



Committee Amendments to the 2012-14 Budget (HB 29) and to the 2014-16 Budget (HB 30)

House Appropriations Committee
February 18, 2014



Committee Objectives: House Budget

- Adopt a structurally balanced budget
- Provide for a Reserve Fund equaling about 1% of revenue to protect against future downward forecast adjustments
 - Included a reserve of \$137 million
 - If not needed to offset any revenue shortfall, it is appropriated for two purposes: First, \$76 million for employee compensation, and \$61 million to increase contributions to the 4 state VRS systems to 100% of Board-certified rates in FY 2016
- Address Mid-Session Revenue Reforecast
 - Governor reduced FY 2014 forecast by \$125.0 million and FY 2015 forecast by \$15.0 million
 - Impact largely felt in FY 2015 because assumed carry-forward of balances – required identification of additional savings in HB 30

Committee Objectives: House Budget

- Identification of savings for the foregoing items:
 - Limit new initiatives and program expansions
 - Look at technical adjustments/recalculations
 - Allocate additional Literary Fund resources
 - Examine agency balances
- Fund tax credits passed by Finance Committee
 - Motion Picture Tax Credit – cost of \$20.0 million
 - Research and Development Tax Credit – cost of \$2.0 million
- Fund House spending priorities
 - Mental Health Package
 - Domestic Violence Prevention and Services
 - Higher Education
 - Restore Hospital Inflation

Compensation and Retirement

Revenue Reserve – Salary And Benefit Actions

- Committee recommendations include a revenue reserve of \$137.4 million GF over the biennium to provide a cushion in case of any further downward revisions to the 2014-16 biennium's revenue forecast
- The \$137.3 million is available to address revenue shortfalls if:
 - Final FY 2014 revenue collections for personal income, corporate income and sales tax collections are more than 1% below the forecast adopted in the 2014 Session, or
 - If the revenue forecast for FY 2015 and FY 2016 is reduced in the Budget Bill submitted to the 2015 General Assembly
- If the reserve is not required to meet revenue reductions, the reserve is appropriated as follows:
 - \$61.0 million for employee compensation actions
 - \$76.3 million to increase the VRS contributions for the 4 state employee retirement plans to 100% of the VRS Board certified rates in FY 2016

Revenue Reserve State Employees Salary Actions

- Revenue reserve includes \$5.1 million GF in FY 2015 and \$10.3 million GF in FY 2016 to provide 2% salary increase to 19 state employee classes in the judicial, public safety, and health care fields that have the highest turnover levels effective December 10, 2014 (January 1, 2015 payday)

Direct Service Associate I	Therapy Assistant / Therapist I
Direct Service Associate II	Therapist II
Direct Service Associate III	Compliance/Safety Officer II
Housekeeping and/or Apparel Worker I	District Court Deputy Clerk, Grade 6
Probation Officer Assistant	District Court Deputy Clerk, Grade 7
Emergency Coordinator I	District Court Deputy Clerk, Grade 8
Emergency Coordinator II	

- Revenue reserve also includes \$22.9 million GF in FY 2016 for a 2% bonus for all state employees on July 1, 2015, excluding the employee groups who received the 2% salary adjustment above
 - Funding for the bonus for classified employees and faculty in higher education is included in the individual institutions budgets
 - ✓ Revenue reserve language ties the authority for the higher education bonus to the same revenue triggers as the rest of the workforce

Revenue Reserve State Supported Local Employees

- Includes \$2.3 million GF in FY 2015 and \$4.7 million GF in FY 2016 for a 2% salary adjustment for entry level deputy sheriff positions (grade 7 and 8) effective January 1, 2015
- Recommends \$215,394 GF in FY 2015 and \$430,789 GF in FY 2016 for a 4% salary increase for Circuit Court Deputy Clerk I positions, and a 2% salary increase for Circuit Court Deputy Clerk II positions effective January 1, 2015
- Includes \$13.9 million GF in FY 2016 for a 2% bonus for all state supported local employees on July 1, 2015, excluding the employee groups who received a targeted salary increase in budget
 - Excludes Grade 7 and 8 deputy sheriffs, circuit court deputy clerks I and II, and Assistant Commonwealth's Attorneys
- Includes \$385,257 GF in FY 2015 and \$770,513 GF in FY 2016 to expand participation in the career development programs effective January 1, 2015

VRS Retirement Rates

- Committee recommends funding rates for the retirement system in FY 2015 consistent with the provisions of Chapter 823 of the 2012 General Assembly which phased in the VRS Board certified rates over 3 biennia
- For FY 2016, funding is included in the revenue reserve to fund the 4 state employee plans at 100% of the VRS Board certified rates
 - If revenue reserve is needed to offset revenue shortfall, retirement rates in FY 2016 would stay at the levels proposed for FY 2015
 - Teacher rate is not increased in FY 2016 due to impact on school boards/localities

