

Comparison of House and Senate Budget Amendments House Bill 1650 and Senate Bill 750



House Appropriations Committee Staff

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Comparison of House and Senate General Fund Resources

	House	Senate
Additions to Balance		
Legislative Agency Balances	\$ 4,158,067	\$ 3,750,000
House Clerk's Balances	\$ 2,500,000	\$ 0
Indigent Defense Commission Balances	\$ 3,000,000	\$ 3,000,000
Natural Disaster Reserve	\$ 0	\$ 1,250,000
Additional Revenues		
Tax Conformity	\$ (2,670,000)	\$ (2,670,000)
Additional Interest Earnings	\$ 3,000,000	\$ 0
NPM Escrow Accts from 2005	\$ 2,060,000	\$ 0
Adjust K-12 Food Sales Tax Est.	\$ 0	\$ 6,864,865
DOC – Inmate Phone Charges	\$ (2,000,000)	\$ 0
Legislation		
Sales Tax Holiday Energy Efficiency	\$ 0	\$ (115,000)
Sales Tax Holiday Preparedness	\$ 0	\$ (1,500,000)
Tax Credit for Recycling Equipment	\$ 0	\$ (498,000)
TOTAL COMMITTEE ACTIONS	\$ 17,836,739	\$ 17,870,537

Transportation



Transportation – Summary of House Proposal

- Includes appropriation of \$566.0 million GF for transportation initiatives
 - This includes the \$339.0 million dedicated to transportation but not allocated by the 2006 General Assembly
- The uses of these funds are as follows:
 - \$339.0 million GF deposited into the Transportation Partnership Opportunity Fund (TPOF) for PPTA and design-build projects
 - Language authorizes the CTB to transfer \$65.0 million to the rail enhancement fund and \$15.0 million to the Port Fund
 - \$64.0 million deposit into the Transportation Trust Fund
 - Funds would flow through the modal allocation formula
 - Highway portion would flow through existing formula provisions
 - \$163.0 million as a one-time deposit to the Commonwealth Transportation Capital Projects Fund established by HB 3202 and HB 1712
 - Would serve as a reserve fund and generate interest because full amount not required for debt service in early years
 - In conjunction with the portion of 1/3 insurance premiums not required to service FRAN debt service, these amounts fully fund the debt service costs for the life of the bonds
 - First issuance of FRAN debt is retired in FY 2011, larger retirement in FY 2014

Transportation – Summary of Senate Proposal

- ❑ Senate budget provides a total of \$500 million GF for transportation initiatives
 - This includes the \$339.0 million dedicated to transportation but not allocated by the 2006 General Assembly
- ❑ The uses of these funds in SB 750 are as follows:
 - \$305.0 million GF deposited into the Transportation Partnership Opportunity Fund (TPOF) for specific PPTA and design-build projects
 - ❑ Capital Beltway HOT Lanes, Hillsville Bypass, I-64/264 Interchange, Route 50 in Loudoun and Fairfax counties, Route 37 in Frederick and Norfolk Southern ROW acquisition in Virginia Beach
 - \$65.0 million for the Rail Enhancement Fund to be used to:
 - ❑ Complete funding for ongoing rail improvements in the Richmond-DC corridor and begin Phase 1 of I-81 rail corridor improvements
 - \$45.0 million in transit capital funding
 - ❑ \$20.0 million for Metro, \$15.0 million for VRE, \$10.0 million for Hampton Roads Light Rail project and \$15.0 million for statewide distribution
 - \$50.0 million for Port-related improvements in Hampton Roads
 - ❑ Up to \$40.0 million for the Route 164 rail relocation and remainder for design/engineering for Craney Island expansion
 - \$20.0 million for private sector initiatives to utilize technology to reduce congestion in Northern Virginia and Hampton Roads
- ❑ Senate Finance substitute for HB 3202 conflicts with these appropriations and dedicates \$161.0 million for debt service payments

House & Senate Transportation Spending – Items of Similarity

- Dedication of Funding for TPOF:
 - House appropriates \$339.0 million GF
 - Senate appropriates \$305.0 million GF
- Funding for key rail projects:
 - Senate deposits \$65.0 million GF directly into the Rail Enhancement Fund
 - House language authorizes CTB to transfer up to \$65.0 million GF from TPOF for rail projects
- Port Issues:
 - House language regarding TPOF ensures Route 164 Median Rail Relocation is an eligible design-build project and authorizes CTB to transfer \$15.0 million to the Port Fund
 - Senate provides \$50.0 million for port-related improvements
- Hampton Roads Transit Funding
 - House provides \$6.9 million GF for Norfolk Light Rail and \$3.1 million GF for Norfolk hybrid-electric buses from prior (2005) GF earmark
 - Senate provides \$3.1 million NGF for Norfolk hybrid-electric buses

