

*Report of the  
House Appropriations  
Subcommittee*

*on*

*Compensation & General  
Government*



*House Bill 1400*

*February 2, 2003*

**Respectfully Submitted by the House Appropriations Subcommittee  
on Compensation & General Government:**

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**Lacey E. Putney**

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**Mary T. Christian**

# **REPORT OF THE SUBCOMMITTEE**

## **on**

# **Compensation and General Government**

Mr. Chairman and Members of the Committee:

The work of the Subcommittee this Session has focused on two primary goals: through your leadership, you outlined early in the Session the need to address the continuing general fund revenue shortfall while preserving our commitment to public education and other core services, and recognizing the value of our public employees by establishing a reserve fund dedicated to employee pay raises. I am pleased to present to you today a series of amendments in support of these goals.

### **General Government**

In the general government area, the Subcommittee focused on identifying programs and activities that could be reduced to generate savings to support the core activities of government. We looked first to our own branch of government to identify savings in the legislature. In total, \$7.7 million of new savings – in addition to the savings generated last Session -- will be transferred from the legislative branch to restore other general fund activities. Included in these savings are reductions to legislative support agencies, as well as economies in the House and the Senate themselves. The budget amendments before you also implement the consolidation of the Commissions on Youth and the Joint Health Care Commission which will provide long-term savings to the Commonwealth.

Mr. Chairman, recommendations in the judicial branch include establishing public defender commission offices in Newport News and Chesapeake, as authorized in legislation approved by the House this Session, thereby generating savings by reducing criminal defense fund costs by relying on public defenders.

Within the Executive Offices, by providing additional staff to the Office of the Attorney General, the Medicaid Fraud and Debt Collection units are projected to generate an additional \$5.7 million of revenues to the general fund. A total of \$1.3 million of restorations are provided to the Attorney General's office to support these revenue producing activities, and to implement the provisions of the violent sexual predator civil commitment program. Also included among the amendments for the

executive offices is the consolidation of the Secretaries of the Commonwealth and Administration pursuant to the provisions of House Bill 1958. This action will generate savings and help reduce the size of government.

Mr. Chairman, moving next to the area of compensation and retirement:

### **Compensation and Retirement**

Mr. Chairman, as you clearly stated from the moment we started our review of the introduced budget, the Subcommittee has diligently strived to meet your fiscally prudent goal of creating a revenue reserve that would serve two purposes. First, as you noted during our deliberations, the reserve will provide the state with a first line of defense in the case of lower than forecasted general fund revenue growth. Should this scenario occur, then appropriations would be available to help offset the revenue decline, thereby sparing further reductions to vital programs and services.

Second, Mr. Chairman, your desire to address employee compensation has been unwavering since it was announcement that employee pay raises would be suspended due to the continuing decline in revenues. Based on your leadership, we concluded that we would not look at the suspension of salary increases as permanent, but rather as an opportunity for us to step to the plate and find the resources necessary to provide all hard-working state employees, deputy sheriffs and faculty a pay raise this biennium.

Mr. Chairman, due in large part to the diligence of the other Subcommittees as they undertook their budget reviews, we are able to propose a compensation reserve fund that will provide for a salary increase totaling 2.5 percent in December 2003 for state employees, state-supported local employees, and higher education faculty at a cost of \$52.3 million. However, because it has been established as reserve, it will also function as the first line of defense in case of lower than projected general fund revenue growth.

Finally, I am pleased to report that through the economies achieved by the work of this and the other subcommittees, we were able to restore the reductions proposed by the Governor to the Virginia Retirement System in House Bill 1400, thereby fully funding the employer rates approved by the General Assembly last Session.

Mr. Chairmen and fellow Committee members, I will ask staff to take you through our detailed recommendations, and then I hope it will be your pleasure to adopt our subcommittee report.