VRS Program	FY 2015 Rates	FY 2015 Rates as a % of Board Certified Rates	FY 2016 Rates Authorized in Revenue Reserve	FY 2016 Rates as a % of Board Certified Rates
State Employees Retirement	12.33%	78.02%	15.80%	100%
Teachers Retirement	14.50%	79.69%	14.50%	79.69%
SPORS	27.63%	83.90%	32.93%	100%
VALORS	18.24%	83.88%	21.74%	100%
JRS	51.66%	89.32%	57.84%	100%

Total Funding for VRS Contribution Rates

Committee Recommendation

(GF Impact in Millions)

Retirement System	FY 2015	FY 2016	Rev. Reserve FY 2016
State Employee Retirement	\$75.6	\$75.6	\$76.3
State Employee OPEBs	\$10.5	\$10.5	\$0
Teachers Retirement	\$80.7	\$81.9	\$0
Teachers OPEBs	\$3.5	\$3.5	\$0
Other Local Employees - OPEBs	<u>\$1.2</u>	<u>\$1.2</u>	<u>\$0</u>
Total	\$171.5	\$172.7	\$76.3

- Committee recommendations for Other Post Employment Benefits funds 100% of the VRS Board certified rates
- Committee recommendations include language in HB 29 requiring the transfer of \$18.0 million from the Commonwealth's Attorney Services Council to the VRS for the SPORs and VaLORs systems
 - \$18.0 million generated as a result of criminal asset forfeiture penalties from the Office of Attorney General's case against Abbott Laboratory's

State Employee Health Insurance

- Adds \$24.0 million GF in FY 2015 and \$58.7 million GF in FY 2016 for increased premiums for the state employee health insurance program
 - Funding assumes a 5% premium increase in FY 2015 and 7% increase in FY 2016
 - Policy changes assumed for FY 2015 include:
 - ✓ Waiving Tier 1 and 2 co-pays for asthma and anti-hypertensive medications
 - ✓ Establishing an on-site state employee clinic near Capitol Square
 - ✓ Increasing co-pays by \$5 for Tier 2 to 4 prescriptions filled at retail
 - ✓ Increasing co-pays by \$15 for Tier 2 to 4 prescriptions filled by mail
 - ✓ Implement Value Based Insurance Design plan changes
- Includes \$350,000 GF each year for premium increases for the University of Virginia Health insurance program
 - Funding provided is the lesser of the cost of the state employee plan or the UVA plan

Other Committee Recommendations

Commonwealths Attorneys

- Recommends \$2.1 million GF each year to provide a \$3,308 salary increase for all Assistant Commonwealth's Attorneys
 - This is the second installment of the two year plan to increase the starting salary to \$52,000 over the two years (a \$3,308 raise was authorized for FY 2014)

HB 1105

- Includes \$170,000 GF each year to fund the impact of HB 1105 which sets a minimum life insurance benefit for retirees with 30 years of service of \$8,000

Department of Human Resource Management

- Includes \$2.7 million GF in both FY 2015 and FY 2016 to transition personnel management information system
 - The current mainframe system is over 30 years old

Workers Compensation Premiums

- Recommends \$1.4 million GF the first year and \$1.8 million the second year for increases in worker compensation premiums

Health and Human Resources

HB 30 - Medicaid Critical Needs

- Restores \$44.6 million GF and \$36.3 million in federal matching funds over the biennium to increase Medicaid hospital inpatient payments by 2.5% in FY 2015
 - By adopting a 2.5% inflation adjustment in FY 2016, the Committee is recommending \$118.6 million in additional Medicaid payments for hospitals this biennium
- Adopts \$25.6 million GF and \$25.6 million in federal matching funds over the biennium to increase Medicaid nursing home payments by 1.7% in FY 2015 and 2.1% in FY 2016
- Adopts \$30.0 million GF and \$30.0 million in federal matching funds over the biennium to rebase nursing home rates
- Adds language to revise the nursing home payment system from a retrospective cost based method to a price based payment system

Safety Net Programs

- Amendments provide \$6.0 million GF over the biennium to meet the health care needs of indigent patients at free clinics and community health centers
- Adds \$632,252 GF over the biennium for public guardianship and conservator programs, bringing the total new funding to \$831,798 over the biennium to stabilize existing programs and serve additional indigent elderly and disabled individuals
- Restores \$600,000 GF over the biennium to continue the operation of 3 poison control centers
- Restores funding two home visiting programs for at-risk families:
 - Comprehensive Health Investment Project of Virginia: \$400,000
 - Healthy Families: \$700,000
- Actions adopt \$1.2 million GF each year to backfill loss of federal funding for nutrition programs provided through local Area Agencies on Aging (congregate and home-delivered meals)
- Actions adopt \$150,000 GF each year to expand brain injury case management services and supplement funding for current service providers