House & Senate Transportation Spending – Areas of Difference

- Debt Service Support for Bond Issuances:
 - House deposits \$163.0 million GF to Commonwealth Transportation Capital Projects Debt Service Fund
 - Funding to be used for initial debt service payments on bonds authorized by HB 1712 and HB 3202
 - Senate provides no funding in SB 750, however Senate Finance Substitute for HB 3202 dedicates \$161.0 million GF for debt service

- Funding for transit capital initiatives:
 - Senate provides \$40.0 million GF for transit capital earmarks
 - House provides no GF for specified transit earmarks

- Additional Modal Formula Funding:
 - House provides an additional \$64.0 million GF in funding to flow through the Code-stipulated modal allocation formula
 - Senate proposal does not include allocation formula funding

Higher Education



Higher Education

- Enrollment Growth and Base Operating Support
 - House: \$34.0 million
 - All institutions are eligible for funding tied to Tuition Moderation Fund
 - Senate: \$15.3 million
 - Allocated to 10 of 17 institutions
- Financial aid
 - House:
 - \$9.5 million for undergraduates at public institutions
 - \$2.4 million for TAG
 - \$1.0 million for Military Survivors
 - \$1,500 stipend to all eligible students
 - Senate:
 - \$13.7 million for undergraduates at public institutions
 - No TAG Increase
 - \$1.0 million for Military Survivors
 - Limited to on-campus students
 - \$1.8 million for transfer grants tied to SB 749
 - House substitute makes program prospective, beginning with the Fall 2007 incoming class

Higher Education Institutions

(GF \$ in Millions)

	<u>House</u>	<u>Senate</u>		<u>House</u>	<u>Senate</u>
CNU	\$0.7	\$0.3	UVAW	\$0.2	\$0.0
CWM	1.3	0.0	VCU	4.0	2.3
GMU	3.2	2.5	VMI	0.3	0.0
JMU	4.2	0.0	VSU	1.2	0.2
LU	0.4	0.0	VT	5.5	1.9
MWC	0.6	0.0	RBC	0.1	0.1
NSU	0.3	0.0	<u>VCCS</u>	<u>6.0</u>	<u>4.5</u>
ODU	1.3	1.2	Total	34.0	15.3
RU	2.9	0.6			
UVA	1.9	1.7			

Higher Education – Other Base Operating Support

- Faculty Salaries
 - House: Average 3.0 percent increase effective November 2007
 - Additional 1.0 percent tied to revenue reserve
 - Senate: Average 3.0 percent increase effective November 2007
 - Both House and Senate increase Nursing faculty by 10 percent - \$1.8 million
- O & M for New Facilities
 - House: \$3.0 million for new facilities
 - Senate: \$3.0 million for new facilities
- Extension
 - House: \$0.4 million for 6 additional positions
 - Senate: \$0.6 million for 8 additional positions
- Various Program Enhancements
 - House: \$0.9 million for program enhancements which includes GMU Housing, CNU VECTEC, UVA Arboretum and VCU medical programs, SCHEV grants
 - Senate: \$0.3 million for unique military at VMI

Higher Education Research

□ Research

- House: Allocates \$3.0 million for targeted research opportunities
 - Designates \$2.0 million for Coastal Energy consortium
 - Designates \$1 million for UVA cancer research
- Senate: Allocates \$2.5 million for research
 - Designates \$0.5 million for Coastal Energy consortium
 - Provides \$2.0 million for the Commonwealth Technology Research Fund for unspecified research

□ Institute for Advanced Learning and Research

- House: \$2.3 million additional allocation from HEETF
- Senate: No new allocations from HEETF

□ Jefferson Labs

- House: No increase
- Senate: \$0.5 million for lab upgrades

Higher Education

□ Reduction Actions

■ Both House and Senate:

- Save \$1.5 million from three higher education centers for funding that duplicates Tobacco Commission
- Save \$0.5 million for new scholarship at VMI
- Save \$0.1 million by eliminating new public service center at VCU

■ Senate: Saves \$0.3 million for graduate support at EVMS

Higher Education – Language

- Joint Subcommittee Studying Higher Education
 - House: Eliminates reference to Joint Subcommittee Studying Higher Education
 - Senate: Request continuation of Joint Subcommittee