## Budget Amendment Recommendations

<u>Amendment</u>	2002-04 BIENNIAL TOTAL			
	<u>General Fund</u>	<u>NGF Fund</u>	<u>Total</u>	<u>Total FTE</u>
<b>General Government</b>				
<b>HB 1400 (2002-04 Budget)</b>				
<b>Additional Revenues</b>				
OAG - Medicaid Fraud Recoveries	3,500,000		3,500,000	
OAG - Debt Collection	2,164,200		2,164,200	
DUI Fee Increase Effective Date May 1	416,666		416,666	
IDEA Fee Increase Effective Date May 1	250,000		250,000	
Domestic Court Fees (HB 2444)	1,500,000		1,500,000	
	<b>7,830,866</b>		<b>7,830,866</b>	
<b>Transfers</b>				
Restore VRS Budget Reduction	(2,293,830)			
Tax Amnesty	5,512,545			
<b>LEGISLATIVE DEPARTMENT</b>				
General Assembly Of Virginia				
Member Office Allowance		Language		
Per Diems for Studies of Standing Committees		Language		
Division of Legislative Services				
Switch Fund Source -- Code of Virginia Purchases	(48,000)	48,000	0	
Savings -- Central Purchase of Lexis Nexus	(220,000)		(220,000)	
Joint Commission On Health Care				
HB 1959 Consolidation Implementation	312,485		312,485	3.00
Virginia Commission On Youth				
HB 1959 Consolidation Implementation	(312,485)		(312,485)	(3.00)
Virginia Crime Commission				
Authority as Criminal Justice Agency/Tech Correction		(133,139)	(133,139)	
Virginia Housing Study Commission				
Transfer Agency to NGF Status	(153,180)	153,180	0	0.00
Legislative Department Reversion Clearing Account				
ML King Commission Balance Release		Language		
Legislative Reductions	(10,740,755)		(10,740,755)	
Eliminate Chapter 899 Reductions	2,600,000		2,600,000	
<b>JUDICIAL DEPARTMENT</b>				
Supreme Court				
Judicial Evaluation Pilot Project	106,403		106,403	
Circuit Courts				
IDEA Fund and DUI Fee Technical Language		Language		
Local Speeding on Interstate Fines to Commonwealth		Language		
General District Courts				
IDEA Fund and DUI Fee Technical Language		Language		
Local Speeding on Interstate Fines to Commonwealth		Language		
Juvenile And Domestic Relations District Courts				
IDEA Fund and DUI Fee Technical Language		Language		
Local Speeding on Interstate Fines to Commonwealth		Language		
Combined District Courts				
IDEA Fund and DUI Fee Technical Language		Language		
Local Speeding on Interstate Fines to Commonwealth		Language		
Public Defender Commission				
Establish Newport News Public Defender Office	1,391,331		1,391,331	23.00
Establish Chesapeake Public Defender Office	1,027,408		1,027,408	20.00
Virginia State Bar				
Increase NGF Appropriation from Existing Dues	1,027,314		1,027,314	2.00
Judicial Department Reversion Clearing Account				
Criminal Fund Reductions to Offset Newport News PD Offices	(1,464,399)		(1,464,399)	
Criminal Fund Reductions to Offset Chesapeake Offices	(1,129,587)		(1,129,587)	
<b>EXECUTIVE OFFICES</b>				
Lieutenant Governor				
Adjust Appropriation to Match Speaker's Staffing	(50,000)		(50,000)	

