



2020 Special Session I Proposed Amendments to FY 2020-2022 Budget

August 19, 2020

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Review of 2020 Regular Session Actions

- HB 29 (Caboose bill):
 - As introduced, Governor's budget sought to maximize cash balances both to support mandatory expenditure increases in FY 2021 and FY 2022 and ensure cash was available to address a potential revenue contraction in the FY 2020-2022 biennium
 - Bill included a deposit of \$601.8 million into the Revenue Reserve Fund in FY 2020, and also left unappropriated an additional \$691.8 million as a carryforward balance to help cover costs in FY 2021 and FY 2022
- HB 30:
 - Authorized the use of majority of FY 2020 carryforward to help cover costs of K-12 rebenchmarking, Medicaid forecast adjustments and other General Assembly priorities
 - As adopted, in March, the budget left an unappropriated balance of \$13.5 million at the close of the biennium, but included \$300 million in Revenue Reserve deposits in FY 2022 in addition to the deposit of over \$600 million in FY 2020



Review of 2020

Reconvened Session Actions

- HB 29 (Caboose bill):
 - Amendment eliminated the deposit of \$601.8 million to Revenue Reserve Fund to ensure cash was available to help address COVID-related revenue reductions
 - This was offset by authorization of \$50.3 million GF spending for initial COVID-19 response
 - Net result was an increase in the assumed unappropriated balance at close of FY 2020 from \$691.8 million to \$1.2 billion
- HB 30:
 - Because the Caboose change increased the FY 2020 balance, but few spending amendments were added to HB 30, Veto Session actions increased the unappropriated balance at the end of the FY 2020-2022 biennium from \$13.5 million to \$621.3 million
 - In addition, amendments “unallotted” a total of \$874.6 million in FY 2021 and \$1.38 billion in FY 2022
 - Language stipulated that when the General Assembly adopted a revenue reforecast, decisions would be made regarding the final disposition of the unallotted appropriations



FY 2020 Year-End Close

- In April, there were discussions of a FY 2020 shortfall that could be as much as \$1.0 billion
- While we saw a steep decline in 4th quarter revenues, revenues fell only \$234.2 million below amounts assumed in Chapter 1283 (Caboose bill)
- Number of factors helped bolster collections:
 - **Sales tax:** typical one month delayed remittance, payment of AST even from those not mandated to make payments, one-time bump from the “Wayfair” legislation
 - FY 2020 retail sales collections fell 4.5%, while use tax collections increased 32.3%. 90% of the increase in use tax collections were from new *Wayfair*-related dealers
 - **Withholding:** Saw declines, but PPP helped retain jobs. Majority of jobs lost were lower income workers who make up smaller share of withholding taxes
 - **Nonwithholding:** Payments based on calendar year 2019 activity, not an indicator of current conditions