- Part IV
 - House: Requires institutions to submit requests to General Assembly prior to seeking expansion of decentralization authority
 - Senate: Provides for expanded authority in procurement and information technology (SB 1342)

Public Education



Public Education

Senate:

- Captures anticipated savings of \$240,000 in FY 2007 from lower teacher participation levels in the National Board Certification initiative
 - Captures anticipated savings from DOE staff turnover vacancy balances: \$500,000 in FY 2007
 - Adds \$250,000 to the existing \$558,000 in the Virginia Teacher Scholarship Loan program in FY 2008
- New funding and two positions to administer the Universal Preschool Pilot initiative in FY 2008
- House defers \$200,000 and two FTEs contained in the introduced budget
 - Senate provides \$100,000 and no positions

Public Education

- Pre-Kindergarten Initiative - Pilot program for 6 locations in FY 2008
 - Both budgets defer the \$4.6 million of new spending in the introduced budget for all four-year-olds
 - JLARC to evaluate existing VPI program (HJR 729)
- Senate provides \$3.4 million for 6 pilots for 1,000 at-risk students currently not served in the VPI program
 - Each pilot would receive \$50,000 start-up costs
 - Remaining \$3.1 million distributed based on state's share of \$5,700 PPA
 - Secretaries of Education and Health and Human Resources will report recommendations to money committees by October 30, 2007
- Senate captures \$670,000 in VPI savings in FY 2007 from lower school division participation
 - This amount is a savings from the \$2 million of incentive start-up funding contained in the introduced budget

Public Education

□ House:

- Adds \$1.5 million in FY 2008 to expand the cost of competing adjustment to all remaining school divisions in the Baltimore/Washington D.C. MSA
 - Phases in Frederick County and City of Winchester at 25 percent

□ Senate:

- Adds a net \$1.5 million in FY 2008 by adjusting Sales Tax distribution based on adjustments to sales tax forecast
 - Senate adjustment captures growth in one segment of the overall sales tax forecast (food), without making any offsets for the remaining sales tax components which are underperforming the forecast
- Adds \$400,000 in FY 2008 to the existing \$800,000 for Project Discovery

Public Education

- House provides \$4.7 million by redirecting incentive-based funding for new innovative curriculum opportunities and vocational education equipment in FY 2008
 - \$3.0 million for three \$1.0 million competitive grants to school divisions to establish new Career and Technical Education full-day schools
 - \$500,000 to establish a Center for Teacher Quality and Educational Leadership
 - \$500,000 for career and technical education equipment
 - \$300,000 for Project WORD (Winning Options for Responding to Discipline) for Norfolk City school division
 - \$300,000 to replace federal funds no longer available for 12 mathematic specialists in five school divisions
 - \$100,000 for Jobs for Virginia Graduates

Public Education

- SOL Algebra Readiness Initiative:
 - Both budgets save \$3.9 million by level funding FY 2008 at first year amount
- Early Reading Intervention:
 - House level funds FY 2008 at the first year amount and captures \$4.1 million
- School Breakfast Reimbursements:
 - House level funds FY 2008 at the first year amount and captures \$303,171

Public Education

- Retiree Health Care Credit (RHCC):
 - Both budgets increase funding provided for the RHCC (from \$2.50/month to \$4.00/month) pursuant to legislation
 - House provides \$5.7 million, effective January 1, 2008
 - Senate provides \$11.9 million, effective July 1, 2007 with no cap on years of service

- Education for a Lifetime (EFAL) teacher mentoring savings and VPSA debt service error correction
 - Both budgets capture savings of \$408,379 in FY 2007 from lower teacher participation in EFAL initiative
 - Both budgets correct VPSA debt service error

- Hard-to-Staff Schools:
 - Senate captures \$284,105 reflecting Franklin City's withdrawal from initiative in the third year

Public Education

- Virginia Schools for the Deaf & Blind - Staunton:
 - Senate eliminates 4 positions needed for classroom teachers, residential dormitory aides and campus security: savings of \$229,254 in FY 2008 pending the consolidation plans

Health and Human Resources



Health & Human Resources

<u>(GF \$ in millions)</u>	<u>House</u>	<u>Senate</u>
Va. Health Care Fund (VHCF) Shortfall	\$54.8	\$58.2
Comprehensive Services Act (CSA)	\$11.5	\$11.5
New TANF Requirements	\$25.0	\$26.0
FAMIS expansion for pregnant women	\$0.7	\$2.6