## Budget Amendment Recommendations

<u>Amendment</u>	2002-04 BIENNIAL TOTAL			
	<u>General</u> <u>Fund</u>	<u>NGF</u> <u>Fund</u>	<u>Total</u>	<u>Total</u> <u>FTE</u>
Attorney General				
Technical Adjustment to Rent Payments	268,924		268,924	
Permit Charges to Agencies for Financial Services	Language			
Funding for Revenue Generating Activities and Sexual Predator	1,300,000		1,300,000	18.00
Remove Funding for Human Rights Commission	(195,865)		(195,865)	(2.00)
Secretary Of The Commonwealth				
Implement HB 1958 -- Consolidate w/ Secy Administration	(1,251,410)		(1,251,410)	(19.00)
<b>ADMINISTRATION</b>				
Secretary Of Administration				
VPBB Study Language	Language			
Implement HB 1958 -- Consolidate w/ Secy Administration	1,112,458		1,112,458	18.00
Commission on Local Government				
Clarifying Resonsibilities Transferred to DHCD	Language			
Compensation Board				
Replace GF with Technology Trust Fund Allocation	(1,300,000)		(1,300,000)	
Permit Circuit Court Clerk Officers to Reduce Own Salaries	Language			
Adjust Treasurer's Funding Reflect State Tax Duties	(2,211,737)		(2,211,737)	
Adjust Comm of Revenue Funding Reflect State Tax Duties	(2,456,965)		(2,456,965)	
Department of General Services				
Inventory of Space/Encouraging Co-location of Facilities	Language			
Reduce VMFA Payment to City of Richmond	(158,513)		(158,513)	
DGS Pilot Project and Study of Va. Distribution Center	Language			
Human Rights Council				
Restore as Independent Agency	195,865		195,865	2.00
State Board of Elections				
Clarifying Use of Center Public Service Population Estimates	Language			
<b>FINANCE</b>				
Department of Accounts				
Create Fund Detail for VMFA Private Donations	Language			
Restore Funding for Payroll Deduction Processing	202,500		202,500	
Revenue Stabilization Fund	Language			
Department of Taxation				
Clarify Lease Termination Language	Language			
Collection of Unpaid Fines and Court Costs Pilot Extension	Language			
Reduce Salary Assumptions New Compliance Positions	(520,575)		(520,575)	
Online Tax-Filing Precluded from Offering Tax Assistance	Language			
<b>Central Appropriations</b>				
State Employee Health Insurance Plan Status Report	Language			
Feasibility Review of State Employee Special Pay Plan	Language			
State Employee Salary Increase: December 2003	28,137,008		28,137,008	
State Supported Local Employee Salary Increase: December 2003	9,654,283		9,654,283	
Higher Education Faculty Salary Increase: December 2003	14,557,158		14,557,158	
Restore VRS Budget Reduction	2,606,871		2,606,871	
<b>Independent Agencies</b>				
State Corporation Commission				
Consumer Education Program for Electricity Deregulation	Language			
Virginia Retirement System				
<b>Transfers</b>				
Tax Amnesty	Language			
VRS Administrative Budget Restoration	Language			
<b>Part IV</b>				
VaLORS -- Include Capitol Police Chief	Language			
<b>Subtotal: Compensation and General Government</b>	61,166,984	68,041	58,016,310	

General Government - Independent Subcommittee

Item 1 #4h

**Legislative Department**

General Assembly Of Virginia

Language

**Language:**

Page 6, line 16, strike "Reimbursement" and insert "Allowance".

**Explanation:**

(This amendment clarifies that the funding provided to members of the General Assembly for office expenses and supplies represents an allowance for such purchases and is not made on a reimbursement basis.)

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General Government - Independent Subcommittee

Item 1 #5h

**Legislative Department**

General Assembly Of Virginia

Language

**Language:**

Page 6, line 10, after "thereof.", insert:

"The Clerk of the House of Delegates and the Clerk of the Senate are authorized to provide compensation to members of the General Assembly for attendance and participation in meetings pursuant to studies authorized by the chairmen of standing committees of the respective bodies."

**Explanation:**

(This amendment clarifies that the Clerks of the House and Senate are authorized to pay per diems to members for attendance at meetings of studies authorized by Chairmen of standing committees of the respective houses.)

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General Government - Independent Subcommittee

Item 23 #1h

**Legislative Department**

Legislative Department Reversion  
Clearing Account

Language

**Language:**

Page 17, after line 41, insert:

"E. Out of this appropriation, the Joint Rules Committee shall release \$10,000 from

the balances of the Dr. Martin Luther King Jr. Memorial Commission in the second year to coordinate and fund the statewide commemoration of the 50th anniversary of the Brown v. Board of Education decision in the Commonwealth."

**Explanation:**

(This amendment directs Joint Rules to release \$10,000 of the balances of the MLK Commission to help fund the Brown v. Board of Education commemoration in 2004.)

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General Government - Independent Subcommittee

Item 32 #1g

**Judicial Department**

Circuit Courts

Language

**Language:**

Page 23, line 9, strike "18.2-31.6" and insert "18.2-36.1"

Page 23, line 12, after "\$100", insert "effective May 1, 2003".

Page 23, line 15, strike "the Executive Secretary of" and insert:  
"effective May 1, 2003, the fixed fee".

Page 23, strike line 16.

