery

Social Services

- \$2.0 million GF for a 3% rate increase for Auxiliary Grants for individuals in assisted living facilities
- Adds \$828,734 NGF and \$1.5 million GF in FY 2014 to increase adoption of children in foster care through recruitment and post-adoptive supports for adoptive families
- Restores \$500,000 GF in FY 2014 to the Virginia Early Childhood Foundation
- Provides \$250,000 GF in FY 2014 to implement a pilot program to test a kindergarten readiness assessment tool for statewide application by the South Hampton Roads Smart Beginnings coalition
- Restores \$350,000 GF and \$200,000 in TANF Healthy Families of Virginia
- Restores \$200,000 GF and \$400,000 in TANF in FY 2014 for Comprehensive Health Investment Project of Virginia
- Adds \$522,286 GF and \$1.9 million NGF from enhanced federal Medicaid matching funds and 8 positions to increase the agency's management and technical support for the eligibility modernization initiative

Disability Services

- Conference report restores \$1.3 million GF in FY 2014 for vocational rehabilitation services
- Restores \$250,000 in FY 2014 for personal assistance services
- Restores \$105,000 in FY 2014 for brain injury services

Major HHR Savings Changes

- \$25.6 million GF in FY 2013 by recognizing one-time revenue from the arbitration settlement with tobacco companies as part of the Tobacco Master Settlement Agreement
 - Dispute related to non-participating manufacturer adjustments
 - Savings reflected in Medicaid and the Virginia Health Care Fund and includes a Part 3 transfer of the funds from the Tobacco Settlement Fund
- \$15.9 million GF over the biennium in offsets to the Medicaid program from additional Virginia Health Care Fund revenue
 - Additional cigarette tax collections based on current trends
 - Additional Medicaid recoveries from OAG Medicaid Fraud Control Unit
- \$4.0 million GF over the biennium by eliminating new initiatives
 - \$3.0 million in FY 2013 by eliminating use of Virginia Health Care Fund revenue for the Foundation for Health Innovation
 - \$1.0 million GF in FY 2014 by eliminating a \$1,000 recognition payment for adoptive families
- \$2.3 million GF in FY 2013 from prior year refunds in DSS
- \$1.5 million GF in FY 2014 in savings to the Medicaid forecast due to implementation of federal healthcare reform
- \$1.3 million by recognizing saving from delays in the eligibility systems modernization project

Higher Education

Allocations to Colleges and Universities

- \$3.4 million to continue progress for 1,700 additional in-state undergraduate seats at CWM, UVA, VT and JMU
- \$2.1 million for institution-specific initiatives, which includes \$1.0 million for expansion of GMU STEM
- \$11.0 million for projected enrollment growth, incentive funds & base operating support
 - Provides for new faculty, operations and maintenance, library materials, and technology
 - Improve retention, graduation and time to degree
- \$4.1 million for research & economic development
 - \$1.0 million each at UVA & VCU for cancer research
 - \$1.0 million at VT for brain injury
 - \$1.0 million for economic development accelerator initiative at UVA
- \$6.9 million for a total faculty salary increase of 3 percent
 - The funds provide an additional 1% to the 2% already contained in Chapter 3

Allocations to Colleges and Universities

Institution	GF Amount \$ in millions	Institution	GF Amount \$ in millions
CNU	\$0.4	UVA	4.1
CWM	0.7	UVA-W	0.3
GMU	2.5	VCU	2.6
JMU	2.1	VMI	0.2
LU	0.3	VT	3.1
UMW	0.3	VSU	0.3
NSU	0.5	RBC	0.2
ODU	5.2	VCCS	4.3
RU	0.7	Total	\$27.7

Other Major Higher Education Budget Recommendations

- \$3.0 million for TAG to increase awards from \$2,800 to \$3,100
- \$8.6 million for in-state undergraduate financial aid
- \$5.7 million to eliminate higher education from the \$13 million turnover / vacancy reversion in the Central Accounts
- Equipment Trust Fund (HEETF)
 - \$500,000 in workforce equipment to implement the Business Machinery Program outlined in HB 1767 (Watson)
 - Research allocation in the second year allocation increases by \$6.1 million for a total of \$12.2 research equipment in FY 2014

Other Higher Education

- \$600,000 for the unique military program at VT
- \$275,000 for the unique military program at VMI
- \$600,000 for the Virginia Military Survivors and Dependents program (VMSDEP) to increase stipend to \$1,800
- \$413,750 for VT extension for operation and maintenance
- \$125,000 for VSU Extension wildlife specialist
- \$148,514 for VIMS Blue Crab Survey
- Support for higher education centers
 - \$117,500 for SW Va Higher Ed Center
 - \$125,000 for Southern Va Higher Ed Center
- \$200,000 at CWM to continue to examine collaborative programs opportunities with EVMS
- \$250,000 for medical modeling at EVMS
- \$0.6 million for local library aid