Medicaid ID/DD Waivers

- Adopts \$45.3 million GF and \$45.3 million in matching federal funds to provide 700 new intellectual disability (ID) and 50 new developmentally disabled (DD) waiver slots over the biennium to fulfill the U.S. Dept. of Justice (DOJ) Settlement Agreement
- Adds \$3.9 million GF and \$3.9 million in matching federal funds to add 50 community ID and 15 DD waiver slots above those required by the agreement
 - Implementation of these slots is contingent on the use of a coordinated care model to fully integrate acute medical and home- and community-based long term care services
- Recommends language requiring DMAS and DBHDS to work with stakeholders to develop and implement improved care coordination models for all individuals receiving ID and DD waiver services no later than July 1, 2016

U.S. DOJ Settlement Agreement Related Items	FY 2015	FY 2016
DMAS: Base adjustment for previously authorized waiver slots – FY 2014 funding was provided through FY 2013 balances	\$39.4	\$39.4
DMAS: Base adjustment for administrative costs	\$0.7	\$0.8
DBHDS: Base adjustment - crisis stabilization and individual & family supports	\$2.5	\$9.4
DBHDS: Base adjustment for administrative costs (quality reviews, independent review, discharge monitoring, information technology support)	\$3.8	\$3.8
DMAS: Intellectual and Developmental Disability Waiver slots – 175 ID slots for facility discharges, 525 ID slots and 50 DD slots for community waiting list	\$14.9	\$30.4
DBHDS: Backfill support costs at Central State Hospital from Southside Virginia Training Center closure	\$10.2	\$10.2
DBHDS: Backfill loss in training center revenue used to support other state mental health facilities	\$2.9	\$4.7
DBHDS: Additional facility closure costs	\$1.8	\$0.9
DBHDS: Add developmental disability support network	\$2.0	\$2.6
DBHDS: Redesign and assess services for ID and DD waivers	\$1.1	\$1.7
DBHDS: Fund Northern Virginia community capacity development	\$2.8	\$0
DMAS: Medicaid savings from planned facility closures	(\$31.4)	(\$53.3)
Total costs of U.S. DOJ Settlement Agreement Related Items	\$50.7	\$50.6

DBHDS – Mental Health Spending

- Proposes \$48.0 million GF in mental health services over the biennium
 - \$24.3 million GF over the biennium for community-based mental health services
 - ✓ \$8.1 million GF to expand up to 17 new therapeutic drop-off centers to provide an alternative to incarceration for individuals with serious mental illness
 - ✓ \$7.5 million GF to increase outpatient services for youth ages 17 to 24
 - ✓ \$4.8 million GF to provide three new Programs for Assertive Community Treatment (PACT) teams, bring the total number of teams to 19
 - ✓ \$1.7 million GF for the purchase of new or updated telecommunications equipment to allow Community Services Boards to conduct or obtain clinical evaluations off-site and more quickly
 - ✓ \$1.5 million GF to expand the peer support recovery program
 - ✓ \$600,000 GF for a community recovery program in the Piedmont Region
 - \$12.5 million GF over the biennium and 36 positions to expand capacity at state mental health hospitals by 50 beds pursuant to HB 293
 - \$10.0 million GF to fund the change in patient mix at Eastern State Hospital from geriatric patients to adult psychiatric patients
 - \$703,213 to provide additional security staff at the Commonwealth Center for Children and Adolescents in Staunton
 - \$463,586 GF to fund the impact of HB 478 (extending emergency custody orders by 2 hrs.) and HB 1232 (psychiatric bed registry)

DBHDS - Language

- Language requires the agency to monitor and annually report on community services boards (CSBs) use of state hospital psychiatric beds, including excessive utilization. It also requires the agency to work with CSBs to improve bed utilization
- Language requires the agency to review and make recommendations to improve CSB operations including responsiveness to clients and families, effectiveness as captured by outcome measures, provision of emergency, case management and other targeted services, and other operational issues. An interim report is due by December 1, 2014, and a final report by December 1, 2015
- Language authorizes the agency to use balances in community funding up to \$2.8 million in FY 2015 to provide for one-time expenses to transition individuals from Northern Virginia Training Center into the community or to assist in maintaining the community placement
- Language requires that any review and report of the configuration of services provided by the Commonwealth's state mental health hospitals shall provide for the continued operation of Hiram Davis Medical Center

