April 11, 2020

TO:    HOUSE OF DELEGATES

        HOUSE BILL NO. 29

I approve the general purpose of this bill, but I am returning it with a request for the adoption of
37 amendments. I am grateful to each member of the House of Delegates and the Senate of
Virginia for your dedicated work and your timely passage of this budget.

In a typical year, House Bill 29—known as “the caboose bill”—receives only technical revisions
since it adjusts only the final few months of the current fiscal year that ends on June 30. COVID-19
makes this year different. I am proposing the following measures to ensure that we are able to
respond to the pandemic between now and June 30. (Additional changes will be required in
House Bill 30.)

First, I have authorized “sum sufficient” increases of $55.5 million for the Virginia Department
of Emergency Management and other affected agencies, as well as a $2.5 million deficit for the
Department of Housing and Community Development. These commitments must be recognized
in the adjustments to the balance of funds available for appropriation. The authorizations are due
to the state of emergency declared in Executive Order 51.

Second, I am recommending an increase of $50.0 million in general fund appropriation in
Central Accounts. This is necessary to provide a source of funds for unbudgeted expenses related
to COVID-19, including any state match that may be required to secure federal assistance. An
early review indicates that some federal assistance likely will require matching dollars. Examples
include grants for veterans care, elections, and potential alternative care facilities.

Third, I am proposing to defer the voluntary deposit to the revenue reserve fund that is scheduled
for the end of this fiscal year. The prudent course of action is to retain as much liquidity as
possible, at least until we have a better picture of the economic and revenue impacts of COVID-19.
This action will add $601.8 million to our available balances to guard against expected
revenue losses this fiscal year.
Finally, I am proposing to relax specific requirements and to offer greater flexibility to our agencies and institutions of higher education as they conduct business during COVID-19. The current budget includes provisions that are creating barriers to helping communities during this crisis. These include limits on accepting donations and grants, expanding or changing services, and creating new services.

I am proposing language to give temporary authority to the Department of Medical Assistance Services to make immediate changes to its medical assistance programs. I am proposing similar flexibility for the Department of Social Services to make immediate changes to program eligibility and enrollment. Any change sought by these agencies would be subject to the Governor’s approval and any program changes will expire when the emergency declaration ends.

In addition, I am proposing amendments to the General Provisions to allow the Governor and state agencies to respond to the specific impacts of COVID-19. These proposals are limited to the current crisis and do not seek broad changes in authority.

Other examples of emergency-related flexibility include:
- provisions to increase per diem rates for nursing homes and specialized care;
- use of federal CARES Act funds to provide incentive grants to child care providers, emergency child care, elimination of co-pays for subsidy program participants, and the extension of absence days to temporarily closed centers;
- provisions to move the May 5 local elections to November;
- provisions authorizing the Director of the Department of Corrections to discharge certain offenders who have less than one year remaining on their sentences;
- provisions to abate interest on late state income tax payments;
- provisions for public bodies to meet electronically when circumstances related to an emergency—such as social distancing—make it impractical to meet in a single location;
- enabling institutions of higher education to manage their funds to provide liquidity;
- flexibility for agencies in meeting required reporting deadlines; and,
- provisions to allow the Superintendent of Public Instruction to grant temporary flexibility or waivers for certain deadlines and requirements that cannot be met due to the state of emergency or school closures resulting from COVID-19.

I propose 37 amendments. Thirty are language-only changes and seven change spending. One reduces total general fund spending by $601.8 million; two transfer funding between agencies for a net zero impact; two increase general fund spending by a total of $50.3 million; and two are nongeneral fund changes only. The net is to reduce general fund spending by $551.5 million.
These changes will increase the unappropriated balance from $691.8 million to nearly $1.2 billion. We can expect to need these balances given the financial uncertainty we face.

Sincerely,

Ralph S. Northam
2020 Reconvened Session

HB 29 Executive Amendments
Amendment 1: Reflect COVID-19 sum sufficient and deficit authorizations

Item 0

Revenues

Language:

Page 1, line 34, strike “($1,304,398,888)” and insert “($1,362,416,187)”.
Page 1, line 34, strike “($2,027,674,934)” and insert “($2,085,691,693)”.
Page 1, line 42, strike “$23,299,946,475” and insert “$23,241,929,176”.
Page 1, line 42, strike “$44,974,374,756” and insert “$44,916,357,457”.
Page 2, line 13, strike “$63,481,926,137” and insert “$63,423,908,838”.
Page 2, line 13, strike “$126,747,018,968” and insert “$126,689,001,669”.

Explanation:

(Changes additions to balance on the front page to reflect executive actions taken in response to the COVID-19 pandemic. Actions include a $55.5 million sum sufficient disaster declaration authorization and a $2.5 million deficit authorization for housing.)
Amendment 2: Reverse transfer of Executive Mansion operations to DGS

Item 51

<table>
<thead>
<tr>
<th>Executive Offices</th>
<th>FY 18-19</th>
<th>FY 19-20</th>
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</thead>
<tbody>
<tr>
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<td>$33,706</td>
</tr>
<tr>
<td></td>
<td>0.00</td>
<td>4.00</td>
</tr>
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</table>

Language:
Page 13, line 5, strike "$4,311,895" and insert "$4,345,601".

Explanation:
(This amendment reverses the transfer of Executive Mansion staff from the Office of the Governor to the Department of General Services and maintains the existing supervisory roles that have been in place since 2016. This is a net neutral transfer. A companion amendment to Item 80 removes these amounts from the Department of General Services.)
Amendment 3: Reverse transfer of Executive Mansion staff to DGS

Item 80

<table>
<thead>
<tr>
<th>Secretary of Administration</th>
<th>FY 18-19</th>
<th>FY 19-20</th>
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</thead>
<tbody>
<tr>
<td>Department of General Services</td>
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<td>-$33,706 GF</td>
</tr>
<tr>
<td></td>
<td>0.00</td>
<td>-4.00 FTE</td>
</tr>
</tbody>
</table>

Language:
Page 16, line 19, strike "$4,869,231" and insert "$4,835,525".
Page 16, line 26, strike “A.”.
Page 16, strike lines 37 through 38.

Explanation:
(This amendment reverses the transfer of Executive Mansion staff from the Office of the Governor to the Department of General Services and maintains the existing supervisory roles that have been in place since 2016. This is a net neutral transfer. A companion amendment to Item 51 moves these amounts back to the Office of the Governor.)
Amendment 4: Provide unemployment insurance flexibility language

Item 123

Commerce and Trade

Virginia Employment Commission

Language:
Page 30, line 35, strike “Not set out.” and insert:

<table>
<thead>
<tr>
<th>Service</th>
<th>2020 Budget</th>
<th>2019 Budget</th>
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<tbody>
<tr>
<td>Workforce Systems Services (47000)</td>
<td>$557,581,011</td>
<td>$552,381,011</td>
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<tr>
<td>Job Placement Services (47001)</td>
<td>$31,658,869</td>
<td>$31,658,869</td>
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<tr>
<td>Unemployment Insurance Services (47002)</td>
<td>$525,045,012</td>
<td>$519,845,012</td>
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<tr>
<td>Workforce Development Services (47003)</td>
<td>$877,130</td>
<td>$877,130</td>
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</tbody>
</table>

Fund Sources:

<table>
<thead>
<tr>
<th>Fund Sources</th>
<th>2020 Budget</th>
<th>2019 Budget</th>
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</thead>
<tbody>
<tr>
<td>Special</td>
<td>$6,018,987</td>
<td>$6,018,987</td>
</tr>
<tr>
<td>Trust and Agency</td>
<td>$551,562,024</td>
<td>$546,362,024</td>
</tr>
</tbody>
</table>

Authority: Title 60.2, Chapters 1 through 6, Code of Virginia.

A. Revenues deposited into the Special Unemployment Compensation Administration Fund shall be used for the purposes set out in the following order of priority: 1) to make payment of any interest owed on loans from the U.S. Treasury for payment of unemployment compensation benefits; 2) to support essential services of the Commission, particularly in the event of reductions in federal funding; 3) to finance the cost of capital projects; and 4) to fund the discretionary fund established in § 60.2-315, Code of Virginia. Funding may be transferred from the capital budget to the operating budget consistent with this language.

B.1. Reed Act funds distributed by the Employment Security Financing Act of 1954 with respect to the federal fiscal years 1956, 1957, and 1958 and credited to the agency from the proceeds related to the sale of agency property with federal equity are hereby appropriated (up to $600,000) to maintain service levels in the agency's local offices.