FY 2020 GF Resources Grew 2.2%

Finished \$232.0 Million Below Forecast

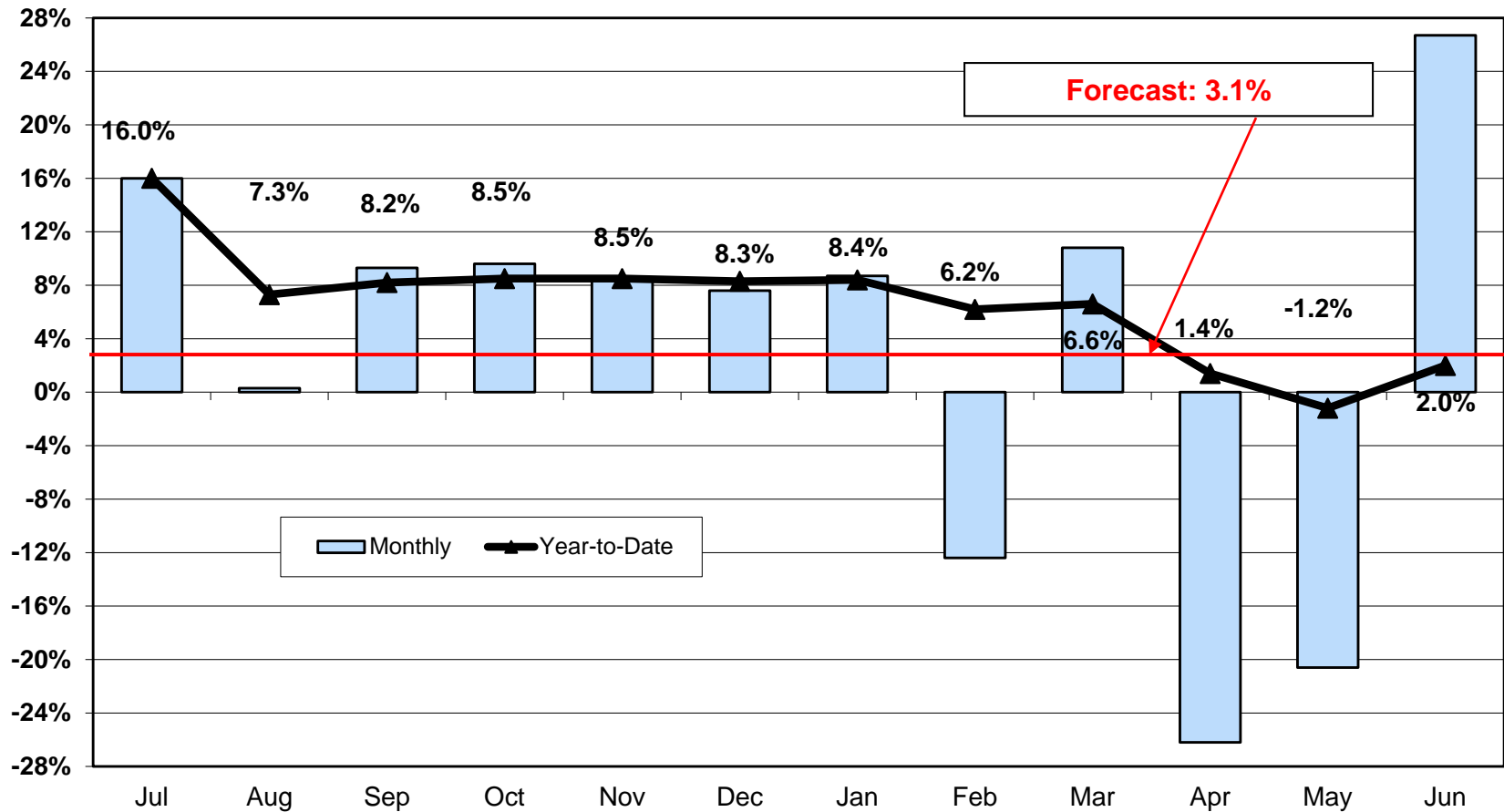
Summary of Fiscal Year 2020 Revenue Collections (millions of dollars)

Major Sources	As a % of Total General Fund				% Growth Over FY19	
		Official	Actual	Change	Official	Actual
Withholding	59.6%	\$13,591.9	\$13,378.1	(\$213.8)	4.7 %	3.0
Nonwithholding	17.0	3,804.1	3,804.5	0.4	(4.3)	(4.3)
Refunds	(8.2)	(1,976.6)	(1,830.9)	145.7	13.7	5.3
Net Individual	68.4%	\$15,419.4	\$15,351.6	(\$67.8)	1.3 %	0.8 %
Sales	16.5%	\$3,844.5	\$3,706.8	(\$137.7)	7.4 %	3.5 %
Corporate	4.5	1,031.5	1,011.7	(19.9)	9.3	7.2
Wills (Recordation)	2.2	468.6	483.5	14.9	21.3	25.1
Insurance	1.6	394.1	360.6	(33.5)	3.2	(5.6)
All Other Revenue	3.7	813.9	823.6	9.7	3.2	14.6
Total Revenue	96.9%	\$21,972.0	\$21,737.8	(\$234.2)	3.1 %	2.0 %
A.B.C. Profits	0.6	\$124.8	\$137.5	\$12.7	(4.5) %	5.2 %
Sales Tax (0.375%)	1.8	421.6	406.0	(15.6)	7.4	3.4
Transfers	0.7	155.3	160.4	5.1	15.3	19.1
Total Transfers	3.1%	\$701.7	\$703.9	\$2.2	6.6 %	7.0 %
TOTAL GENERAL FUND	100.0%	\$22,673.7	\$22,441.7	(\$232.0)	3.2 %	2.2 %