Comprehensive Services Act

- ❑ Senate adds language to transfer \$2.0 million from Community Services Boards for children's mental health services to fund the initial impact of SB 1332
- ❑ SB 1332 adds a new category of mandated children to be served through the Comprehensive Services Act – children at risk of custody relinquishment
 - Number of additional children estimated to be about 430
- ❑ Senate language requires localities to match the funding transferred from CSBs at the current CSA match rate

Provider Rate Increases

- Medicaid rates for physician services
 - House: 2% rate increase for physician services - \$5.7 million GF
 - 2006 Session actions provided an 8% increase in pediatric services rates and 3% increase for all other physicians except OB/GYNs on July 1, 2007
 - House actions provide a 10% increase for pediatric services effective July 1, 2007
 - House actions provides a 5% increase for all other physician services including OB/GYN services effective July 1, 2007
 - House: Additional 1% increase for all physician services contingent on passage of HB 2034, effective July 1, 2007 - \$2.3 million GF
 - Senate: Delays 15% increase in pediatric services rates until Jan. 1, 2008 – Savings of \$2.6 million GF
 - Action leaves a structural imbalance going into the 2008-10 biennium
- Inpatient hospital services
 - House and Senate provide \$3.3 million GF to increase inpatient psychiatric services from 78% to 84% of allowable costs
 - House provides \$584,142 GF for rural hospitals to adjust rates to attract and retain health care workers
- Auxiliary Grant rate for assisted living facilities
 - House and Senate: Increase grant from \$1,010 to \$1,048 per month beginning January 1, 2007
 - Senate: Increases grant from \$1,048 to \$1,061 per month January 1, 2008 - \$1.0 million GF

Health & Human Resources

Services for Disabled

- Mental Retardation (MR) Waiver slots
 - House provides 330 slots - \$9.5 million GF
 - Senate provides 170 slots - \$5.3 million GF
 - House provides start-up funding - \$550,000 GF
- Developmentally Disabled (DD) Waiver slots
 - House provides 100 slots - \$1.7 million GF
- MR and DD Waiver Rates
 - House provides a 20% rate differential for Northern Virginia effective July 1, 2007 - \$7.8 million GF
 - Senate provides a 5% rate differential for Northern Virginia effective January 1, 2008 - \$0.9 million GF
 - Action leaves a structural imbalance going into the 2008-10 biennium
 - Senate provides a 3% rate increase statewide for waiver services effective January 1, 2008 - \$3.0 million GF
 - Action leaves a structural imbalance going into the 2008-10 biennium

Health & Human Resources

Services for Disabled

- Regional Community Support Centers at state MR training centers
 - Senate provides \$400,000 to provide community services through two centers located at Southside Training Center and Southeast Virginia Training Center

- Substance Abuse Services
 - Senate provides \$5.2 million GF to begin Medicaid coverage of substance abuse treatment services in FY 2008
 - Senate provides \$2.4 million GF in to expand treatment and support services through Community Services Boards

Health & Human Resources

Other Funding for Disabled

- Address waiting list for vocational rehabilitation services
 - House provides \$578,871
 - Senate provides \$500,000
- Senate adds:
 - \$200,000 GF for brain injury services
 - \$160,000 GF for Centers for Independent Living

Health & Human Resources

Other Health & Human Resources

- Home-delivered meals for the elderly
 - House: \$704,000 GF
 - Senate: \$1.0 million GF
- House and Senate add \$925,235 GF to increase allowance from \$30 to \$40 per month for nursing home residents' personal needs allowance
- Senate adds GF for:
 - Community Action Agencies - \$500,000
 - Comprehensive Sickle Cell services - \$380,643
 - Community-based Sickle Cell program grants - \$100,000
 - Virginia Bleeding Disorders program - \$100,000
 - Prenatal, OB and pediatric pilots in Emporia and Northern Neck - \$150,000
- House provides \$225,000 and 3 FTEs for Norfolk Office of the Chief Medical Examiner

Health & Human Resources

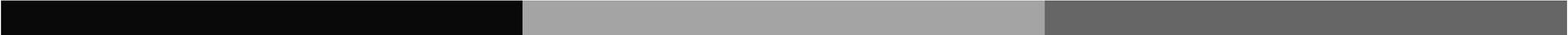
Other Health and Human Resources

- Local department leased space costs
 - Our Health in Winchester:
 - Senate provides \$20,000 for state share of Frederick County's local social services lease costs in FY 2008
 - Senate provides \$20,000 GF for lease costs of Access Independence (Center for Independent Living) in FY 2008
 - Senate provides \$40,000 for phase II construction in FY 2008
 - House provides \$40,000 GF in nonstate agencies for one-time grant in FY 2008
 - Senate provides funds for local social services departments' increased lease costs
 - Suffolk social services department - \$26,500 GF
 - Charles City County local social services department - \$13,000