2. Reed Act funds distributed by the Balanced Budget Act of 1997 and credited to the unemployment trust fund with respect to federal fiscal years 2000, 2001, and 2002, under § 1103 of the Social Security Act (42 U.S.C.), as amended, shall be used only for the administration of the unemployment compensation program, under the direction of the Virginia Employment Commission, and shall not be subject to the requirements of § 60.2-305.
2020 Reconvened Session Executive Amendments (HB 29)

Code of Virginia. Reed Act funds from the Balanced Budget Act are hereby appropriated (up to $2.2 million, not to exceed the balance of said Reed Act funds) to pay for upgrading the information technology systems at the Virginia Employment Commission.

C. There is hereby appropriated out of the funds made available to this state under § 1103 of the Social Security Act (42 U.S.C.) as amended, the balance of the $51,067,866 of Reed Act funds, if any, provided in Item 120 E. of Chapter 847, 2007 Acts of Assembly, for upgrading obsolete information technology systems, to include staff costs. This appropriation is subject to the provisions of § 60.2-305, Code of Virginia. Savings as a result of the new systems shall be retained by the commission.

D. Notwithstanding any other provision of law, all fees incurred by the Virginia Employment Commission with respect to the collection of debts authorized to be collected under § 2.2-4806 of the Code of Virginia, using the Treasury Offset Program of the United States, shall become part of the debt owed the Commission and may be recovered accordingly.

E. Workforce development programs shall give priority to assisting Medicaid enrollees who are required to participate in the Training, Education, Employment and Opportunity Program to the extent allowed by federal law. F. The Governor shall have the authority to alter the administration of the provisions of The Virginia Unemployment Compensation Act, Title 60.2 of the Code of Virginia, to meet the exigencies of a health emergency crisis.

F. The Governor shall have the authority to alter the administration of the provisions of The Virginia Unemployment Compensation Act, Title 60.2 of the Code of Virginia, to meet the exigencies of a health emergency crisis."

Explanation:
(This amendment sets out Item 123, and includes a new paragraph F which gives the Governor authority to override the provisions of The Virginia Unemployment Compensation Act in response to the COVID-19 pandemic.)
Amendment 5: Provide authority for Superintendent of Public Instruction to grant temporary flexibility or issue waivers due to COVID-19

Item 134

Education
Department of Education, Central Office
Operations

Language:
Page 36, line 3, insert:

<table>
<thead>
<tr>
<th>“Item Details($)”</th>
<th>Appropriations($)</th>
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<tbody>
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<td>First Year</td>
<td>Second Year</td>
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<tr>
<td>Administrative and Support Services (19900)</td>
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<tr>
<td>General Management and Direction (19901)</td>
<td>$3,951,175</td>
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<tr>
<td>Information Technology Services (19902)</td>
<td>$10,128,307</td>
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<tr>
<td>Accounting and Budgeting Services (19903)</td>
<td>$4,337,930</td>
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<tr>
<td>Policy, Planning, and Evaluation Services (19929)</td>
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<td>Fund Sources:</td>
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<tr>
<td>General</td>
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<tr>
<td>Special</td>
<td>$2,349,281</td>
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<tr>
<td>Federal Trust</td>
<td>$876,321</td>
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</tbody>
</table>

Authority: Article VIII, Sections 2, 4, 5, 6, 8, Constitution of Virginia; Title 2.2, Chapters 10, 12, 29, 30, 31, and 32; Title 22.1, 22.1-8 through 20, 22.1-21 through 24; Title 51.1, Chapters 4, 5, 6.1, and 11; Title 60.2, Chapters 60.2-100, 60.2-106; Title 65.2, Chapters 1, 6, and 9, Code of Virginia; P.L. 108-446, P.L. 107-110, Federal Code.

A. Out of this appropriation, $9,000 the first year and $9,000 the second year from the general fund is designated to support annual membership dues to the Southern Regional Education Board. In addition, $5,000 the first year and $5,000 the second year from the general fund is designated to pay registration and travel expenses of citizens appointed as Virginia commissioners for the Southern Regional Education Board.

B. Out of this appropriation $70,000 the first year and $79,000 the second year from the general fund is provided for the fees and travel expenses associated with the Interstate Compact on Educational Opportunity for Military Children, established pursuant to Chapter 187, of the 2009 Acts of Assembly.

C. The Department of Education is authorized to collect proceeds from the sale of educational resources it has developed, such as technology applications, on-line course content, assessments, and other educational content, to out-of-state individuals or entities and to in-state, for-profit entities. The Department of Education is further authorized to deposit such proceeds in a non-reverting special fund account established in its financial records for this purpose. Net proceeds from such sales shall be expended by the Department of Education to further develop existing educational resources or to create new educational resources for the benefit of the
commonwealth's public schools and which may also be sold under the provisions of this paragraph. The Secretary of Administration shall authorize any licensing agreements executed by the Department of Education pursuant to this paragraph.

D. Out of this appropriation, $34,625 the first year and $34,625 the second year from the general fund shall be used to provide performance evaluation training to teachers, principals, division superintendents, and other affected school division personnel in support of the transition from continuing employment contracts to annual employment contracts for teachers and principals.

E. Included in this appropriation is $624,713 the first year and $624,713 the second year from the general fund to cover ongoing operational and maintenance costs of the Performance Budgeting System and the Cardinal System charged to Direct Aid for Public Education.

F. Out of this appropriation, $100,000 the first year and $100,000 the second year from the general fund is provided for the Board of Education, in consultation with the Standards of Learning Innovation Committee, to continue redesigning the School Performance Report Card so that it is more effective in communicating to parents and the public regarding information about the status and achievements of the schools and school divisions.

G. Out of this appropriation, $500,000 the first year and $500,000 the second year is provided from the general fund for the Department of Education to develop a growth scale for the existing Standards of Learning mathematics and reading assessments. This growth scale should facilitate data-driven school improvement efforts and support the state's accountability and accreditation systems.

H. Out of the amounts in this item, the Department of Education shall develop and administer biennially to individuals holding a license from the Department in each public elementary and secondary school in the Commonwealth a voluntary and anonymous school personnel survey to evaluate school-level teaching conditions and the impact such conditions have on teacher retention and student achievement. Such survey may include questions regarding school leadership, teacher leadership, teacher autonomy, demands on teachers' time, student conduct management, professional development, instructional practices and support, new teacher support, community engagement and support, and facilities and other resources. The Superintendent of Public Instruction shall report the results of any school personnel survey to the Chairmen of the House Committees on Appropriations and Education and to the Senate Committees on Finance and Education and Health annually before the first day of each General Assembly Regular Session. The appropriation in this item meets the requirements of the second enactment of Senate Bill 456, of the 2018 General Assembly Regular Session.

I. Out of this appropriation, $20,000 the second year from the general fund is provided to the Department of Education to work with a partner organization to conduct a brief questionnaire survey to approximately 500 high school students and then produce a number of cross-tabulated results of any key findings.

J. Notwithstanding the provisions set forth in this Act or in § 22.1, Code of Virginia, the Superintendent of Public Instruction may grant temporary flexibility or issue waivers of certain deadlines and requirements that cannot be met due to the state of emergency or school closures resulting from Novel Coronavirus (COVID-19). Such flexibility or waivers may include, but are not limited to, accreditation, testing and assessments, graduation, licensure, including temporary licensure, school calendars, and program applications and reports due to the Department of Education or Board of Education. Such authority only applies to deadlines and requirements for fiscal year 2020 (school year 2019-2020) or fiscal year 2021 (school year 2020-2021). Prior to granting any flexibility or waivers pursuant to this language, the Superintendent of Public Instruction must
report to the Secretary of Education and substantiate how the state of emergency or school closures resulting from COVID-19 impacted each deadline or requirement, the proposed alternative, and the affected fiscal and school years. Subsequently, information about waivers or flexibility extended shall be reported to the Board of Education and made available on the agency website.

**Explanation:**
(This amendment authorizes the Superintendent of Public Instruction to grant temporary flexibility or issue waivers of certain deadlines and requirements that cannot be met for fiscal year 2020 (school year 2019-2020) or fiscal year 2021 (school year 2020-2021) due to the state of emergency or school closures resulting from the COVID-19 pandemic.)
Amendment 6: Prorate Supplemental Lottery Per Pupil Allocation payments in case of Lottery shortfall

Item 136

**Education**
Direct Aid to Public Education

**Language:**
Page 80, line 44, after “based.” insert:
“In the second year, the Department of Education is authorized to temporarily suspend Supplemental Lottery Per Pupil Allocation payments made to school divisions from Lottery funds to ensure that any shortfall in Lottery revenue can be accounted for in the remaining Supplemental Lottery Per Pupil Allocation payments to be made for the year.”