Growth in Total General Fund Revenue Collections

FY 2020: Monthly and Year-to-Date



Monthly Growth: 16.0% 0.3% 9.3% 9.6% 8.4% 7.6% 8.7% -12.4% 10.8% -26.2% -20.6% 26.8%

- Total general fund revenues increased 26.8 percent in June. This was expected as the May 1 due date for individual and corporate income tax payments was deferred to June 1



FY 2020-2022 REVENUE REFORECAST



Revenue Reforecasting Process

- Code mandates a reforecast of revenues when the forecast is missed by 1% or more
- The proposed revenue forecast contained in HB 5005 is based on the updated economic outlook for Virginia as presented to the Joint Advisory Board of Economists (JABE) and the Governor's Advisory Council on Revenue Estimates (GACRE)
- IHS Markit's June 2020 standard and pessimistic forecasts for the U.S. and the associated outlook for Virginia were used as the basis
- At the JABE meeting with 12 members participating, 5 members supported the standard outlook, 5 members supported a standard minus outlook for FY 2021 and the standard outlook for FY 2022, and 2 supported the pessimistic outlook for both years of the biennium
- At the GACRE meeting of business and legislative leaders, with 15 members participating, 7 members supported the standard outlook, 8 members supported a standard minus outlook for fiscal year 2021 and the standard outlook for fiscal year 2022
- The Governor decided to recommend using the standard forecast for both years at this time
 - The forecast will be reevaluated again during the normal fall forecasting season
 - To hedge against concern that a lower forecast might be merited, Governor retained a large cash balance, and left an almost \$500 million unappropriated balance at the close of FY 2022



Revenue Reforecast

Fiscal Year 2021 Forecast: Chapter 1289 and HB 5005 (Dollars in Millions)

	Fiscal Year 2021			% Growth Over FY20	
	Ch. 1289	HB 5005	Change	Ch. 1289	HB 5005
Withholding	\$14,118.0	\$13,704.2	(\$413.8)	3.9 %	2.4 %
Nonwithholding	4,101.0	3,668.9	(432.1)	7.8	(3.6)
Refunds	(2,059.9)	(1,924.9)	135.0	4.2	5.2
Net Individual	\$16,159.1	\$15,448.2	(\$710.9)	4.8	0.6
Sales	\$3,893.0	\$3,346.5	(\$546.5)	1.3	(9.7)
Corporate	1,019.2	1,041.7	22.5	(1.2)	3.0
Wills (Recordation)	388.1	422.4	34.3	(17.2)	(12.6)
Insurance	420.1	337.4	(82.7)	6.6	(6.4)
All Other Revenue	808.3	756.9	(51.4)	(0.7)	(7.8)
Total Revenue	\$22,687.8	\$21,353.1	(\$1,334.7)	3.3 %	(1.8) %
A.B.C. Profits	\$125.1	\$125.1	\$0.0	0.2 %	0.2 %
Sales Tax (0.375%)	426.9	365.7	(61.2)	1.3	(5.4)
Transfers Per Act	103.8	103.8	0.0	(33.2)	(33.2)
Total Transfers	\$655.8	\$594.6	(\$61.2)	(6.5) %	(10.8) %
TOTAL GENERAL FUND	\$ 23,343.6	\$ 21,947.7	\$ (1,395.9)	3.0 %	(2.0) %



Revenue Reforecast

Fiscal Year 2022 Revenue Forecast: Chapter 1289 and HB 5005 (Dollars in Millions)