Savings, Funding Reductions and Elimination of New Initiatives

- ❑ Medicaid Savings from Lower Utilization in Alzheimer's Waiver
 - House: \$2.7 million GF
 - Senate: \$3.2 million GF
- ❑ Voluntary Quality Ratings System
 - House: Defers initiative saving \$2.9 million GF
 - Senate: Reduces initiative by \$2.0 million GF
- ❑ Electronic Health Records
 - House: Defers expansion of private grants and funds for local health departments saving \$0.8 million GF
 - Senate: Reduces amount for local health departments by \$0.2 million GF
- ❑ House and Senate eliminate funding for:
 - Medicaid "Money Follows the Person" demonstration grant - \$489,954 GF
 - Physician loan repayment program - \$250,000 GF (Senate language allows Board of Medicine to transfer physician regulatory fees for loans if they choose)
 - Office of Community Integration disaster planning - \$67,882 GF
- ❑ Senate eliminates funding for:
 - "No Wrong Door" web portal for aging services: \$554,184 GF (House reduces funding by \$50,000)
 - PACE site expansion to Northern Virginia - \$250,000 GF
 - Staff in Secretary's Office for health insurance risk pools - \$100,000 GF
- ❑ House eliminates funding for:
 - Nursing scholarships and loan repayment for graduate students - \$200,000 GF

Agriculture and Forestry, Commerce and Trade



Commerce and Trade Spending

- Programs funded in Senate budget but not in House budget include:
 - \$4.0 million to expand funding for DBA's Workforce Services Program
 - \$1.0 million for grants to VASCIC
 - \$300,000 in the second year for recapitalization of the VSBFA's funds
 - \$490,318 to expand funding for Danville and Potomac Gateway Welcome Centers

- House spending not included in Senate budget includes:
 - \$2.3 million to the Virginia Tourism Corporation to market the 2007 commemoration
 - \$131,000 to support the Rural Center
 - \$75,000 for the Coalfield's Tourism Authority
 - \$200,000 for the Commonwealth Regional Council

Commerce and Trade Savings Items

- Program reductions and new initiatives eliminated by both bodies include:
 - House and Senate saved \$330,000 by rejecting a proposal to expand the industry focused research centers
 - House eliminated proposal to provide \$200,000 to VEDP for an emerging markets study, Senate reduced funding by \$50,000
 - House eliminated proposal to provide \$2.0 million to DHCD for the Housing Partnership Fund, Senate reduced proposal by \$1.0 million

- House generated savings by:
 - Eliminating proposed \$1.6 million expansion in funding for design and engineering of rural broadband access

Central Appropriations Items

- Governor's Opportunity Fund
 - House rejected proposal to increase first year funding of \$5.0 million
 - Senate reduced proposed expansion by \$2.25 million
- Economic Contingency
 - House retained first year increase of \$1.8 million and eliminated increase of \$2.5 million in the second year
 - The Senate reduced increases by \$1.0 million each year and included language allowing the Governor to expend up to \$1.8 million in the second year for activities associated with Jamestown 2007
- SRI Incentive Package
 - House provided \$6.5 million in grants to reflect cash-flow needs of SRI
 - Full grant amounts will be provided pursuant to provisions of HB 3171
 - Senate retained amount proposed in HB 1650 as introduced
 - No separate legislation authorizing grants

Natural Resources

Water Quality Actions:

- ❑ House budget provides \$50.0 million to reduce nutrient pollution from wastewater treatment plants
 - House has now appropriated \$300 million toward fulfilling its \$500 million commitment to upgrading wastewater treatment plants
- ❑ Senate budget includes no additional deposits into WQIF to upgrade wastewater treatment plants
 - Delaying action only increases the ultimate appropriations that will be necessary to address nutrient pollution from wastewater treatment plants – appropriations to WQIF earn interest that can be applied to project costs
- ❑ Senate budget includes \$7.5 million for nonpoint source pollution control included in introduced budget
- ❑ House budget provides \$3.8 million; reflects FY 2006 year-end surplus – current statute requires any general fund deposits over surplus to be used for upgrading wastewater treatment plants
- ❑ Senate budget includes \$9.1 million for the combined sewer overflow projects in Richmond and Lynchburg included in introduced budget
 - Senate also approved SB 1301, which would capture \$70 million in surplus deposits to WQIF for use by the cities of Lynchburg and Richmond for combined sewer overflow projects