Page 23, line 18, after "17.1-275.9" strike "." and insert:

", Code of Virginia, is increased by one dollar and the Executive Secretary of the Supreme Court shall adjust the distribution formula set out in those sections accordingly."

**Explanation:**

(This amendment clarifies language increasing the IDEA court fee by one dollar. Because the IDEA fee is one component of a consolidated fixed fee, the fixed fee also needs to be increased to ensure that the distribution of the remainder of the fixed fee is not affected. This amendment also clarifies that the fee increase proposed in the introduced budget becomes effective May 1, 2003 and corrects an incorrect *Code* citation.)

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General Government - Independent Subcommittee

Item 32 #2h

**Judicial Department**

Circuit Courts

Language

**Language:**

Page 23, after line 18, insert:

"G. Notwithstanding any other provision of law, all fines imposed for any local ordinance violation shall include a fine of not less than \$5 per mile-per-hour in excess of posted speed limits where the posted speed limit is 55 miles per hour or more on any (i) interstate highways, (ii) highways constructed pursuant to the Virginia Highway Corporation Act of 1988 (§ 56-535 et seq.), (iii) Virginia Route 288, (iv) the limited access portion of Virginia Route 37, (v) highways constructed pursuant to the Public Private Transportation Act of 1995 (§ 56-556 et seq.), and (vi) high-occupancy vehicle lanes if such lanes are physically separated from regular travel lanes. For all such fines collected, the Supreme Court shall return \$3 per mile-per-hour to the collecting locality and all additional funds shall be deposited to the Literary Fund.

**Explanation:**

(This amendment is self-explanatory.)

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General Government - Independent Subcommittee

Item 33 #2h

**Judicial Department**

General District Courts

Language

**Language:**

Page 24, strike lines 24 through 26 and insert:

"To reflect this latter fee, effective May 1, 2003, the fixed fee set out in § 16.1-69.48:1, Code of Virginia, is increased by one dollar and the Executive Secretary of the Supreme Court shall adjust the distribution formula set out in that section accordingly."

Page 24, line 33, strike "18.2-31.6" and insert "18.2-36.1".

Page 24, line 36, after "\$100" insert "effective May 1, 2003".

**Explanation:**

(This amendment clarifies that the fee increase proposed in the introduced budget becomes effective May 1, 2003, and corrects an incorrect *Code* citation.)

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General Government - Independent Subcommittee

Item 33 #3h

**Judicial Department**

General District Courts

Language

**Language:**

Page 24, after line 36, insert:

"H. Notwithstanding any other provision of law, all fines imposed for any local ordinance violation shall include a fine of not less than \$5 per mile-per-hour in excess of posted speed limits where the posted speed limit is 55 miles per hour or more on any (i) interstate highways, (ii) highways constructed pursuant to the Virginia Highway Corporation Act of 1988 (§ 56-535 et seq.), (iii) Virginia Route 288, (iv) the limited access portion of Virginia Route 37, (v) highways constructed pursuant to the Public Private Transportation Act of 1995 (§ 56-556 et seq.), and (vi) high-occupancy vehicle lanes if such lanes are physically separated from regular travel lanes. For all such fines collected, the Supreme Court shall return \$3 per mile-per-hour to the collecting locality and all additional funds shall be deposited to the Literary Fund."

**Explanation:**

(This amendment is self-explanatory.)

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General Government - Independent Subcommittee

Item 34 #3h

**Judicial Department**

Juvenile And Domestic Relations  
District Courts

Language

**Language:**

Page 25, strike lines 42 through 44 and insert:

"To reflect this latter fee, effective May 1, 2003, the fixed fee set out in § 16.1-69.48:1, Code of Virginia, is increased by one dollar and the Executive Secretary of the Supreme Court shall adjust the distribution formula set out in that section accordingly."

Page 26, line 18, strike "18.2-31.6" and insert "18.2-36.1"

Page 26, line 21, after "\$100" insert "effective May 1, 2003".

**Explanation:**

(This amendment clarifies that the fee increase proposed in the introduced budget becomes effective May 1, 2003, and corrects an incorrect *Code* citation.)