	Fiscal Year 2022						2020-2022 Biennium			
	Ch. 1289	HB 5005	Change	% Growth Over FY21		Ch. 1289	HB 5005	Change		
				Ch. 1289	HB 5005					
Withholding	\$14,676.4	\$14,341.0	(\$335.4)	4.0	%	4.6	%	\$28,794.4	\$28,045.2	(\$749.2)
Nonwithholding	4,306.5	3,784.9	(521.6)	5.0		3.2		8,407.5	7,453.8	(953.7)
Refunds	(2,137.4)	(2,062.4)	75.0	3.8		7.1		(4,197.3)	(3,987.3)	210.0
Net Individual	\$16,845.5	\$16,063.5	(\$782.0)	4.2		4.0		\$33,004.6	\$31,511.7	(\$1,492.9)
Sales	\$3,955.6	\$3,438.7	(\$516.9)	1.6		2.8		\$7,848.6	\$6,785.2	(\$1,063.4)
Corporate	1,132.6	1,143.0	10.4	11.1		9.7		2,151.8	2,184.7	32.9
Wills (Recordation)	357.0	393.0	36.0	(8.0)		(7.0)		745.1	815.4	70.3
Insurance	437.1	359.5	(77.6)	4.0		6.6		857.2	696.9	(160.3)
All Other Revenue	810.5	787.8	(22.7)	0.3		4.1		1,618.8	1,544.7	(74.1)
Total Revenue	\$23,538.3	\$22,185.5	(\$1,352.8)	3.7	%	3.9	%	\$46,226.1	\$43,538.6	(\$2,687.5)
A.B.C. Profits	\$128.7	\$128.7	\$0.0	2.9	%	2.9	%	\$253.8	\$253.8	\$0.0
Sales Tax (0.375%)	433.7	375.9	(57.8)	1.6		2.8		860.6	741.6	(119.0)
Transfers Per Act	103.8	103.8	0.0	0.0		0.0		207.6	207.6	0.0
Total Transfers	\$666.2	\$608.4	(\$57.8)	1.6	%	2.3	%	\$1,322.0	\$1,203.0	(\$119.0)
TOTAL GENERAL FUND	\$24,204.5	\$22,793.9	(\$1,410.6)	3.7	%	3.9	%	\$47,548.1	\$44,741.6	(\$2,806.5)



HB 5005: Adjustments to Resources

	FY 2021	FY 2022
Chapter 1289: Unappropriated Balance	\$1,010.1	\$621.3
HB 5005 Resource Adjustments		
Revised Forecast – GF Revenues and Transfers	(1,395.9)	(1,410.6)
Revert FY 2020 Unspent Agency Balances to GF	247.1	30.4
Total Resource Adjustments	(1,148.8)	(1,380.3)
HB 5005 Savings		
Recognize GF Savings from Enhanced FMAP (DMAS and DSS)	336.8	0
K-12 Sales Tax Reduction (technical)	95.2	93.6
Convert Unallotments to Reductions - Net of Restorations (detailed on later slides)	754.0	1,335.5
HB 5005 Spending		
Medicaid Continuation of Care	(89.1)	
Mandatory Revenue Stabilization Fund Deposit (based on FY 2022 forecast)	(0.0)	(71.5)
WQIF Part B Deposit (Based on FY 2020 Agency Balances)	(0.0)	(30.4)
Policy/New Spending	(45.9)	(1.0)
Total Spending and Savings Adjustments	1,071.9	1,326.3
HB 5005: Unappropriated Balance	\$933.3	\$490.5



OVERVIEW SPENDING AND SAVINGS IN HB 5005



Action on Operating Unallotments

- At the reconvened Session, adopted amendments “unallotted” a total of \$874.6 million in FY 2021 and \$1.38 billion in FY 2022
- Separate hand-out details the disposition of the individual unallotments
- HB 5005 proposes to convert the vast majority of these unallotments to budget reductions
 - Assumes savings of \$754.0 million in FY 2021 and \$1.3 billion in FY 2022 by removing the appropriations associated with majority of unallotments
 - Restores \$99.6 million in FY 2021 and \$44.9 million in FY 2022