Natural Resources

State Parks and Soil and Water Conservation Districts:

- ❑ House and Senate budgets both provide \$1.0 million in additional support for state parks
 - House and Senate budgets also both permit diversion of \$500,000 in interest from the WQIF by the Department of Conservation and Recreation to replace the computer system used by SWCDs to record agricultural BMP implementation
- ❑ Senate budget also includes \$300,000 in the second year from the general fund for support of SWCDs

Land Conservation:

- ❑ Both the House and Senate budgets eliminate most of land conservation funding included in the introduced budget
 - House budget maintains \$5.0 million to support local purchase of agricultural development rights programs
 - Senate budget provides \$8.0 million for land conservation programs – \$4.2 million for land or easement purchases, \$2.5 million for purchase of development rights and \$1.0 million for operating support for the Virginia Outdoors Foundation

Natural Resources

Biosolids:

- ❑ House budget includes transfer of funding from Department of Health and \$173,000 from the general fund for nutrient management plans on lands where biosolids will be used
- ❑ Senate budget includes \$173,000 in nongeneral funds for nutrient management plans and \$730,000 in nongeneral funds for DEQ to permit and inspect biosolids applications

Historic Resources:

- ❑ House budget includes \$500,000 in the second year to continue the Civil War Historic Site Preservation Grant program
- ❑ Senate budget does not provide grants for this program
- ❑ Senate budget reduces the Virginia Indian Heritage Program by \$175,000
- ❑ House budget maintains \$250,000 for program included in introduced budget

Marine Resources:

- ❑ Senate budget adds funding for oyster replenishment: \$200,000

Public Safety



Public Safety

Charlotte County State Correctional Center:

- ❑ House and Senate budgets both provide support for this new correctional center
 - House budget includes \$1.2 million for planning, design, and site selection
 - Senate budget includes \$284,837 for planning

New Regional and Local Jail Expansion Projects:

- ❑ Both budgets authorize expansion of New River Regional Jail
- ❑ Senate budget also includes authority for expanding:
 - Patrick County's local jail
 - Virginia Beach City Jail's work release center
 - Development of a possible regional jail for Martinsville and Patrick and Henry counties

Department of Corrections Savings:

- ❑ House budget eliminates funding for VASAVOR grant and reduces costs of inmate health care – \$2.8 million in savings
- ❑ Senate budget reduces funding for probation and parole hiring and state share of Craigsville wastewater treatment project – \$814,000 in savings

Public Safety

Support for Victim-Witness Programs:

- ❑ Both budgets provide additional support for Victim-Witness programs
 - House budget adds \$2.7 million
 - Senate budget includes \$2.5 million

Pilot Local Re-entry Councils:

- ❑ House budget eliminates \$792,000 in grants for these five pilot programs
- ❑ Senate budget reduces support for these pilot programs by \$642,000

Other DCJS Items:

- ❑ Senate budget includes spending of \$450,000 for the following items:
 - \$250,000 to provide deputies with courtroom security training from the Virginia Center for Policing Innovation
 - \$100,000 to assess for Chesterfield County Community Corrections dual diagnosis day reporting program
 - \$100,000 to assess the effectiveness of offender re-entry programs
- ❑ Senate budget reduces support for Court Appointed Special Advocate (CASA) programs, which provide services to abused and neglected children, by \$460,000

Public Safety

HB 599 Distribution:

- Both budgets eliminate proposed distribution of 40 percent of any increase in funding to 20 cities with the highest crime rates
 - House budget proposes no alteration to the existing statutory formula
 - Senate budget provides hold harmless based on FY 2007 distribution – any subsequent increases allocated based on statutory formula
 - Senate proposal redistributes funds to 21 localities
 - Overall aid for counties and towns is reduced by \$1,043,577
 - Overall aid for cities increases by only \$453,384
 - Distributions for cities that do not benefit from proposal are reduced by \$1,179,422

Public Safety

Commonwealth Preparedness:

- ❑ House budget reduces evacuation facility grant program by \$1.5 million
 - Reduces amounts proposed for State Fair of Virginia for road improvements and other capital costs
- ❑ House budget eliminates ReadyVirginia! public preparedness campaign, a citizen survey, and expansion of a citizen alert network – \$620,000 in savings
 - ReadyVirginia! functions can be performed by local media
 - House maintains \$350,000 appropriation for similar public service announcements on public radio and television
- ❑ Senate budget reduces ReadyVirginia! campaign and EMNet program – \$150,000 in savings