**Explanation:**
(This amendment authorizes the Department of Education to prorate Supplemental Lottery Per Pupil Allocation payments in the event of a Lottery proceeds shortfall.)
Amendment 7: Waive required local effort and required local match obligations due to school closures

Item 136

Education
Direct Aid to Public Education

Language:
Page 55, after line 11, insert:
“d. Notwithstanding the provisions set forth in this Act or in § 22.1-97, Code of Virginia, required local effort obligations are waived for fiscal year 2020.”
Page 55, line 28, after “11.” insert “a.”
Page 55, after line 33, insert:
“b. Notwithstanding the provisions set forth in this Act or in § 22.1-97, Code of Virginia, required local match obligations are waived for fiscal year 2020.”

Explanation:
(This amendment waives local school divisions’ required local effort and required local match obligations for fiscal year 2020 due to the state of emergency and school closures resulting from COVID-19.)
Amendment 8: Remove planned voluntary Revenue Reserve deposits

Item 266

<table>
<thead>
<tr>
<th>Finance</th>
<th>FY 18-19</th>
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</thead>
<tbody>
<tr>
<td>Department of Accounts Transfer Payments</td>
<td>$0</td>
<td>($601,845,675) GF</td>
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</table>

Language:
Page 95, line 13, strike "$601,845,675" and insert "$0".
Page 95, line 20, after “first year”, strike “and”.
Page 95, line 20, strike “$601,845,675”.
Page 95, line 21, strike “from the general fund the second year”.
Page 95, line 23, after “biennium”, strike the remainder of line 23.
Page 95, strike lines 24 through 26.

Explanation:
(This amendment removes planned voluntary deposits to the Revenue Reserve Fund in response to a potential revenue shortfall caused by the COVID-19 pandemic.)
**2020 Reconvened Session Executive Amendments (HB 29)**

**Amendment 9: Fund cost of initial COVID-19 response**

**Item 303**

<table>
<thead>
<tr>
<th>Health &amp; Human Resources</th>
<th>FY 18-19</th>
<th>FY 19-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Medical Assistance Services</td>
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<td>$308,239 GF</td>
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<tr>
<td></td>
<td>$0</td>
<td>$815,481 NGF</td>
</tr>
</tbody>
</table>

**Language:**
Page 113, line 50, strike "$14,335,157,860" and insert "$14,336,281,580".
Page 114, line 5, strike "$9,347,164,286" and insert "$9,348,288,006".

**Explanation:**
(This amendment increases funding to cover the cost of policy changes implemented by the Department of Medical Assistance Services in response to COVID-19. These actions include expanding the use of telemedicine, waiving service authorizations and eliminating cost sharing.)
Amendment 10: Increase nursing facility rates in response to COVID-19

Item 303

Health & Human Resources
Department of Medical Assistance Services

Language:
Page 142, after line 48, insert:

“HHHH. Effective with the Governor's Declaration of a State of Emergency due to COVID-19, the Department of Medical Assistance Services (DMAS) shall increase nursing home and specialized care per diem rates by $20 per day per patient. Such adjustment shall be made through existing managed care capitation rates as a mandated specified rate increase from March 12, 2020 through June 30, 2020. The department shall have the authority to file all necessary regulatory authorities without delay, make any necessary contract changes, and implement these reimbursement changes without regard to existing regulations. The specified nursing facility rate increase in this paragraph applies across fee-for-service and Medicaid managed care.”

Explanation:
(This amendment increases nursing home and specialized care per diem rates by $20 per day per patient effective for the period of the Governor's Declaration of a State of Emergency due to COVID-19.)
Amendment 11: Authorize changes to medical assistance programs in response to COVID-19

Item 307

Health & Human Resources
Department of Medical Assistance Services

Language:
Page 151, after line 18, insert:

“GG. Notwithstanding any other provision of law, the Department of Medical Assistance Services (DMAS) shall have temporary authority to seek any necessary emergency changes to the State Plan for Medical Assistance Services and related waivers to address the COVID-19 pandemic. In addition, DMAS is authorized to make changes to managed care organization (MCO) contracts consistent with the activities implemented under the provisions of this paragraph. Further, the 30-day notification requirement pursuant to paragraph E. of Item 303 is temporarily waived. Prior to the implementation of any change authorized under the provisions of this paragraph, DMAS must receive written approval of such change from the Governor. Within 15 days of implementing changes to medical assistance programs or MCO contracts in response to COVID-19, DMAS shall send a list of such actions to the Director, Department of Planning and Budget and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees. The provisions of this paragraph, as well as all actions implemented under its authority, shall be in accordance with the Governor's Declaration of a State of Emergency due to COVID-19 and be in effect for the period specified therein. Moreover, the provisions of this paragraph and all actions implemented under its authority shall expire with the Governor’s emergency declaration.”

Explanation:
(This amendment provides DMAS temporary authority to make immediate changes to its medical assistance programs in response to COVID-19. Any change would be subject to the Governor’s approval and must be reported within 15 days. Authorization and any program changes will expire with the Governor’s emergency declaration.)
Amendment 12: Provide flexibility to adjust medical assistance payment dates

Item 307

Health & Human Resources

Department of Medical Assistance Services

Language:

Page 151, after line 18, insert:

“GG. Notwithstanding any other provision of law, the Department of Medical Assistance Services (DMAS) shall have the authority to adjust the date of any agency payments should doing so allow the agency to maximize federal reimbursement. This language shall only apply to the extent that any impacted payments or reimbursements are allowable and appropriate under state and federal rules.”

Explanation:

(This amendment allows DMAS to advance any appropriate and allowable payment in an effort to take advantage of enhanced federal matching funds.)
Amendment 13: Unallot general fund FMAP savings

Item 307

Health & Human Resources
Department of Medical Assistance Services

Language:
Page 151, after line 18, insert:

“GG. Within 10 days of the enactment of this Act, the Department of Medical Assistance Services (DMAS) shall generate an estimate of the annual impact of enhanced federal Medical Assistance Percentages (FMAP), associated with federal H.R. 6021, the Families First Coronavirus Response Act (FFCRA), on all medical assistance programs as appropriated in this Act. The agency shall report these estimates by fiscal year, fiscal quarter, service area and fund detail, to the Department of Planning and Budget (DPB) and the Chairs of the House Appropriations and Senate Finance and Appropriation Committees within the required timeframe. DPB is authorized to unallot an amount of state funds equal to the general fund savings identified in the DMAS report.”

Explanation:
(This amendment requires that DMAS identify all state savings associated with the federal government increasing the FMAP rate (to 56.2%) for medical assistance services. Further, DPB is authorized to unallot an amount of state funds equal to the general fund savings identified by DMAS.)
Amendment 14: Increase CCDBG appropriation to account for emergency child care funding provided by the CARES Act

Item 340

<table>
<thead>
<tr>
<th>Health &amp; Human Services</th>
<th>FY 18-19</th>
<th>FY 19-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Social Services</td>
<td>$0</td>
<td>$66,000,000 NGF</td>
</tr>
</tbody>
</table>

Language:
Page 170, line 48, strike “$270,076,970” and insert “$336,076,970”.
Page 171, line 4, strike “$124,635,948” and insert “190,635,948”.
Page 171, line 10, strike “$191,786,454” and insert “$257,786,454”.
Page 173, after line 55, insert:

“U. Out of this appropriation, $66,000,000 from the federal Child Care Development Block Grant (CCDBG) funding provided by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act in the second year shall be used to provide COVID-19 incentive grants to child care providers, emergency child care, elimination of co-pays for subsidy program participants, and the extension of absence days to temporarily closed centers. This appropriation is in response to the COVID-19 pandemic.”

Explanation:
(This amendment increases nongeneral fund appropriation in order to reflect additional federal funding provided to the Commonwealth in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This funding will help address child care issues that have arisen as a result of the COVID-19 pandemic.)
2020 Reconvened Session Executive Amendments (HB 29)

Amendment 15: Increase CCDF appropriation to spend grant balances on full-day child care and sibling authorizations

Item 340

<table>
<thead>
<tr>
<th>Health &amp; Human Services</th>
<th>FY 18-19</th>
<th>FY 19-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Social Services</td>
<td>$0</td>
<td>$2,000,000 NGF</td>
</tr>
</tbody>
</table>

Language:
Page 170, line 48, strike “$270,076,970” and insert “$272,076,970”.
Page 171, line 4, strike “$124,635,948” and insert “$126,635,948”.
Page 171, line 10, strike “$191,786,454” and insert “$193,786,454”.
Page 173, after line 55, insert:

“U. Out of this appropriation, $2,000,000 from the Child Care Development Fund (CCDF) balances in the second year shall be provided to fund full-day authorization for child care for school age children and sibling enrollment for families already approved for care. This appropriation is in response to the COVID-19 pandemic.”