Restoration of One-Time Spending

Description	FY 2021	FY 2022
Department of Housing & Community Development		
Increase funding for the Va. Housing Trust Fund	\$23,000,000	\$23,000,000
Increase support for the Va. Telecommunication Initiative (VATI) for broadband deployment	16,000,000	16,000,000
Establish eviction prevention & diversion pilot	3,300,000	
Department of Conservation & Recreation		
Supplement Water Quality Improvement Fund	3,840,000	0
Increase funding for dam rehabilitation projects	15,000,000	0
Increase funding for the Va. Land Conservation Fund	5,500,000	5,500,000
Virginia State Police		
Record sealing reform legislation	108,800	0
Department of General Services		
Review DBHDS capital outlay operations	350,000	0



Restoration of One-Time Spending

Description (continued)	FY 2021	FY 2022
Economic Development Incentive Payments		
Increase funding for the Va. Jobs Investment Fund	\$2,000,000	\$0
Department of Mines, Minerals, and Energy		
Establish Office of Offshore Wind	387,500	387,500
Direct Aid to Public Education		
Increase support for Jobs for Virginia's Graduates	1,670,000	0
Recruit and retain early childhood educators	3,000,000	0
Library of Virginia		
Expedite release of gubernatorial records	400,000	0
Department of Aging and Rehabilitative Services		
Jewish Social Services Agency	50,000	0
Total One-Time Spending Restorations:	\$74,606,300	\$44,887,500



Restoration of Cultural Initiatives

Description	FY 2021
Black History Museum and Cultural Center of Virginia	\$1,300,000
American Civil War Museum	1,000,000
Support the historical highway marker program	200,000
Provide additional funding for Montpelier	1,000,000
Brunswick County - St. Paul's College Museum	50,000
Center for African-American History & Culture at VUU	1,000,000
Virginia African American History Trail – Digitize highway markers	100,000
City of Alexandria cultural initiatives	2,443,000
City of Charlottesville cultural initiatives	500,000
City of Richmond cultural initiatives	1,000,000
Slavery & Freedom Heritage site in Richmond	1,000,000
Total Cultural Initiative Spending Restorations:	\$9,593,000

No restorations proposed in FY 2022



Restoration of HBCU Funding

Norfolk State University	FY 2021
Ensure continuation of Spartan Pathways	\$150,000
Implement academic advising model	300,000
Implement UTeach program	250,000
Increase storage and expand information technology services	3,000,000
Launch Virginia College Affordability Network initiative	3,459,590
Center for African American Policy	250,000
Support First-Day Success program	75,000
NSU - Total Restorations	\$7,484,590

Virginia State University	FY 2021
Expand Supplemental Instructional program	\$320,000
Implement Summer Bridge program	319,900
Implement UTeach program	250,000
Launch Virginia College Affordability Network	3,773,490
Provide funding for data center modernization	1,644,000
Support Intrusive Advising Early Warning System	150,000
VSU Cooperative Extension - Increase funding for state match	1,461,956
VSU - Total Restorations	\$7,919,346

No restorations proposed in FY 2022



Capital Outlay Unallotments

- All GF funds for capital that were unallotted are now eliminated, totaling \$21 million GF in FY 2021
 - \$10 million for the Nimmo Parkway access road
 - \$10 million for central planning
 - \$1 million for the Accomack hangar project
- All debt financed capital outlay projects remain unchanged in HB 5005
- Debt financed projects were not adjusted pending evaluation of debt capacity by the Debt Capacity Advisory Committee (DCAC) – expect any needed changes to be reflected in December budget submission
- Language amendment would undo 2020 budget conference agreement on location of a new DJJ facility to include express consideration of the Bon Air location



New Spending Proposals

Description	FY 2021	FY 2022
Supplemental Broadband funding	15,000,000	0
Supplemental Housing Trust Fund appropriation	25,000,000	0
Funding for 6 Criminal Justice Reform Bills (DCJS and State Police)	\$2,557,225	\$1,018,670
Pre-paid return postage for absentee ballots	2,000,000	0
New Equity and Diversity Office funding	300,000	0
Monument Avenue Lee Statue Removal	1,083,000	0
Total New Spending Initiatives:	\$45,940,245	\$1,018,670



Coronavirus Relief Fund (CRF)