Department of Juvenile Justice:

- ❑ House budget reduces funding for correctional officers at Culpeper and Hanover Juvenile Correctional Centers based on juvenile offender forecast – \$930,267 in savings
- ❑ Senate budget cuts funding for juvenile reintegration programs and defers opening a fourth housing unit at Culpeper Juvenile Correction Center – (\$1,709,000)
- ❑ Senate budget includes \$900,000 to provide mental health services for nine local and regional detention centers

Department of Military Affairs:

- ❑ House and Senate budgets include \$266,217 to address technical funding issues such as rent, insurance premiums, computer charges, and soldier recognition medal costs
- ❑ Senate budget also includes \$233,783 for additional full-time and part-time positions

Public Safety

State Police:

- ❑ Senate budget reduces funding for minority recruitment activities by \$100,000
- ❑ Senate budget reduces funding by \$80,000 in the first year to reflect the actual timing of the hiring of 45 new state troopers approved for administration of the Sexually Violent Predator program
- ❑ Senate budget includes \$250,000 and 3 positions to oversee the registration of e-mail addresses, chat names, and other electronic identities used by sex offenders

Sheriffs and Jails:

- ❑ Senate budget includes \$3.1 million in the first year for per diem payments by the Compensation Board to support inmates housed in local jails
 - Appears to correct an omission in the Governor's executive amendments

Capital Outlay



Project Cost Overruns

□ House:

- Provides \$128.9 million for cost overruns on previously approved projects
 - Utilizes \$80.5 million from the VCBA (HB 1712) for projects previously authorized with debt in the 2002 GO bond package
 - About 90 percent of the cost overruns are designated for higher education projects

□ Senate:

- Provides \$129.6 million GF for cost overruns on previously approved projects
 - About 90 percent of the cost overruns are designated for higher education projects

Maintenance and Equipment

□ Equipment

■ House:

- Provides \$46.3 million to equip projects scheduled to open in the upcoming biennium

■ Senate:

- Provides \$42.5 million to equip projects scheduled to open in the upcoming biennium

Construction and Renovations

- House: Provides \$182.6 million for construction and renovations
- Bond projects totaling \$168.8 million include:
 - Mt. Rogers Correctional Facility - \$99.0 million (HB 1712)
 - CWM Sch of Educ - \$42.0 million
 - LU Bedford Hall - \$15.3 million
 - UMW Grad Ctr - \$12.0 million
 - NSU Library - \$15.0 million
 - ODU Fine Arts - \$18.0 million
 - UVA IT Eng - \$36.0 million
 - NVCC Manassas - \$23.0 million
- General Fund projects totaling \$13.8 million include:
 - VT Haz Waste Fac - \$3.5 million GF
 - WWRC Asbestos Abatement - \$6.7 million GF
 - Supreme Court - \$3.4 million GF
- Senate: Provides about \$128.9 million for construction and renovations
- Bond projects include:
 - Mt. Rogers Correctional Facility - \$99.0 million
- General Fund projects totaling \$29.9 million include:
 - VT Haz Waste Fac - \$3.5 million
 - WWRC Asbestos Abatement - \$6.7 million
 - Supreme Court - \$3.4 million

Use of Bonds

- House: Proposes to use \$240.6 million in VCBA and VPBA bonds
 - \$71.8 million for cost overruns for projects previously funded through debt
 - \$168.8 million in VCBA and VPBA bonds
 - Projects reflect prior planning and previous HAC high priority
 - Mainly higher education projects to address access
- Senate: Proposes to use \$104.0 million in VPBA bonds
 - \$99.0 million for Mt. Rogers Correctional Facility
 - \$5.0 million for Belmont Bay

Other Capital Outlay

- Land Acquisitions, Planning and Other
 - House: \$10.6 million GF including
 - \$1.6 million GF to acquire Brumley Tract
 - \$5.0 million GF for Belmont Bay to replace GO bonds per Bond Counsel
 - \$3.5 million for 8th/9th Street Complex
 - Senate: \$25.0 million GF and bonds including
 - \$19.5 million GF for planning which includes \$3.5 million for 8th/9th Street Complex
 - \$5.0 million bonds for Belmont Bay

Compensation



State Employee Compensation

- ❑ House budget provides salary adjustment for state employees of 4% in the second year; Senate budget provides 3% salary adjustment
- ❑ Both budgets fund the state share of a 3% salary adjustment in SOQ funded positions December 1, 2007
- ❑ Both budgets fund targeted salary increases for specific occupations that have experienced high turnover rates
 - Senate budget includes \$1.2 million to provide the Northern Virginia salary differential to State Police officers in areas 5 and 12