Explanation:
(This amendment increases nongeneral fund appropriation to provide full-day child care funding for school-aged children and allow sibling enrollment in response to the COVID-19 pandemic.)
Amendment 16: Unallot general fund FMAP savings

Item 344
Health and Human Resources
Department of Social Services

Language:
Page 180, after line 18, insert:

“R. Within 10 days of the enactment of this Act, the Department of Social Services (DSS) shall generate an estimate of the annual impact of enhanced federal Medical Assistance Percentages (FMAP), associated with federal H.R. 6021, the Families First Coronavirus Response Act (FFCRA), on all Title IV-E foster care and adoptions programs as appropriated in this Act. The agency shall report these estimates by fiscal year, fiscal quarter, service area and fund detail, to the Department of Planning and Budget (DPB) and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees within the required timeframe. DPB is authorized to unallot an amount of state funds equal to the general fund savings identified in the DMAS report.”

Explanation:
(This amendment requires that DSS identify all FY 2020 state savings associated with the federal government increasing the federal Medical Assistance Percentages (FMAP) rate to 56.2%. This enhanced rate increases the federal match rate for Title IV-E foster care and adoption services, which reduces the amount of general fund needed to support current service levels. Title IV-E foster care and adoptions services. Any identified funds can be unallotted by the Department of Planning and Budget. This language is included in HB 29 and HB 30.)
Amendment 17: Add language for emergency licensure exemption and background check portability for child day programs operating solely for children of essential personnel

Item 347
Health and Human Resources
Department of Social Services

Language:
Page 184, strike line 4, and insert:

“Regulation of Public Facilities and Services (56100) $28,719,903 $28,819,686
Regulation of Adult and Child Welfare Facilities (56101) $25,783,256 $25,883,039
Background Investigation Services (56106) $2,936,647 $2,936,647

Fund Sources:
General $3,880,473 $3,880,473
Special $2,360,620 $2,360,620 $3,038,114 $3,038,114
Federal Trust $22,478,810 $22,578,593 $21,801,316 $21,901,099

Authority: Title 63.2, Chapters 17 and 18, Code of Virginia.

A. The state nongeneral fund amounts collected and paid into the state treasury pursuant to the provisions of § 63.2-1700, Code of Virginia, shall be used for the development and delivery of training for operators and staff of assisted living facilities, adult day care centers, and child welfare agencies.

B. As a condition of this appropriation, the Department of Social Services shall (i) promptly fill all position vacancies that occur in licensing offices so that positions shall not remain vacant for longer than 120 days and (ii) hire sufficient child care licensing specialists to ensure that all child care facilities receive, at a minimum, the two visits per year mandated by § 63.2-1706, Code of Virginia, and that facilities with compliance problems receive additional inspection visits as necessary to ensure compliance with state laws and regulations.

C. As a condition of this appropriation, the Department of Social Services shall utilize a risk assessment instrument for child and adult care enforcement. This instrument shall include criteria for determining when the following sanctions may be used: (i) the imposition of intermediate sanctions, (ii) the denial of licensure renewal or revocation of license of a licensed facility, (iii) injunctive relief against a child care provider, and (iv) additional inspections and intensive oversight of a facility by the Department of Social Services.
D. Out of this appropriation, the Department of Social Services shall implement training for new assisted living facility owners and managers to focus on health and safety issues, and resident rights as they pertain to adult care residences.

E. Out of this appropriation, $8,853,833 and 59 positions the first year and $8,853,833 and 59 positions second year from the federal Child Care and Development Fund (CCDF) shall be provided to address the workload associated with licensing, inspecting and monitoring family day homes, pursuant to § 63.2-1704, Code of Virginia. On July 1, 2018, the Director of the Department of Planning and Budget shall unallot $6,853,833 of this appropriation. At such time as the department demonstrates a sufficient increase in family day home licensure, inspection and monitoring activity to necessitate additional staff, the Director of the Department of Planning and Budget may allot additional resources. The Department of Social Services shall provide an annual report, not later than October 1 of each year for the preceding state fiscal year ending June 30, on the implementation of this initiative to the Governor, the Chairmen of the House Appropriations and Senate Finance Committees, and the Director, Department of Planning and Budget.

F. The Department of Social Services shall work with localities that currently inspect child day care centers and family day homes to minimize duplication and overlap of inspections pursuant to § 63.2-1701.1, Code of Virginia.

G. No child day center, family day home, or family day system licensed in accordance with Chapter 17, Title 63.2; child day center exempt from licensure pursuant to § 63.2-1716; registered family day home; family day home approved by a family day system; or any child day center or family day home that enters into a contract with the Department of Social Services or a local department of social services to provide child care services funded by the Child Care and Development Block Grant shall employ; continue to employ; or permit to serve as a volunteer who will be alone with, in control of, or supervising children any person who has an offense as defined in § 63.2-1719. All employees and volunteers shall undergo the following background check by July 1, 2017 and every 5 years thereafter, as required by the federal Child Care and Development Block Grant Act of 2014 (CCDBG).

H. 1. A child day program that operates for children of essential personnel, who are in need of child care as a result of the COVID-19 pandemic, shall be exempt from licensure. Programs operating under this emergency licensing exemption must file an exemption with the Department and abide by the requirements set forth in §63.2-1715(C) and (D). The Commissioner shall have the authority to inspect these programs only upon receipt of a complaint, except as otherwise provided by law.

2. An instructional program operating under §63.2-1715 (A) solely for children of essential personnel must file with the Commissioner a statement indicating the intent to operate the program and identifying that the program will operate solely for the children of essential personnel. All emergency child care programs shall follow Centers for Disease Control and Prevention and Virginia Department of Health guidance on safety measures to prevent the spread of COVID-19.

I. When a child day program operates in response to the COVID-19 pandemic, a background check for an individual associated with a child day program operating solely for children of essential personnel shall not be required for any individual who has completed a background check under the provisions of §63.2-1720.1 or §63.2-1721.1 within the previous two years and who continues to be eligible. The Department shall establish a process regarding background check portability, and child day program providers seeking portability must follow this process.
2020 Reconvened Session Executive Amendments (HB 29)

J. During the state of emergency pursuant to the Governor and State Health Commissioner’s Order of Public Health Emergency One, as amended, any public or accredited private school may operate emergency child care for preschool or school aged children of essential personnel during a declared state or local emergency due to COVID-19. Such programs shall be exempt from licensure (§63.2-1715) and shall be subject to safety and supervisory standards, including background checks, established by the local school division or accredited private school offering the program. All emergency child care programs shall follow Centers for Disease Control and Prevention and Virginia Department of Health guidance on safety measures to prevent the spread of COVID-19."

Explanation:
(This amendment sets out Item 347 which was not set out in the enrolled budget. The amendment includes language in new paragraphs H, I, and J, which allows emergency child care programs to be set up to care for children of essential workers during the COVID-19 state of emergency.)
Amendment 18: Add language to permit emergency program changes related to COVID-19 response

Item 348

Health and Human Resources

Department of Social Services

Language

Page 185, after line 27, insert:

“F. Notwithstanding any other provision of law, the Department of Social Services (DSS) shall have temporary authority to make any changes to relevant State Plans, request waivers from applicable federal agencies, change eligibility criteria for benefits and services, and payment levels for applicable programs in response to the COVID-19 pandemic and new authorities and funding made available by the federal government to effect those policies necessary to ensure that benefits are available to eligible populations in response to COVID-19. Prior to the implementation of any change, DSS must receive written approval from the Governor. Within 15 days of implementing changes in response to COVID-19, DSS shall send a list of such actions to the Director, Department of Planning and Budget and the Chairs of the House Appropriations and Senate Finance and Appropriations Committees. The provisions of this paragraph, as well as any actions implemented under its authority, shall be in accordance with the Governor’s emergency declaration for COVID-19 and be in effect for the period specified therein.”