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General Government - Independent Subcommittee

Item 34 #4h

**Judicial Department**

Juvenile And Domestic Relations  
District Courts

Language

**Language:**

Page 26, after line 21, insert:

"I. Notwithstanding any other provision of law, all fines imposed for any local ordinance violation shall include a fine of not less than \$5 per mile-per-hour in excess of posted speed limits where the posted speed limit is 55 miles per hour or more on any (i) interstate highways, (ii) highways constructed pursuant to the Virginia Highway Corporation Act of 1988 (§ 56-535 et seq.), (iii) Virginia Route 288, (iv) the limited access portion of Virginia Route 37, (v) highways constructed pursuant to the Public Private Transportation Act of 1995 (§ 56-556 et seq.), and (vi) high-occupancy vehicle lanes if such lanes are physically separated from regular travel lanes. For all such fines collected, the Supreme Court shall return \$3 per mile-per-hour to the collecting locality and all additional funds shall be deposited to the Literary Fund."

**Explanation:**

(This amendment is self-explanatory.)

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General Government - Independent Subcommittee

Item 35 #1h

**Judicial Department**

Combined District Courts

Language

**Language:**

Page 27, strike lines 18 through 20 and insert:

"To reflect this latter fee, effective May 1, 2003, the fixed fee set out in § 16.1-69.48:1, Code of Virginia, is increased by one dollar and the Executive Secretary of the Supreme Court shall adjust the distribution formula set out in that section accordingly."

Page 27, line 27, strike "18.2-31.6" and insert "18.2-36.1".

Page 27, line 30, after "\$100" insert "effective May 1, 2003."

**Explanation:**

(This amendment clarifies that the fee increase proposed in the introduced budget becomes effective May 1, 2003, and corrects an incorrect *Code* citation.)

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**Judicial Department**

Combined District Courts

Language

**Language:**

Page 27, after line 30, insert:

"H. Notwithstanding any other provision of law, all fines imposed for any local ordinance violation shall include a fine of not less than \$5 per mile-per-hour in excess of posted speed limits where the posted speed limit is 55 miles per hour or more on any (i) interstate highways, (ii) highways constructed pursuant to the Virginia Highway Corporation Act of 1988 (§ 56-535 et seq.), (iii) Virginia Route 288, (iv) the limited access portion of Virginia Route 37, (v) highways constructed pursuant to the Public Private Transportation Act of 1995 (§ 56-556 et seq.), and (vi) high-occupancy vehicle lanes if such lanes are physically separated from regular travel lanes. For all such fines collected, the Supreme Court shall return \$3 per mile-per-hour to the collecting locality and all additional funds shall be deposited to the Literary Fund."

**Explanation:**

(This amendment is self-explanatory.)

**Executive Offices**

Attorney General And Department  
Of Law

Language

**Language:**

Page 35, after line 29 insert:

"F. The Attorney General is authorized to expend funds deposited into the Legal Fee Reimbursement Fund created pursuant to § 2.2-507.2 for litigation costs and costs associated with services provided to every department, institution, division, commission, board, bureau, agency, or entity of the Commonwealth wherein such legal service provided is related to a financial transaction, including but not limited to the issuance of bonds or other debt."

**Explanation:**

(This amendment authorizes appropriation of funds pursuant to House Bill 2336 and allows the Attorney General to charge costs associated with legal services

provided in support for financial transactions, including issuance of bonds. This amendment is contingent upon passage of House Bill 2336.)

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General Government - Independent Subcommittee

Item 59.15 #2h

**Office of Administration**

Secretary Of Administration

Language

**Language:**

Page 41, line 8, after "C." insert "1."

Page 41, after line 20, insert:

"2.A. The Auditor of Public Accounts shall develop a comparative revenue and financial report covering the Greater Washington Educational Television Association (WETA), the Hampton Roads Educational Telecommunications Association, Shenandoah Valley Educational Television Corporation, Blue Ridge Public Television, Inc. and Commonwealth Public Broadcasting, and provide such information to the Secretary and the Board no later than June 30, 2003, so the findings of such report can be used to assist the Board and the Secretary of Administration in developing an appropriate and equitable formula for distributing the Community Service Grants in the second year. The report shall include a review of any Corporation for Public Broadcasting, or related federal agency, audits or assessments of the Virginia public broadcasting organizations.