- In addition to the GF adjustments, the Commonwealth has \$3.1 billion in federal CRF funds that can be utilized to address some of the outstanding funding issues
- CRF funding can ONLY be used for items directly related to COVID-19 response, cannot be used to backfill revenue shortfalls, and must be spent by December 30, 2020
 - There has been hope that later federal legislation would provide additional flexibility – and an extended timeline – for the use of the funds
 - However, Congress has yet to act and is currently at an impasse
- None of these funds are appropriated in the budget – all have been allocated administratively
- Usage of the allocated funds are detailed on table on following slide
- Approximately \$1.3 billion remains available



Coronavirus Relief Fund Commitments

Agency	Description	Amount
VDEM	Testing	\$ 42,338,400
VDEM	PPE	97,000,000
VDEM	Other	33,722,001
VDH	Replace deficit authorization	3,291,300
VDH	Contract tracing/UVA Equipment	59,157,614
DGS	Consolidated Labs	6,052,673
DHCD	Emergency Housing for Homeless	8,828,998
DHCD	Mortgage and Rental Assistance	50,000,000
DSBSD	Small business assistance grants	70,000,000
DMAS	Long-term care facilities	55,640,872
DMAS	PPE for Personal Care Attendants	9,256,178
VDACS	Food security - Agriculture surplus & emergency food*	1,211,953
DSS	Food security - Expand emergency food supply package*	650,000
VDEM	Food security - 1 million MREs*	2,000,000
	FY20 Agency-based requests	80,480,698
	Allocations to Localities	1,289,146,766
	Remaining Uncommitted CRF funds	1,300,725,383
	Total Coronavirus Relief Funds	\$ 3,109,502,836

* Indicates item included in CRF portion of Governor's amendments



POLICY RELATED ACTIONS



Housing Support

- Total spending for the Housing Trust Fund (HTF) in the proposed budget is \$55.0 million GF in FY21 and \$30 million GF in FY22
- HTF is used for two purposes:
 - 80% of funds support loans for projects to expand Virginia's portfolio of affordable rental housing, or to reduce the cost of homeownership or rental housing
 - 20% of funds for targeted efforts to reduce homelessness
- Current language in the budget gives DHCD the flexibility to spend HTF dollars outside the 80-20 parameters established in the Code in response to COVID-19
- HB 5005 also includes \$3.3 million GF in FY21 for an Eviction Prevention and Diversion Program
- These amounts are in addition to \$50 million of federal CARES money currently supporting a Rental and Mortgage Relief Program, and \$8.8 million of federal CARES support for emergency housing for the homeless



Housing Moratorium Language

- Includes Part 4 language extending the moratorium on evictions until April 30, 2021, and sets out a process for landlords and tenants to enter into a COVID-19 Housing Payment Plan
 - Tenants must show financial hardship resulting from the COVID-19 pandemic
 - Current budget language leaves the definition of undue “financial hardship” to the discretion of the landlord for program eligibility purposes
- Landlords may still evict a tenant if they violate the payment plan or a tenant refuses to enter into a payment plan
- Current budget language is silent on the resolution process for eligibility disputes



Housing Moratorium Language

- Additional parameters include:
 - Repayments must be amortized at least over 12 months, or the remainder of the lease in cases where the lease is less than 12 months
 - Landlords must take reasonable steps to cooperate with the tenant's efforts to secure rental assistance
 - Payment plans must exist in writing outside of the ongoing rental agreement between the tenant and the landlord
 - Landlords cannot require down payments, fees, or penalties to enter into a repayment plan
 - Landlords cannot report account status to credit bureaus or debt collection agencies while an active repayment plan is in place



Utility Shut-Off Moratorium

- Includes Part 4 language prohibiting utilities (electric companies, natural gas suppliers, and water service providers) from disconnecting services for non-payment of fees or bills until 60 days after the public health state of emergency ends
- Establishes parameters for customers and utility companies to enter into a COVID-19 Relief Repayment Plan agreement
 - Customers must show financial hardship resulting from the COVID-19 pandemic
 - Current budget language leaves the definition of undue “financial hardship” to the discretion of the utility company for program eligibility purposes
 - Utilities cannot require down payments, fees, or penalties to enter into a repayment plan
 - Utilities cannot report account status to credit bureaus or debt collection agencies while an active repayment plan is in place
 - Utilities must amortize repayment over at least 12 months
- Current budget language is silent on the resolution process for eligibility disputes