Explanation:
(This amendment adds language to give the Department of Social Services the authority to make certain changes to program eligibility and enrollment in response to COVID-19.)
Amendment 19: Address wildlife habitat impacted by transportation projects

Item 361

Natural Resources

Secretary of Natural Resources

Language:

Page 189, line 2, strike “Not set out.” and insert:

“Administrative and Support Services (79900) $711,953 $711,953
General Management and Direction (79901) $711,953 $711,953

Fund Sources:

General $609,254 $609,254
Federal Trust $102,699 $102,699

Authority: Title 2.2, Chapter 2, Article 7; and § 2.2-201, Code of Virginia.

A. The Secretary of Natural Resources shall report to the Chairmen of the Senate Committees on Finance and Agriculture, Conservation, and Natural Resources, and the House Committees on Appropriations and Conservation and Natural Resources, by November 4 of each year on implementation of the Chesapeake Bay nutrient reduction strategies. The report shall include and address the progress and costs of point source and nonpoint source pollution strategies. The report shall include, but not be limited to, information on levels of dissolved oxygen, acres of submerged aquatic vegetation, computer modeling, variety and numbers of living resources, and other relevant measures for the General Assembly to evaluate the progress and effectiveness of the tributary strategies. In addition, the Secretary shall include information on the status of all of Virginia's commitments to the Chesapeake Bay Agreements.

B. It is the intent of the General Assembly that a reserve be created within the Virginia Water Quality Improvement Fund to support the purposes delineated within the Virginia Water Quality Improvement Act of 1997 (WQIA 1997) when year-end general fund surpluses are unavailable. Consequently, 15 percent of any amounts appropriated to the Virginia Water Quality Improvement Fund due to annual general fund revenue collections in excess of the official estimates contained in the general appropriation act shall be withheld from appropriation, unless otherwise specified. When annual general fund revenue collections do not exceed the official revenue estimates contained in the general appropriation act, the reserve fund may be used for WQIA 1997 purposes as directed by the General Assembly within the general appropriation act.

C. The Secretary of Natural Resources, with the assistance of the Directors of the Department of Conservation and Recreation, the Department of Environmental Quality, the Department of Game and Inland Fisheries, and the Department of Historic Resources, shall provide an annual report to the Chairmen of the House Appropriations and Senate Finance Committees of all projects undertaken pursuant to a settlement or mitigation agreement upon which the Secretary of Natural Resources is an authorized signatory on behalf of the Governor by November 15 each year until all terms of the settlement or mitigation agreement are satisfied. In addition, whenever a settlement or mitigation agreement is finalized, the Secretary shall provide a copy of, and explanation of, the terms of such settlement to the Chairmen of the House Appropriations and Senate Finance Committees within 15 days.
D. The Secretary of Natural Resources and the Secretary of Transportation, with the assistance of the Director of the Department of Conservation and Recreation and the Commissioner of Highways, shall convene a stakeholder group to assess the feasibility and costs associated with transferring sponsorship and maintenance support responsibilities for the Virginia Capital Trail from the Department of Transportation to the Department of Conservation and Recreation. The stakeholder group shall solicit input from other affected stakeholders including the Virginia Capital Trail Foundation, trail user groups, and local government representatives from jurisdictions through which the trail traverses. The Secretary shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the results of the assessment no later than October 1, 2019.

E. The Secretary of Natural Resources, with the support of the Secretary of Transportation and funding provided by Item 453 G. of this act, shall work through the agencies of the natural resources secretariat to identify and conduct efforts that address wildlife habitat impacted by transportation projects.”

Explanation:
(This amendment sets out Item 361, and includes a new paragraph E which authorizes the Secretary of Natural Resources, with the support of the Secretary of Transportation and funding provided in a corresponding amendment, to identify and conduct efforts that address wildlife habitat impacted by transportation projects.)
Amendment 20: Provide permitting authority

Item 372

Natural Resources
Department of Game and Inland Fisheries

Language:
Page 192, after line 41, insert:
“D.1. Subject to review and approval by the Secretary of Natural Resources, the Director of the Department of Game and Inland Fisheries may issue to the Department of Transportation an interim permit to relocate the nest and eggs of any state listed threatened bird species from critical areas of the Hampton Roads Bridge Tunnel Expansion Project’s South Island associated with the ingress and egress to the island; the delivery, assembly, and immediate operations of the tunnel boring machine; or other project critical locations as mutually agreed to by the Commissioner of Highways and the Director, which, if not relocated, would effectively require all substantial construction activities to cease.

2. Prior to the issuance of an interim permit as described in section 1, (i) the Director must determine that the Department of Transportation and its design-build contractor have taken all reasonable steps to prevent birds from nesting on the South Island, in accordance with the Colonial Nesting Bird Management Plan dated March 27, 2020, (ii) the Commissioner of Highways must determine that substantial construction activities will have to cease if the nest and eggs are not relocated, and (iii) the Director shall require as a condition of the interim permit that the nest and any eggs will be relocated under the supervision of the Department of Game and Inland Fisheries to a location acceptable to the Director that is as close as possible to the original nesting location while allowing construction activities to continue.

3. Within 30 days of the adoption by the Board of Game and Inland Fisheries of any regulation governing the take of migratory birds or threatened and endangered species, the Department of Transportation shall apply for a permit covering such take for the Hampton Roads Bridge-Tunnel expansion project.

4. Any agency that exercises the authority granted in paragraph D.1, or that issues any permit that has an adverse impact on fish and wildlife or their habitat, may require compensatory mitigation for such adverse impact as a condition of issuing the permit.

a. For the purposes of this section, “compensatory mitigation” means addressing the direct and indirect adverse impacts to fish and wildlife and their habitats that may be caused by a construction project by avoiding and minimizing impacts to the extent practicable and then compensating for the remaining impacts.

b. Proposed compensatory mitigation agreements between an agency and a permittee shall be subject to the approval of the Secretary of Natural Resources, and may include environmental restoration projects, purchase of mitigation bank credits, or in-lieu payments to existing state funds related to conservation of fish and wildlife and their habitat.”

Explanation:
(This amendment authorizes the Director of the Department of Game and Inland Fisheries to issue an interim permit to the Department of Transportation to relocate the nest and eggs of any state listed threatened bird species from critical areas of the Hampton Roads Bridge Tunnel Expansion Project’s South Island.)
Amendment 21: Provide authority for the Director to discharge or reassign certain prisoners

Item 391

Public Safety and Homeland Security
Department of Corrections

Language

Page 198, after line 53, insert:

“391 V.1. Notwithstanding any other provision of law, upon the declaration by the Governor of a state of emergency pursuant to § 44-146.17 of the Code of Virginia in response to a communicable disease of public health threat as defined in § 44-146.16 of the Code of Virginia, the Director shall, during the duration of the declared emergency, have the authority to (i) discharge from incarceration or (ii) place into a lower level of supervision, including probation supervision, home electronic incarceration, or other forms of community corrections, any prisoner committed to the Department who has less than one year of his sentence remaining to be served prior to his scheduled release if the Director determines that (a) any such discharge or placement during the declared emergency will assist in maintaining the health, safety, and welfare of any prisoner discharged or placed or the prisoners remaining in state correctional facilities and (b) any such discharge or placement is compatible with the interests of society and public safety.

2. The provisions of this section shall not apply to a prisoner convicted of a Class 1 felony or a sexually violent offense as defined in § 37.2-900 of the Code of Virginia.

3. The Director shall develop procedures for implementing the provisions of this section which shall include provisions addressing reentry planning in accordance with § 53.1-32.2 of the Code of Virginia. To the extent practicable, the Director shall comply with all provisions of the Virginia Code relating to providing notice of a prisoner's discharge; however, any failure to comply with such notice provisions shall not affect the Director's authority to discharge a prisoner pursuant to this section.

4. The provisions of this section shall expire on July 1, 2021.”

Explanation:
(Provides authority for the Director of the Department of Corrections to discharge or lower the supervision level of certain prisoners upon the declaration of a state of emergency by the Governor due to a public health threat.)
Amendment 22: Amend language to identify and conduct efforts that address wildlife habitat impacted by transportation projects

Item 453

Transportation

Virginia Department of Transportation

Language:
Page 209, after line 48, insert:
“G. Up to $12,000,000 of unallocated balances from amounts previously provided for purposes set forth in §§ 33.2-1509 and 33.2-1510, Code of Virginia, shall be used to support efforts conducted in accordance with Item 361.E. of this Act.”