B. The Secretary of Administration and the Virginia Public Broadcasting Board shall provide a report to the Chairmen of the House Appropriations and Senate Finance Committees on the formulas and allocation methods proposed to be used to distribute state funds in the second year to Virginia's public broadcasting entities no later than September 1, 2003.

C. It is the intent of the General Assembly that if agreement cannot be reached on an equitable distribution of funds prior to December 1, 2003, the General Assembly shall prescribe such formulas during the 2004 Session."

**Explanation:**

(This amendment directs the Virginia Public Broadcasting Board, based in part on the results of a study to be conducted by the Auditor of Public Accounts, to revise the formulas for the community service grants. If a formula is not developed prior to December 1, 2003, the General Assembly shall prescribe such formulas in the future.)

**Office of Administration**

Commission On Local Government

Language

**Language:**

Page 43, strike lines 44 through 49 and insert:

"Notwithstanding Title 15.2, Chapter 29, and § 30-19.03, Code of Virginia, the staff, facilities, assets, and obligations of the Commission on Local Government are hereby consolidated with the Department of Housing and Community Development effective July 1, 2003. All powers and duties conferred on the Executive Director of the Commission on Local Government shall thereafter be exercised by the Director of the Department of Housing and Community Development. The Commission on Local Government shall continue in existence as a commission in the Department of Housing and Community Development. Staff support for the Commission on Local Government shall be provided by the Director and employees of the Department of Housing and Community Development. The Commission shall otherwise continue to exercise all powers and duties conferred upon it by the Code of Virginia. The Commissioners shall be compensated as provided in § 15.2-2904 from funds appropriated to the Department of Housing and Community Development."

**Explanation:**

(This amendment makes clear the intent that the staff, assets and obligations of the Commission on Local Government are to be consolidated with the Department of Housing and Community Development. Further, the language specifically continues the Commission on Local Government as a commission and clarifies that staff support for the commission will be provided by the Department of Housing and Community Development.)

**Office of Administration**

Compensation Board

Language

**Language:**

Page 56, after line 14, insert:

"I. Notwithstanding § 17.1-287, Code of Virginia, any elected official funded through this item shall have the ability to elect to relinquish any portion of their state

funded salary established in paragraph A.1. of this item. In any office where the official elects this option, the Compensation Board shall ensure the amount relinquished is used fund salaries of other office staff."

**Explanation:**

(This amendment authorizes Circuit Court Clerks to elect to relinquish a portion of their state-funded salaries to help fund salaries of other office staff.)

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General Government - Independent Subcommittee

Item 66 #9h

**Office of Administration**

Compensation Board

Language

**Language:**

Page 56, line 12, strike "\$1,489,213" and insert "\$2,789,213"

**Explanation:**

(This amendment authorizes the Compensation Board to utilize up to \$1,300,000 from the Technology Trust Fund to offset reductions for Circuit Court Clerks' Offices.)

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General Government - Independent Subcommittee

Item 77 #2h

**Office of Administration**

Department Of General Services

Language

**Language:**

Page 68, after line 29, insert:

"F. The Department of General Services shall compile an inventory of all state-owned office space and other facilities by jurisdiction that includes the type and square footage of vacant space available by facility. All state agencies shall provide information regarding space under their control in the form and manner prescribed by the Department of General Services. This inventory shall be made available to all state agencies via the Department of General Services' web site and the existence of such list shall be communicated to all state entities. Upon the expiration of any existing lease, all state entities shall review the office space inventory to determine if suitable state-owned facilities exist prior to entering into any contract or lease for any privately held space."

**Explanation:**

(This amendment directs DGS to develop an office space inventory list to be used to promote the co-location of state agencies in the same facilities where feasible.)

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General Government - Independent Subcommittee

Item 80 #1h

**Office of Administration**

Department Of General Services

Language

**Language:**

Page 69, at the beginning of line 4, insert "A."

Page 69, after line 7, insert:

"B. The Department of General Services shall seek consultation from within or without state government in order to modify agency operations of the Virginia Distribution Center to reflect modern procurement, operation and distributional methods. A summary report of recommendations shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees no later than December 1, 2003.