Capital Outlay

Capital Outlay Program

- Builds on the principles outlined in Del Putney's 2008 legislation to provide for a systematic, business like approach to capital outlay
- Chapter 3 authorized 33 projects to begin / continue detailed planning
 - The projects have a construction value of around \$900 million
- Conference report recommends authorizing all 33 projects to complete planning and move to construction phase
 - As the Chairman's 2008 legislation envisioned agencies are required to submit planning documents to DGS for review and approval
 - Project cash flows / draws must be submitted
- Program is financed by using no more than \$250 million in bond authorization a year
 - This is less than ½ of the annual debt capacity
 - Because of cash flows, program would likely proceed over a 3 to 5 year period
 - Average annual debt service would not exceed 4.5% of revenues which is well below the state's 5% average annual debt service policy
 - Program would also utilize about \$122.5 million of unused previously authorized bonds
 - ✓ Savings from the 2008 & 2010 capital authorizations

Capital Outlay Program

- Program also accommodates adjustments for repairs, infrastructure or other small project priorities such as:
 - GMU Utility Plant
 - VSU Water Storage Tank and Water Distribution Piping
 - Water Line at Powhatan Correctional
 - VMFA Robinson House Repairs
 - Powhatan State Park Access Road
 - State Library Repairs & Security Improvements
 - State Police Area Offices (14, 16 & 26)
 - Widewater State Park
 - State Park Cabins
 - Lord Fairfax CC Sowder Hall Repairs
 - Veterans Care Centers in Hampton Roads & Northern Virginia

Other Capital Actions

- \$5.9 million for equipment for new buildings
 - GMU Prince William Life Science Building
 - GMU Science & Technology
 - SMV Danville Center
 - New College Equipment
- \$16.5 million to complete funding for previously approved projects
 - War Memorial DVS Offices & Parking
 - GMU Hylton Center
 - Roanoke Higher Education Center Waterproofing
 - JMU West Wing Rockingham Hospital Renovation
- \$18.8 million NGF primarily for higher education projects such as dorms and athletic facilities
- Language identifies the next group of projects for planning
 - 17 projects already identified in Chapter 3
 - 10 projects added to the list for preplanning

Transportation

Transportation Items

- Dollar amendments were identical in the two budgets and have remained unchanged – all differences were related to language
- Conference report reflects the transfer of an additional 0.05% of the general sales and use tax to the Highway Maintenance and Operating Fund - an additional \$49.0 million in VDOT in FY 2014 – pursuant to HB 2313
- Includes language prohibiting the lease, sale or operation of a seaport prior to the completion of the General Assembly study and GA approval thereof
 - Includes additional language clarifying that this does not prohibit the Port Authority from entering into a lease for a portion of a port facility for the movement of non-containerized cargo if such lease does not materially affect the ownership or operation of the port facility as a whole
- Includes language regarding the development of a transportation program for National and Virginia Scenic Byways

Transportation Items

- 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
- Directs VDOT to initiate the EIS for the High Rise Bridge in Chesapeake up to \$5.0 million
- 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 and Commerce and Trade

Agriculture and Forestry

- Conference reports adds a total of \$857,000 to the Secretariat over the biennium
- Restores \$200,000 to the local Purchase of Development Rights program, bringing the FY 2014 total to \$1.0 million
- Restores \$125,000 GF in the first year for the Beehive Grant Fund
- Increases by \$250,000 in the second year the GF match to industry contributions in the Reforestation of Timberlands program
- Provides \$132,000 GF and 2 FTEs to hire grain inspectors.
- Includes \$150,000 GF & 2 FTEs to restore 2 inspector positions in the division of charitable gaming

Commerce and Trade

- Conference Report includes an increase of \$2.7 million for the Secretariat of Commerce and Trade
- Provides \$2.0 million to address housing issues from the revenues generated by the settlement with the mortgaging servicing company
 - \$1.0 million added to the Housing Trust Fund
 - \$1.0 million for permanent supportive housing and rapid re-housing
- Includes \$1.0 million GF in the second year for offshore wind energy
- Increases Angel Investor Tax Credit to \$4.5 million in TY 2013 and \$5.0 million in TY 2014
- Provides \$308,206 to restores 6 FTE positions to re-establish the wage investigation section at the Department of Labor and Industry
- Provides \$50,000 and language to expand the See Virginia First program to the D.C. and Baltimore areas and \$75,000 to restore the outdoor advertising program at Tourism
- Transfers \$5.0 million in FY 2013 and \$2.5 million in FY 2014 of accumulated balances in the Governor's Opportunity Fund. Also provides \$1.0 million for the Port Economic Development Zone from the GOF