Explanation:
(This amendment provides $12.0 million from unallocated balances to support efforts with the Secretary of Natural Resources to identify and conduct efforts that address wildlife habitat impacted by transportation projects.)
2020 Reconvened Session Executive Amendments (HB 29)

Amendment 23: COVID-19 response authority and match appropriation

Item 476.10

Central Appropriations

<table>
<thead>
<tr>
<th>FY 18-19</th>
<th>FY 19-20</th>
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<tbody>
<tr>
<td>Central Appropriations</td>
<td>$0</td>
</tr>
</tbody>
</table>

Language:
Page 234, after line 17, insert:

"476.10 Disaster Planning and Operations (72200) $0 $50,000,000
   Pandemic Response (72211) $0 $50,000,000

A.1. The Governor is hereby authorized to appropriate sums to state agencies, institutions of higher education, and other permissible entities the federal funding provided pursuant to the Coronavirus Preparedness and Response Supplemental Appropriations Act (P.L. 116-123), the Families First Coronavirus Response Act (P.L. 116-127), the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), and any other federal funding provided through subsequent legislation approved by Congress with regard to the Coronavirus public health emergency. For the purposes of this item, such federal funding shall be referred collectively to as “federal relief funds”. All such federal relief funds shall be subject to applicable federal rules and regulations governing these funds. Amounts so allocated are hereby appropriated subject to the provisions and conditions contained in this item.

2. Records Management and Reporting
   a. Agencies receiving federal relief funds shall comply with the financial or other data reporting requirements set forth by the State Comptroller or the Director of the Department of Planning and Budget and shall compile and maintain all records necessary to fulfill such reporting requirements and to meet any subsequent audit of the expenditure of such federal funds.
   b. Agencies receiving federal relief funds shall comply with all federal reporting requirements for the receipt of any funds and shall compile and maintain all records necessary to fulfill such reporting requirements and to meet any subsequent audit of the expenditure of such federal funds.
   c. Agencies receiving federal relief funds shall comply with any requirements established to ensure the transparency of the use or expenditure of such federal funds.

3. The Governor or his designee shall submit a quarterly report to the Chairs of House Appropriations and Senate Finance and Appropriations Committees that itemizes any appropriation action of federal relief funds.

4. It is the intent of the General Assembly that the Commonwealth maximize the use of the federal relief funds. The Governor shall take all reasonable actions necessary to apply for federal relief funds. The Governor shall further ensure that funds are appropriated, distributed, and utilized in a manner that is consistent with the provisions of state and federal law.

B. The Governor is authorized to appropriate, within this item or any other item of this Act, any revenues deposited to the COVID-19 Relief Fund created pursuant to House Bill 881 and Senate Bill 971 of the 2020 Session of the General Assembly. Such appropriations shall be used for the purposes of responding to the impacts of the COVID-19 pandemic which shall include, but not be limited to, i) relief to small businesses, ii) assistance for housing and homelessness, iii) assistance for long term care facilities, and iv) any other purpose designated by the Governor to address the impact of the COVID-19 pandemic. The Governor is authorized to transfer such appropriations and associated revenues to agencies designated to carry out the services required to address the COVID-19 pandemic. The Governor or his designee shall report the use of the COVID-19 Relief
Fund to the Chairs of House Appropriations and Senate Finance and Appropriations Committees on a quarterly basis.

C. Out of the appropriation in this Item, $50,000,000 the second year from the general fund is provided i) for the state match component of COVID-19 related federal grants, or ii) to address the six conditions listed in § 4-1.03 c 5 of this act as they relate to responding to the COVID-19 pandemic. The Governor is authorized to allocate amounts to applicable state agencies to maximize the use of federal relief funds that require a state match. The Governor or his designee shall report the distribution of any of this appropriation to the Chairs of House Appropriations and Senate Finance and Appropriations Committees on a quarterly basis.

D. Any reports required by paragraphs A, B, or C above may be submitted electronically. Further, the reporting requirement shall be considered to have been met if the required information is posted on a public website.

E. Any unexpended balance remaining in this Item on June 30, 2020, shall be carried forward on the books of the Comptroller and shall be available for expenditure in the next biennium.”

**Explanation:**
(This amendment provides authority for the Governor to appropriate federal relief funds provided specifically by Congress related to the COVID-19 pandemic or from the revenues deposited to the COVID-19 Relief Fund. It further provides a general fund appropriation for the purposes of addressing state match requirements or other costs associated with responding to the COVID-19 pandemic. In addition, it provides guidance for reporting the use of these funds.)
Amendment 24: Allow delays in implementation of capital projects

Item 2-0

General Conditions

Language:

Page 246, after line 4, insert:
“Q. The Governor or his designee is authorized to direct state agencies, authorities, and institutions of higher education listed in the state budget to delay the initiation or continuation of capital projects supported by state revenues in response to cash flow and debt capacity concerns resulting from the COVID-19 emergency.”

Explanation:
(This amendment adds language allowing the Governor to delay the initiation or continuation of capital projects supported with general fund or state-supported debt appropriations in order to address cash flow and debt capacity concerns resulting from the COVID-19 emergency. A similar amendment is proposed for HB/SB30, with an added provision that the General Assembly reauthorize the capital budget when it next reconvenes and accepts the revenue forecast that confirms the revenues estimated within the Act.)
Amendment 25: Amend language to allow transfer of FEMA reimbursements for COVID-19 response to the general fund

Item 3-1.01

Transfers
Interfund Transfers

Language:
Page 270, line 13, strike “balance” and insert: “balances”
Page 270, line 14, after “(Fund 02460)”, insert: “and Covid-19 Addtnl State Funding (Fund 02019)”

Explanation:
(This amendment directs the State Comptroller to transfer to the general fund portion of the balance of Covid-19 Addtnl State Funding (Fund 02019) received as a federal cost recovery by the Virginia Department of Emergency Management at the end of each fiscal year.)
Amendment 26: Allow higher education institutions flexibility with auxiliary indirect cost recoveries

Item 3-4.01
Auxiliary Enterprises and Sponsored Programs in
Institutions of Higher Education

Auxiliary Enterprise Investment Yields

Language:
Page 272, after line 45, insert:

“3. Institutions of higher education shall have the authority to reduce the recovery of the full indirect cost of auxiliary enterprise programs to the educational and general program for the 2019-2020 fiscal year as a result of the significant financial impact on auxiliary enterprise programs caused by the COVID-19 pandemic.”

Explanation:
(This amendment adds language allowing institutions of higher education flexibility from recovering 100 percent of calculated indirect cost recoveries to educational and general academic activities. This will help the institutions reduce the hit against their auxiliary cash balances. With higher education institutions closing dormitory, parking and dining operations due to COVID-19, students and parents are expecting refunds for the balance of the semester. Some higher education institutions’ auxiliary cash balances could be challenged to address these refunds.)
Amendment 27: Abatement of interest for deferred tax payments

Item 3-5.23

Adjustments and Modifications To Tax Collections

Coronavirus Disease 2019 Administrative Tax Relief

Language:

Page 279, after line 6, insert:

“§ 3-5.23 Coronavirus Disease 2019 Administrative Tax Relief

A. Any income tax payments originally due during the period from April 1, 2020 to June 1, 2020 may be submitted to the Department of Taxation without the accrual of interest as would otherwise be required for late payments pursuant to Chapter 3 of Title 58.1, provided that full payment is made on or before June 1, 2020. For purposes of this section, “income tax payment” means any payment required to be made with a return filed pursuant to §§ 58.1-341, 58.1-381, and 58.1-441; any payment required to be made with respect to an election to file an extension of time within which to file such a return; any payment of estimated tax required pursuant to Article 19 and Article 20 of Chapter 3 of Title 58.1; and any payment of consumer use tax made with a return filed pursuant to § 58.1-341.

B. The Department shall waive interest as otherwise required for late payments pursuant to Chapter 6 of Title 58.1 on any sales tax payment originally due March 20, 2020 for which a waiver of penalty was granted by the Department of Taxation, provided that such payment is submitted to the Department of Taxation on or before April 20, 2020.”

Explanation:

(This amendment adds language that abates interest penalties for delayed filing caused by the COVID-19 pandemic..)
Amendment 28: Allow policy-making boards to meet virtually during emergency declarations

Item 4-0.01

Operating Policies

Language:

Page 280, after line 26, insert:

“g. Notwithstanding any other provision of law, any public body, including any state, local, regional, or regulatory body, or a governing board as defined in § 54.1-2345 of the Code of Virginia may meet by electronic communication means without a quorum of the public body or any member of the governing board physically assembled at one location when the Governor has declared a state of emergency in accordance with § 44-146.17, provided that (i) the nature of the declared emergency makes it impracticable or unsafe for the public body or governing board to assemble in a single location; (ii) the purpose of meeting is to discuss or transact the business statutorily required or necessary to continue operations of the public body or common interest community association as defined in § 54.1-2345 of the Code of Virginia and the discharge of its lawful purposes, duties, and responsibilities; (iii) a public body shall make available a recording or transcript of the meeting on its website in accordance with the timeframes established in §§ 2.2-3707 and 2.2-3707.1 of the Code of Virginia; and (iv) the governing board shall distribute minutes of a meeting held pursuant to this subdivision to common interest community association members by the same method used to provide notice of the meeting.