C. The Department of General Services, in consultation with the Auditor of Public Accounts, shall undertake a comparative analysis of the costs associated with procuring, purchasing, delivering and maintaining the food and janitorial commodities required to operate a major correctional facility in the Commonwealth run by the Department of Corrections which utilizes the services of the Virginia Distribution Center with the costs associated with the same activities for a similar prison not currently utilizing the Virginia Distribution Center.

D. A summary report of findings and recommendations made pursuant to paragraphs A and B of this item shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees no later than December 1, 2003."

**Explanation:**

(This amendment is self-explanatory.)

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General Government - Independent Subcommittee

Item 92 #2h

**Office of Administration**

State Board Of Elections

Language

**Language:**

Page 75, line 11, strike "the United States Bureau of the Census".

Page 75, line 12, strike "or".

**Explanation:**

(This amendment requires that in determining the salary and normal days of service per week for general registrars, the Board of Elections shall use the most recent population estimate from the Center for Public Service at the University of Virginia.)

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General Government - Independent Subcommittee

Item 272 #1h

**Finance**

Department Of Accounts

Language

**Language:**

Page 253, after line 6, insert:

"The Comptroller of Virginia shall establish a special revenue account fund detail code for nongeneral funds donated to the Virginia Museum of Fine Arts by private donors and volunteers who sponsor fundraising activities to support the museum's general operations, exhibitions, and programs. Revenues included in this fund will be restricted for the uses specified by the donors and shall not be subject to interagency transfers or appropriation reductions."

**Explanation:**

(This amendment directs the Comptroller to establish a fund detail code for moneys donated to the Virginia Museum of Fine Arts by private donors.)

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General Government - Independent Subcommittee

Item 278.10 #1h

**Finance**

Department Of Accounts

Language

**Language:**

Page 257, after line 32, insert:

"A. 1. For purposes of determining a transfer from the Revenue Stabilization Fund to the general fund as a result of a downward revision in general fund revenues, the general fund revenues appropriated shall be those that are contained in the revenue forecast in which the Appropriation Act, in effect, was based. Anticipated shortfalls

in general fund revenues for fiscal years ending June 30, 2003 and June 30, 2004, shall be computed by comparing the revised general fund forecast presented to the General Assembly to total general fund revenues appropriated in Chapter 899 of the 2002 Acts of Assembly.

A.2. In accordance with Art. 10 § 8, Virginia Constitution, and § 2.2-1830, Code of Virginia, the amount of the transfer shall not exceed more than one-half of the balance of Revenue Stabilization Fund or more than one-half of the forecasted shortfall in revenues."

Page 257, line 33, strike "A." and insert "B."

Page 257, line 40, strike "B." and insert "C."

**Explanation:**

(This amendment clarifies the calculation of revenues available for deposit to and transfer from the revenue stabilization fund.)

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General Government - Independent Subcommittee

Item 283 #1h

**Finance**

Department Of Taxation

Language

**Language:**

Page 260, strikes lines 3 through 5 and insert:

"The General Assembly declines to appropriate funds for the continuance of the lease of office space at 11166 Main Street, Fairfax, Virginia, by the Commonwealth of Virginia, Virginia Department of Taxation, for the period beginning July 1, 2003."

**Explanation:**

(This amendment clarifies language included relating to the cancellation of a lease by the Department of Taxation to ensure that the Commonwealth could, if it chose, use the facility for an alternative purpose.)

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General Government - Independent Subcommittee

Item 285 #2h

**Finance**

Department Of Taxation

Language

**Language:**

Page 262, line 17, after "program.", insert:

"In the second year, the Tax Commissioner shall expand the program that allows for

the collection of unpaid fines and court costs to include any private debt collection firms with whom the selected commonwealth's attorneys have contracted for the collection of unpaid fines and court costs pursuant to § 19.2-349, Code of Virginia, to collect unpaid fines and court costs in the same manner and means as provided to the Department of Taxation in § 58.1-1804, Code of Virginia."

**Explanation:**

(This amendment expands the pilot program for court debt collection to allow commonwealth's attorneys to contract with any private debt collection firm and give such firms authority to utilize all remedies available to the Department of Taxation under the Code of Virginia.)