Broadband Funding

- Total spending for the Virginia Telecommunications Initiative (VATI) is \$50 million GF in FY21 and \$35 million FY in FY22
- VATI provides cash grants via a public-private partnership model for private sector companies or electric cooperatives to build broadband infrastructure in unserved areas of the Commonwealth
 - Projects are completed over a 12 to 18 month time horizon
 - Application process for VATI awards is currently underway for FY21
- This is in addition to \$8.9 million of federal K-12 GEERF awards directed towards broadband infrastructure development



Elections Policy Changes

- Includes language to accomplish three policy objectives for the November general election:
 - Prepaid postage for the return of absentee ballots
 - Remedies for absentee ballot envelopes returned without complete information including witness signatures (CURE process)
 - Drop-box locations for the return of absentee ballots
- Reimburses general registrars for the cost of including prepaid postage with absentee ballot envelopes
 - Up to \$2 million of general funds in FY 2021 can be used for this purpose



Absentee Ballot Envelopes

- The envelope of any mail-in ballot received by a general registrar before Election Day (November 2, 2020) will be inspected to make sure it meets the requirements of §24.2-707, *Code of Virginia* (signatures voter and witness)
 - The General Registrar has three days to notify the voter of any failure to meet envelope requirements by mail, email, or phone
 - The voter has until noon on November 6th to make corrections to their ballot in order for it to be counted



Drop-off Locations

- Absentee ballots can be returned by mail, in person to the general registrar, or to a drop-off location
- Drop-off locations include:
 - Offices of general registrars including satellite locations
 - Polling places on the day of the election
 - Other public locations established by local governments and general registrars
- Department of Elections will promulgate regulations for the creation and operation of drop-off locations including chain of custody requirements
 - Language establishes criteria for daily collection of ballots with representatives from the two major political parties at drop-off locations including satellite offices, polling places, and other locations established outside of the general registrar's office



Tax Modifications

- Modifies language to begin taxing heated tobacco products at a rate of 2.25 cents per stick on January 1, 2021
 - Authorizes TAX to recover administrative costs for the implementation of this tax
- Modifies language to apply the Wayfair standard to remote sellers of other tobacco products (not cigarettes)
- Makes a technical change extending the sunset date (January 1, 2023) on the limit an individual taxpayer may claim under the Land Preservation Tax Credit
 - Underlying budget proposed as HB 30 assumed the continuation of the limit in the revenue forecast



Criminal Justice Reform

- HB 5005 includes a total of \$3.6 million over the biennium in relation to six criminal justice reform bills to be introduced

Agency	Proposal	Biennial Total
DCJS	Statewide Mandatory Minimum Training Standards	\$2,100,000
State Police	Law Enforcement Training Curriculum	500,000
DCJS	Decertification of Law-Enforcement Officers	460,000
DCJS	Expansion of Decertification Process	209,000
DCJS	Law Enforcement Civilian Review Panels	200,000
DCJS	Statewide Officer Database	100,000
Total		\$3,600,000

- Several other reforms likely to be considered may have budget impacts, including increasing good behavior sentence credits and making changes to records expungement



Natural Resources

- For Natural Resources agencies, Governor proposes \$30.6 million GF in restorations over the biennium, and \$30.4 million GF in new mandatory spending
 - WQIF - \$30.4 million Part B required deposit in FY 2022 based on FY 2020 year-end balances
- Restoration of Unallotments:
 - WQIF - \$3.8 million supplemental deposit in FY 2021 that had been included in Chapter 1289
 - Dam Rehabilitation - \$15.0 million in FY 2021
 - Land Conservation - \$5.5 million each year for the Virginia Land Conservation Fund
 - Historic Resources - \$6.3 million in FY 2021 in one-time spending for various museum and cultural initiatives
 - All are presented as “one-time” spending although portion supports on-going programs