A public body or governing board convening a meeting in accordance with this subdivision shall:

1. Give notice to the public or common interest community association members using the best available method given the nature of the emergency, which notice shall be given contemporaneously with the notice provided to members of the public body or governing board conducting the meeting;

2. Make arrangements for public access or common interest community association members access to such meeting through electronic means including, to the extent practicable, videoconferencing technology. If the means of communication allows, provide the public or common interest community association members with an opportunity to comment; and

3. Public bodies must otherwise comply with the provisions of § 2.2-3708.2 of the Code of Virginia.

The nature of the emergency, the fact that the meeting was held by electronic communication means, and the type of electronic communication means by which the meeting was held shall be stated in the minutes of the public body or governing board.”

Explanation:

(This amendment provides authority for public bodies, including agencies, boards, and common interest communities to conduct electronic meetings during a declared state of emergency when it is impracticable or unsafe to assemble a quorum in a single location.)
Amendment 29: Increase higher education institutional reserve amount

Item 4-1.05

Appropriations
Reversion of Appropriations and Reappropriations

Language:
Page 286, line 3, strike “three” and insert "six".

Explanation:
(This amendment increases the percentage of educational and general unexpended balances that institutions are authorized to carry forward as a reserve, to be available during times of revenue challenges as is presently being experienced due to COVID-19.)
Amendment 30: Provide authority for agencies to solicit and accept donations, gifts, grants, and contracts that support the response to the COVID-19 pandemic

Item 4-2.01

Revenues
Nongeneral Fund Revenue

Language:
Page 287, line 20, after “1.”, insert, “a)”
Page 287, after line 26, insert:
“b) The limits on solicitation and acceptance of donations, gifts, grants, and contracts stated in paragraph 1.a) above shall not apply to donations, gifts, grants, and contracts associated with support and/or response to the needs and impacts of the COVID-19 pandemic provided that acceptance of such does not create any ongoing commitments against general or nongeneral fund resources of the Commonwealth.”

Explanation:
(This amendment provides authority for agencies to solicit and/or accept donations, gifts, grants, and contracts needed to respond to the direct and indirect impacts of the COVID-19 pandemic.)
Amendment 31: Anticipatory treasury loans for certain higher education institutions

Item 4-3.02

Deficit Authorizations and Treasury Loans

Treasury Loans

Language

Page 293, line 5, after “collected.” insert “In addition, institutions of higher education may request a treasury loan because of cash flow challenges resulting from the loss of auxiliary revenues due to the closure of auxiliary operations tied to the COVID-19 emergency. The Secretary of Finance shall develop any needed guidelines in evaluating requests received from the institutions of higher education.”

Explanation:

(This amendment adds language allowing higher education institutions to request an anticipation treasury loan to address short-term cash flow needs resulting from the loss of auxiliary revenues associated with COVID-19 school closures.)
Amendment 32: Provide authority for agencies to alter or change cost factors to respond to COVID-19

Item 4-5.03

Special Conditions and Restrictions on Expenditures
Services and Clients

Language:
Page 303, line 39, after “1.”, insert, “a)”
Page 303, after line 42, insert:
“b) The limits on altering or changing cost factors stated in paragraph 1.a) above shall not apply to changes associated with implementing and/or altering services in response to COVID-19 when funding is provided from a nongeneral fund source dedicated to addressing the impact of COVID-19 or from any source when specifically approved by the Governor in response to the COVID-19 pandemic.”

Explanation:
(This amendment provides authority for agencies to alter or change cost factors in response to the direct and indirect impacts of the COVID-19 pandemic.)
Amendment 33: Provide authority for agencies to establish new services to respond to COVID-19

Item 4-5.03

Special Conditions and Restrictions on Expenditures

Language:

Page 304, line 21, after “1.”, insert, “a)”
Page 304, after line 23, insert:
“b) The limits on establishing new services stated in paragraph 1.a) above shall not apply to new services established to respond to COVID-19 when funding is provided from a nongeneral fund source dedicated to addressing the impact of COVID-19 or from any source when specifically approved by the Governor in response to the COVID-19 pandemic.”

Explanation:
(This amendment provides authority for agencies to establish services needed to respond to the direct and indirect impacts of the COVID-19 pandemic.)
Amendment 34: Amend Hampton Roads Unmanned Systems Park language

Item 4-5.10

Special Conditions and Restrictions on Expenditures

Surplus Property Transfers for Economic Development

Language:

Page 311, line 28, after “within”, insert “the”.
Page 311, line 32, after “appraisals.” strike “The Authority shall have the right to”.
Page 311, line 33, strike “waive the appraisal requirement.”.
Page 311, line 37, after “conveyance”, strike the period and insert “, provided the Authority reasonably cooperates with the Commonwealth of Virginia and adheres to such reasonable requirements as determined by the Commonwealth of Virginia.”.
Page 311, line 40, after “for”, strike “portions” and insert “up to 150 acres”.
Page 311, line 41, strike “e.” and insert “f.”.
Page 311, line 43, after “Property”, insert “above that described in paragraph 1,”.

Explanation:
(This amendment adds language to clarify the process for the transfer of certain surplus property.)
Amendment 35: Provide flexibility on reporting deadlines during declared disasters

Item 4-8.01

Reporting Requirements

Governor

Language

Page 326, after line 14, insert:

"4. a) Notwithstanding any other provision of law or of any provision of this Act, the Governor may delay or defer the submission of any report or study that is required by the Code of Virginia or by this Act of a state entity, including agencies, boards, commissions, and authorities, and that is due prior to June 30, 2020, if in the opinion of the Governor, meeting the reporting deadline is either not possible or is impractical due to impacts of the COVID-19 pandemic on the reporting entity. Reporting entities seeking approval of the Governor to grant such a delay must submit a written request to the Governor no less than 30 days prior to the reporting deadline. Upon receiving approval from the Governor, the reporting entity shall provide the parties designated to receive the report with notice of an approved delay. This notice shall be in lieu of the required report until such time as the required report is submitted. Any report receiving approval for delayed submission shall be submitted as soon as the reporting entity can resume normal business operations and can complete the work necessary to compile the report; however, no report shall be submitted later than 12 months from the original reporting requirement.
b) The Governor may establish guidelines for the submission and approval process described in paragraph a) above."

Explanation:
(Adds language to allow the Governor to delay certain reporting deadlines during declared disasters.)
Amendment 36: Additional enactments for elections

Item 4-14

Effective Date

Effective Date

Language

Language:

Page 354, after line 12 insert:

“18. Be it enacted by the General Assembly of Virginia:

§ 1. The provisions of this enactment shall apply to the general election and special elections scheduled to be held on May 5, 2020.

§ 2. The general election and special elections scheduled to be held on May 5, 2020, shall be held on November 3, 2020. Notwithstanding any provisions of a city or town charter to the contrary, those offices to be filled at the general election on May 5, 2020, shall be filled at the general election on November 3, 2020.

§ 3. Candidates who qualified to have their names printed on the official ballot for the May 5, 2020, general election, or a May 5, 2020, special election, or who otherwise raise or spend funds in order to seek or campaign for an office that was scheduled to be filled at the May 5, 2020, general election, or a May 5, 2020, special election, shall file campaign finance reports in accordance with the provisions of § 24.2-947.6 for candidates for offices to be filled at a November general election.

§ 4. Those officials who were elected at a May general election and whose terms are to expire as of June 30, 2020, shall continue in office until their successors have been elected at the November 3, 2020 general election and have been qualified to serve.

§ 5. The officials elected at the November 3, 2020, general election to an office regularly scheduled to be filled at the May 5, 2020, general election, shall serve a term of office that, shall expire (i) for those offices that are for terms of two years, on June 30, 2022, and (ii) for those offices that are for terms of four years, on June 30, 2024. The officials elected at the November 3, 2020, general election to an office that was scheduled to be filled at a special election on May 5, 2020, shall serve the unexpired term.