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General Government - Independent Subcommittee

Item 285 #4h

**Finance**

Department Of Taxation

Language

**Language:**

Page 265, after line 48, insert:

"K. For individual income tax returns filed on or after January 1, 2004, by taxpayers using the Department of Taxation's Internet filing system (iFile for Individual), the Department is prohibited from using data provided by taxpayers and saved as draft, except for the sole purpose of providing user assistance. Once a final return is completed and submitted by a user, all draft information shall be removed from the system. In providing assistance to taxpayers using the iFile system, the Department of Taxation shall only provide on-line the same type of information and questions that are contained in the tax booklets published annually by the Department or designed to minimize taxpayer errors in the filing of their return."

**Explanation:**

(This amendment clarifies that the Department of Taxation shall not provide online assistance to taxpayers using its iFile system the exceed the information provided to taxpayers in the annually published tax booklets.)

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General Government - Independent Subcommittee

Item 504 #1h

**Central Appropriations**

Central Appropriations

Language

**Language:**

Page 472, line 10, strike "and October 1, 2003".

Page 472, after line 10, insert:

"6. The Director of the Department of Human Resource Management shall report to the Chairmen of the House Appropriations and Senate Finance Committees by October 15, 2003, on the status of the state employee health insurance program. The report shall include but not be limited to the following items:

- a. enrollment statistics and plan demographics, program experience by benefit category and comparison to the plan administrator's book of business averages for the same categories, and the plan's cost drivers covering the most recent five fiscal years;
- b. the state employee health insurance fund's operating statements on both a cash and accrual basis for the most recent five fiscal years;
- c. a description of the plan's renewal projections for the upcoming plan year;
- d. potential changes to the plan based on renewal projections including plan design changes, projected premiums, and the projected general and nongeneral fund cost increase."

**Explanation:**

(This amendment requires the Department of Human Resource Management to report on the status of the state employees' health insurance program.)

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General Government - Independent Subcommittee

Item 511 #5h

**Central Appropriations**

Central Appropriations

Language

**Language:**

Page 480, after line 23, insert:

"M.1. The Department of Human Resource Management shall study the feasibility of establishing an Internal Revenue Service approved Special Pay Plan that is qualified under section 401(a) of the Internal Revenue Code for separating state employees. The purpose of the study shall be to determine whether such a pay plan would be of value to state employees and the extent to which state employees have identified the need for such a benefit plan.

2. As part of the review, the Department shall identify the benefits of such plans including a determination of cost savings that may accrue to both the employer and employee.
3. The Department shall also determine whether this benefits should be available to all employees or a subgroup of employees based on factors including but not limited to level and type of separation pay.
4. In completing this review, the Department shall seek input from a cross-section of state employees.
5. The Virginia Retirement System shall provided technical assistance to the Department of Human Resource Management upon request.
6. The results of this review shall be provided to the Chairman of the House Appropriations and Senate Finance Committees by November 14, 2003."

**Explanation:**

(This amendment requires a review of special pay plans as qualified by the Internal Revenue Service for separating state employees.)

General Government - Independent Subcommittee

Item 514 #1g

**Independent Agencies**

State Corporation Commission

Language

**Language:**

Page 488, line 37, strike "suspend all" and insert "curtail".

**Explanation:**

(This amendment amends language to allow the State Corporation Commission to continue some services of the consumer education program for electricity deregulation such as maintaining a website and toll-free number for this program.)

General Government - Independent Subcommittee

Item 3-1.01 #3g

**Transfers**

Interfund Transfers

Language

**Language:**

Page 569, line 55, strike "\$39,300,000 and insert "\$44,812,545".

**Explanation:**

(This amendment modifies the projected revenue generated from the tax amnesty program proposed in the introduced budget.)

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General Government - Independent Subcommittee

Item 3-1.01 #16h

**Transfers**

Interfund Transfers

Language

**Language:**

Page 566, line 29, unstrike "\$644,185" and strike "\$2,938,015".

**Explanation:**

(This amendment restores nongeneral fund reductions to VRS' budget proposed in the introduced budget.)

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General Government - Independent Subcommittee

Item 4-6.03 #1h

**Positions and Employment**

Employee Benefits

Language

**Language:**

Page 607, line 40, after "July 1, 2002", insert:  
"and shall not apply to the Chief of the Capitol Police."

**Explanation:**

(This amendment allows the Chief of the Capitol Police to be a member of the Virginia Law Officers' Retirement System.)