Natural Resources Language

- Language directs the Secretary of Natural Resources to develop a plan to require a solid waste disposal fee (“tipping fee”), and report recommendations by November 1, 2020
- Language extends water quality enhancement fee, directs DEQ to establish a workgroup to provide recommendations to improve long-term sustainability of program by November 1, 2020
- Part 4 amendment authorizes the Governor to enter into an MOU with the United States Forest Service (USFS) regarding a template for use by all Commonwealth Agencies who impact USFS land by lease, license, or permit



Medicaid

- Recognizes general fund savings of \$331 million GF through December 31, 2020 due to the enhanced federal Medical Assistance Percentage (E-FMAP) from 50% to 56.2% during the COVID-19 emergency
 - Provides the equivalent federal appropriation of \$331 million NGF in FY 2021
- Proposes \$89.1 million GF and \$245.3 million NGF to fund the continuation of Medicaid and children's health insurance coverage as required by the federal Families First Coronavirus Response Act through October 31, 2020
 - This is a condition of receiving the enhanced E-FMAP



Child Care

- Proposes transferring \$16.6 million GF in FY 2021 from Department of Education to the Department of Social Services to contract with local partners to provide support to school divisions and local governments in leasing space to increase their capacity to provide care for school-age children, as well as for the purchase PPE and cleaning supplies
 - Backfills DOE Direct Aid with \$16.6 million in FY 2021 from the Temporary Assistance to Needy Families (TANF) block grant for Virginia Preschool Initiative slots
 - A separate action backfills TANF funded child care with \$16.6 million from the Child Care Development Fund balances
- Expands language related to COVID-19 flexibility for licensing certain child day programs for children of essential personnel, allowing background check portability for child day program workers and providers and allowing schools to operate emergency child care to programs for children who have been identified as needing in-person services



Food Security

- Proposes \$3.6 million from the TANF block grant in FY 2021 to fund a one-time benefit payment to families with children enrolled in Head Start
 - Will serve 14,198 children with an average payment of \$251 per child
 - These families did not receive enhanced federal COVID-19 pandemic SNAP EBT (P-EBT) benefits paid to families in June 2020
- Proposes \$650,000 from the TANF block grant for food banks for the emergency food supply package program for fall 2020 and winter 2021 if no other federal funding source is available for this purpose



Other Dept. of Social Services Actions

- Recognizes general fund savings of \$5.8 million GF through December 31, 2020 in the foster care and adoption subsidy programs due to the enhanced federal Medical Assistance Percentage (E-FMAP) from 50% to 56.2% during the COVID-19 emergency
 - Provides the equivalent federal appropriation of \$5.8 million NGF
- Provides one-time funding of \$211,253 in FY 2021 from TANF for TANF Unemployed Parents equal to 15% of the monthly benefit payment for four months
 - TANF beneficiaries received a 15% increase in their monthly benefits beginning July 1, 2020
 - Cash assistance for two-parent families is funded only with general fund dollars, however, this funding was originally unallotted and is proposed to be eliminated
 - TANF funding can be used up to a four months for one-time payments to needy families



Transportation Amendments

- Includes 4 Language amendments within the Transportation Secretariat to provide the Secretariat flexibility to manage programs during the pandemic
 - Language under the Secretary of Transportation allows the Commonwealth Transportation Board (CTB) to redirect Revenue Sharing Funds allocated in FY 2020 and prior years, not currently needed, to other programs to mitigate the impact of reductions in Transportation Revenues
 - The language also allows for the redirection of funds from the State of Good Repair, High Priority Projects, and District Grant Programs if the funding is not currently needed. Language states funding must be replaced by 2025



Transportation Amendments

- Also includes language under the Department of Public Rail and Transit which allows the CTB allocate funds as needed to maintain DRPT's operating budget at 2020 levels and to allow the Department to support the operation of the Virginia Rail Authority until the Authority is able to hire an executive director and staff
- Language under the Department of Motor Vehicles gives the Commissioner the authority to extend deadlines related to the issuance and renewals of DMV licenses and registrations during the pandemic



Total of All Reserves