§ 6. At the November 3, 2020, general election, any qualified voter shall be permitted to vote for an office that was scheduled to be filled at the general election or a special election held on May 5, 2020, regardless of whether such voter was qualified to vote for such offices as of May 5, 2020.

§ 7. Any voted absentee ballot requested for the general election or a special election to be held on May 5, 2020, that is received by the appropriate elections official shall not be counted. An absentee ballot requested for the general election or a special election to be held on May 5, 2020, shall not be accepted or counted for the November 3, 2020, general election. Any voted absentee ballot requested for the general election or a special election to be held on May 5, 2020, shall be marked spoiled by the general registrar or an officer of election and placed in a spoiled-ballot envelope to be retained. Any qualified voter may vote by absentee ballot in accordance with the provisions of Chapter 7 (§ 24.2-700 et seq.) of Title 24.2 of the Code of Virginia at the November 3, 2020, general election.

§ 8. The Department of Elections shall promulgate instructions to implement the provisions of this section.”

Page 354, line 13, strike “18” and insert “19”.

Page 354, line 15, strike “and seventeenth” and insert “seventeenth, and eighteenth”.

44
Explaination:
(This amendment language to delay May 2020 elections.)
Amendment 37: Authorize temporary borrowing

Item 4-14

Effective Date

Effective Date

Language

Page 354, after line 12 insert:

"18. a. In anticipation of the collection of taxes and revenues of the Commonwealth, for fiscal year 2020, the Treasury Board is hereby authorized, by and with the consent of the Governor, to sell and issue, pursuant to Article X, Section 9 (a)(2) of the Constitution of Virginia, as the case may be, at one time or from time to time, tax and revenue anticipation notes ("9(a)(2) Notes") of the Commonwealth, including 9(a)(2) Notes issued as commercial paper. The proceeds of such 9(a)(2) Notes, excluding amounts needed to fund issuance costs, reserve funds, and other financing expenses, shall be used exclusively for the purpose of providing funds, together with any other available funds, to help manage the cash flow impact of actual or potential reductions of tax and other revenues or increases in expenses related to or resulting from the COVID-19 pandemic, and including the payment of operating expenses incurred or to be incurred in anticipation of the collection of taxes and revenues by the Commonwealth.

b. In addition, in anticipation of the collection of taxes and revenues of the Commonwealth, and its counties, cities and towns, for fiscal year 2020, the Treasury Board is hereby authorized, by and with the consent of the Governor, to sell and issue, pursuant to Article X, Section 9 (d) of the Constitution of Virginia, as the case may be, at one time or from time to time, tax and revenue anticipation notes of the Commonwealth ("9(d) Notes" and together with the 9(a)(2) Notes authorized in the foregoing paragraph, "Notes")), including 9(d) Notes issued as commercial paper. The proceeds of such 9(d) Notes, excluding amounts needed to fund issuance costs, reserve funds, and other financing expenses, shall be used exclusively for the purpose of providing funds, together with any other available funds, to help manage the cash flow impact of actual or potential reductions of tax and other revenues or increases in expenses related to or resulting from the COVID-19 pandemic, and including the payment of operating expenses incurred or to be incurred in anticipation of the collection of taxes and revenues by the Commonwealth and its counties, cities and towns, and to purchase or acquire similar notes issued by, or otherwise to assist, cities, counties and towns of the Commonwealth for such purpose. The Governor is authorized to select the counties, cities and towns to participate in the undertakings authorized hereunder and direct the distribution of 9(d) Note proceeds to the particular counties, cities and town, and shall, after consultation with all interested parties, develop a guidance document governing eligibility and priority criteria.

c. The Treasury Board is authorized to issue Notes hereunder in an aggregate principal amount not exceeding $500,000,000 for the benefit of the Commonwealth and in an aggregate principal amount not exceeding $250,000,000 for the benefit of counties, cities and towns, plus in either case amounts needed to fund issuance costs, reserve funds, capitalized interest, and other financing expenses.

d. 9(a)(2) Notes shall mature at such time or times within twelve months from their date or dates, and 9(d) Notes shall mature at such time or times not exceeding two years from their date or dates.
e. The full faith and credit of the Commonwealth shall be pledged to any 9(a)(2) Notes issued under the provisions of this Item. 9(d) Notes issued under the provisions of this item shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such obligations shall be payable solely, subject to appropriation by the General Assembly, from amounts appropriated from time to time by the General Assembly and from amounts paid by counties, cities and towns that issue bonds, notes or obligations with respect to this Item. There is hereby appropriated a sum sufficient to the Treasury Board for the purpose of paying the debt service on the Notes.

f. The Virginia Resources Authority is authorized to purchase and acquire through proceeds of 9(d) Notes bonds, notes or obligations of counties, cities and towns of the Commonwealth issued for the purposes authorized hereunder and establish the interest rates and repayment terms of such bonds, notes or obligations in accordance with a memorandum of agreement with the Treasury Board and the Authority shall recover its reasonable costs and expenses for doing so from the proceeds of such Notes and for its role in the administration and management of such proceeds.

g. Each county, city, and town is hereby authorized to issue bonds, notes or obligations for the purposes set forth in paragraph (b) above. The authority of any county, city, and town to contract and to issue bonds, notes or obligations pursuant to such authorization is in addition to any existing authority to contract and issue bonds, notes or obligations, anything in the laws of the Commonwealth, including any local charter, to the contrary notwithstanding. The provisions of Virginia Code § 15.2-2659 and § 62.1-216.1 shall apply, mutatis mutandis, with respect to any bond, note or obligation issued by a county, city or town hereunder.

h. The proceeds, including any premium, of the Notes shall be deposited in a special account in the state treasury and, together with the investment income thereon, shall be disbursed by the State Treasurer from time to time for paying all or any part of the expenses or undertakings as set forth in paragraphs (a) and (b) above. The Notes shall be dated and may be made redeemable before their maturity or maturities at such price or prices or within such price parameters, all as may be determined by the Treasury Board, by and with the consent of the Governor, and shall be in such form, shall bear interest at such rate or rates, either at fixed rates or at rates established by formula or other method, and may contain such other provisions, all as determined by the Treasury Board or, when authorized by the Treasury Board, the State Treasurer. The principal of and premium, if any, and the interest on Notes shall be payable in lawful money of the United States of America. Notes may be certificated or uncertificated as determined by the Treasury Board. The Treasury Board may contract for services of such registrars, transfer agents, or other authenticating agents as it deems appropriate to maintain a record of the persons entitled to the Notes. Notes issued in certificated form may be issued under a system of book entry for recording the ownership and transfer of ownership of rights to receive payments on the Notes. The Treasury Board shall fix the authorized denomination or denominations of the Notes and the place or places of payment of certificated Notes, which may be at the Office of the State Treasurer or at any bank or trust company within or without the Commonwealth. The Treasury Board may sell Notes in such manner, by competitive bidding, negotiated sale, or private placement with private lenders or governmental agencies, and for such price or within such price parameters as it may determine, by and with the consent of the Governor, to be in the best interest of the Commonwealth. In the discretion of the Treasury Board, Notes may be issued at one time or from time to time. Certificated Notes shall be signed on behalf of the Commonwealth by the Governor and by the State Treasurer, or shall bear their facsimile signatures, and shall bear the lesser seal of the Commonwealth or a facsimile
thereof. If the Notes bear the facsimile signature of the State Treasurer, they shall be signed by such administrative assistant as the State Treasurer shall determine or by such registrar or paying agent as may be designated to sign them by the Treasury Board. If any officer whose signature or facsimile signature appears on any Notes ceases to be such officer before delivery, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and any Note may bear the facsimile signature of, or may be signed by, such persons as at the actual time of execution are the proper officers to sign such Note, although at the date of such Note, such persons may not have been such officers.

i. The Treasury Board is authorized to create debt service and sinking funds for the payments of the principal of, premium, if any, and interest on the Notes and other funds or reserves desirable or required by any purchaser. Pending the application of the proceeds of the Notes to the purpose for which they have been authorized and the application of funds set aside for the purpose to the payment of Notes, they may be invested by the State Treasurer in securities that are legal investments under the laws of the Commonwealth for public funds and sinking funds, as the case may be. Whenever the State Treasurer receives interest from the investment of the proceeds of Notes, such interest shall become a part of the principal of the Notes and shall be used in the same manner as required for principal of the Notes.”

Page 354, line 13, strike “18” and insert “19”.
Page 354, line 13, strike “second and fifth” and insert “second, fifth, and eighteenth”.

Explanation:
(This amendment authorizes the use of temporary borrowing to ensure liquidity.)