Summary of Employee Compensation Proposals

	House	Senate
Additional 1% - State Employees & State Support Local Employees	\$16.9	\$0
Additional 1% - Higher Education Faculty (Reserve Fund)	\$4.3	\$0
3% for SOQ positions	\$41.9	\$41.9
Targeted Salary Adjustments	\$14.4	\$18.3
Total Salary Funding	\$77.4	\$60.2

- The funding for the 1% faculty adjustment is included in the reserve fund and is contingent on the revenue projections being met
- Total GF cost for 3% SOQ positions salary increase is \$63.9 million, Chapter 10 included \$22 million reserve for teachers salary increase
- House budget adjusts the targeted salary increases included in the introduced budget to reflect the additional 1 percent across the board increase

Law Enforcement Retirement

■ State Police Officers Retirement System

- House proposal increases the multiplier from 1.70% to 1.85% (\$2.3 million)
- Senate proposal increases the multiplier 1.70% to 2.00% (\$6.6 million)
 - Provides an additional .025% for each full year of service beyond 55 years of age
 - Provides an additional .025% each full year beyond 25 years of service
 - The multiplier is capped at 2.20%

■ LEOS

- House proposal authorizes increased reimbursements to localities and regional jails that provide LEOS benefits to their sheriff's deputies and jail officers (\$3.8 million)
 - Payments through the Compensation Board are increased to the greater of the localities VRS calculated contribution rate or 7.77%
- Senate proposal mandates that localities provide LEOS benefits to their deputy sheriffs and increases reimbursements to localities and regional jails based on an allocation using the fiscal stress index of the locality (\$11.5 million)
 - Increased payments through the Compensation Board range from \$600 to \$1,825 per position depending on the fiscal stress index of the jurisdiction
 - Mandates that the locally elected sheriff shall receive the increased multiplier under SPORS (as stated above)

General Government



General Government: Additional Staffing

Judicial Branch Staffing:

- ❑ House Budget - \$0.9 million
 - 10 FTEs for foreign language interpreters at Supreme Court (SCV)
 - 3 FTEs for data entry at the SCV
- ❑ Senate Budget - \$1.0 million
 - 10 FTEs for foreign language interpreters at SCV
 - 2 FTEs for data entry at the SCV
 - 3 FTEs for Court of Appeals

Constitutional Officers:

- ❑ Senate budget provides \$3.1 million for additional staffing at Commonwealth Attorney's Offices (approximately 85 staff)

Public Defenders Office:

- ❑ Both budgets provide 26 additional positions for the indigent defense commission

General Government: Additional Staffing

New Judgeships

- Senate Budget (\$2.0 million)
 - 4 additional judgeships – Circuit Courts
 - 10th, 26th, 27th and 30th districts
 - Pursuant to SB 1174
 - 3 additional judgeships – General District Courts
 - 2nd, 11th, and 26th districts
 - Pursuant to SB 1175
 - 2 additional judgeships – JDR District Courts
 - 1st and 28th district
 - Pursuant to SB 1175

General Government: Criminal Fund

- Funding for waiver of caps on court appointed counsel
 - House budget provides \$7.5 million pursuant to HB 2361
 - Senate budget includes \$8.6 million
- Savings from public defenders offices staffing
 - House budget assumes \$3.5 million in savings
 - Senate budget assumes \$1.5 million in savings
- Criminal fund savings from language interpreters
 - House budget assumes \$0.8 million
 - Senate budget assumes no savings

Other Issues

VITA

- ❑ Senate budget reduces VITA appropriation in the second year by \$3.3 million GF
 - Language in budget requires DPB to recoup these savings amounts from executive branch agencies

Legislative Savings

- ❑ House budget assumes \$300,000 savings from transferring staffing of the Crime Commission to DLS
- ❑ House budget reverts \$4.2 million in legislative balances as well as \$2.5 from the House Clerk's office
- ❑ The Senate budget reverts \$3.7 million and no balances from Senate clerk

Reserve Fund

- House budget establishes a reserve fund in FY 2008
 - Appropriate \$50 million
 - Funds cannot be released from this fund unless the Governor certifies that the revenue estimates included in HB 1650 as originally submitted is met
 - If conditions are met, \$38.4 million is transferred to SCHEV for the Tuition Moderation Incentive Fund Senate budget does not include a reserve fund

- Senate budget does not establish a reserve fund