Natural Resources

Natural Resources

Natural Resources Bond Projects

- Provides \$221.0 million in bonds for the following:
 - \$101 million for wastewater treatment plant upgrades
 - \$75 million for combined sewer overflow projects -- \$45.0 million for Richmond and \$30.0 million for Lynchburg
 - \$35 million for stormwater management projects in MS-4 permitted localities
 - \$5 million for a nutrient removal project in Hopewell
 - \$5 million for improving the supply of drinking water for five central Virginia localities and streamflow in the Appomattox River

Support for Soil and Water Conservation Districts (SWCDs)

- Includes \$300,000 in FY 2014 for additional operating support
- Provides \$254,000 to increase maintenance on the 104 dams owned by SWCDs

Dam Safety

- Provides \$231,706 GF in FY 2014 to complete the renovation of a high hazard dam for which improvements began in FY 2013
- Adds \$400,000 to match federal funds from the NRCS for the renovation of Todd Lake Dam in Augusta County
- Includes \$500,000 GF in FY 2014 for repairs to the Lake Jackson Dam in Prince William County

Natural Resources

Water Quality Improvement Fund

- Allocates \$1.3 million for deposit into the WQIF Reserve

State Parks and Natural Areas

- Includes \$600,000 GF to purchase equipment and operate the newly completed Powhatan State Park

Other

- Provides \$400,000 in FY 2014 for the Civil War Historic Site Preservation Fund
- Reduces oyster replenishment in FY 2014 by \$500,000 GF and captures \$221,572 GF for replacement federal funding for four positions

Public Safety

Public Safety

Sheriffs

- Adds \$766,460 GF in FY 2014 to partially exempt Western Tidewater and Piedmont Regional Jails from the Compensation Board's cost recovery methodology
- Reduces jail per diems by \$540,000 GF in FY 2014 due to the transfer of state-responsible offenders from state and local jails to the River North Correctional Center
- Directs the Compensation Board to work with local and regional jails to determine if any portion of their local offenders' hospitalization costs could be paid by the federal government

Criminal Justice Services and Juvenile Justice

- Adds \$1.3 million GF in FY 2014 for grants to hire school resource officers and school security officers to serve in elementary, middle, and high schools
- Includes \$202,300 GF in FY 2014 to develop a model for critical incident response and threat assessment team training programs
 - Represents the costs HB 2344 and HB 2345, which were recommended by the Governor's Task on School and Campus Safety
- Saves \$1.0 million GF in FY 2014 to adjust the teaching ratios to reflect the decline in the number of juvenile offenders

Public Safety

Corrections

- Provides \$800,000 in FY 2013 and \$2.9 million in FY 2014 to open River North Correctional Center in October 2013
- Includes \$1.5 million GF in FY 2014 for criminal sentencing legislation

Homeland Security and Veterans Issues

- Provides \$6.2 million GF in FY 2014 for the Commonwealth's share of commitment for encroachment issues for BRAC Oceana and \$3.0 million for the elimination of encroachment near Langley Air Force Base from the FACT Fund
- Provides \$300,000 GF in FY 2014 to enhance employment opportunities for returning military veterans or disabled veterans
- Saves \$250,000 GF in FY 2014 eliminating the state match for a federal grant to create a database on defense contractors

Technology, Oversight, and Government Activities

Technology and General Provisions

Technology

- Adds \$2.5 million in FY 2014 for the cyber-security accelerator at the Center for Innovative Technology
- Directs the Auditor of Public Accounts to audit the CGI Enterprise Applications Master Services contract and its use
- Requires the CIO to report 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

- Requires that, beginning in CY 2014 (the 2015 Session), the Governor use half-sheets when amending any existing Appropriation Act

General Government

Major General Government

■ Revenue Stabilization Fund:

- Conference Report increases the reserved amounts for the 2014-16 Rainy Day Fund deposits from the \$50.0 million proposed by the Governor to \$95.0 million

■ Judgeships

- Conference Report recommends filing 5 judicial vacancies in addition to the 15 proposed in the introduced budget
 - ✓ One each for the 2nd, 19th, and 20th circuit
 - ✓ One for the 17th general district
 - ✓ One for the 21st Juvenile & Domestic Relations Court

Administrative and Finance Secretariats

■ Administration Secretariat

- Provides \$606,439 GF to the Department of Human Resources Management to fund the operation of the new Time, Attendance and Leave system
- State Board of Elections – Provides \$166,250 GF to fund the cost of SB 1256 (Voter Photo Identification Legislation)

■ Finance Secretariat

- DPB - Includes \$225,000 GF to address the waiting list for the school efficiency review program

Other General Government Actions

■ Legislative Branch:

- Includes \$2.2 million in savings from reversions and transfers to the General Fund from legislative agencies

■ Judicial Branch:

- Legal Aid: Provides an additional \$700,000 GF to support services through the Legal Services Corporation of Virginia
 - ✓ Rejected Senate amendment to provide \$3.25 million NGF through a \$4.00 filing fee increase

■ Executive Offices:

- Provides an additional \$250,000 to the Attorney General to enhance tobacco enforcement efforts