Domestic Violence Funding

- Amendments add \$5.5 million over the biennium for services for victims of domestic violence and sexual assault
 - \$2.2 million GF for community advocacy and prevention services to assist with legal and financial issues on behalf of victims, community education and participation in Domestic Violence Coordinating Councils, Sexual Assault Response Teams and Fatality Review Teams
 - \$1.4 million in Temporary Assistance to Needy Families (TANF) block grant funds for children's advocate coordinators to assist in providing shelter-based services, counseling and prevention programs for children and youth
 - \$1.3 million in TANF funds for domestic violence crisis and core services including emergency shelter, emergency transportation and other crisis services
 - \$600,000 GF in Public Safety for additional forensic scientists to examine physical evidence recovery kits to improve the documentation, investigation, and prosecution of sexual assault cases

HB 29/30: HHR Savings

- Medicaid savings
 - \$5.8 million GF in FY 2014 in additional federal bonus payments for efforts to enroll more children in Medicaid
 - \$1.3 million GF in FY 2014 in technical Medicaid forecast adjustments
 - \$9.3 million GF over the 2014-16 biennium by adjusting the Medicaid forecast to reflect revised estimates of indigent care expenditures
 - \$5.4 million GF over the 2014-16 biennium from revised estimates of the Tobacco MSA and cigarette taxes to be received in the Virginia Health Care Fund which is used to offset state Medicaid payments
 - \$4.0 million GF over the biennium for additional Medicaid recoveries from pre-paid funeral contracts paid out on behalf of Medicaid beneficiaries
- \$5.4 million in savings in FY 2015 by redirecting the proceeds from the sale of SEVTC for ID and DD services to comply with the U.S. DOJ Settlement Agreement
- \$1.9 million GF in savings over the biennium by eliminating a new initiative to expand foster care and adoption subsidies to children ages 19 to 21
- \$1.0 million GF in savings over the biennium from revised estimates of spending in the Auxiliary Grant program

Elementary and Secondary Education

HB 29: Technical Updates

The Committee's recommendations include a number of technical adjustments which reflect changes in student enrollments, program participation levels, downward adjustments to sales tax and gains in both Literary and Lottery Proceed revenues

- Student Enrollment & Program Participation: net increase of \$10.5 million
 - Update for student enrollment estimates: net increase of \$11.9 million
 - Lower ESL & Remedial Summer School enrollments and 3rd Grade Reading Specialist Initiative: net savings of \$1.4 million
 - Reflect revised submission of transportation data from one school division: adds \$228,977 GF
- Sales Tax Forecast Estimate: net decrease of \$17.9 million
 - Sales Tax decrease of \$37.8 million
 - Basic Aid offsetting increase of \$21.2 million
 - School-age population update savings of \$1.3 million

HB 29: Technical Updates

Literary Fund Revenue:

- Reflects a net of \$8.4 million in additional literary revenues from FY 2013 balances and reforecast of FY 2014 estimates – and saves a like amount of GF used for VRS teacher retirement payments

Lottery Revenue & Lottery-Funded Programs:

- Additional revenue of \$70.7 million - saves a like amount of GF
- Captures net savings of \$1.7 million in GF revenue from updates to Lottery-funded programs

Incentive Program Accounts:

- Captures \$12.3 million in unused balances from 2% Salary Compensation and Strategic Compensation Grant initiatives

Categorical Program Accounts:

- Saves \$2.8 million from the Special Education-related accounts for State Operated Programs, Jails and Homebound accounts

HB 30: Direct Aid

Total Biennial Budget Equals \$14.2 Billion

- The Committee's recommended 2014-16 biennial budget for Direct Aid to Public Education totals \$11.2 billion GF and \$3.0 billion NGF
- The recommended biennial budget has a net increase of \$530.9 million that reflects changes related to rebenchmarking, technical, policy, new and expanded initiatives:
 - Total GF increase = \$467.8 million
 - Total NGF increases = \$63.1 million
 - ✓ (Lottery, Literary & federal)

Summary of Rebenchmarking Updates	FY 2015 (\$ in millions)	FY 2016 (\$ in millions)	Biennium (\$ in millions)
VRS Rates: Retirement, Group Life & RHCC	\$84.2	\$84.5	\$168.7
Federal Revenue Deduct	52.0	52.0	103.9
Inflation Factors for Non-personal Support	37.7	37.9	75.6
Lottery-Funded Programs	32.9	39.7	72.6
FY12 Base Year Expenses for Non-personal Support	34.9	35.3	70.2
Health Care Premium	26.7	26.7	53.4
Reset PreK Non-participation Estimate to 0%	23.4	23.4	46.8
Student Transportation	18.2	18.8	37.0
Local Composite Index	18.3	18.5	36.8
SOL Failure Rates and Free Lunch Eligibility	17.8	18.0	35.7
Student Membership Enrollments	5.6	26.5	32.1
Sales Tax Forecast & Basic Aid Offset	6.1	25.6	31.7
<u>Textbooks</u>	<u>4.5</u>	<u>4.5</u>	<u>9.0</u>
Subtotal for Rebenchmarking Increases	\$362.2	\$411.4	\$773.6

Summary of Rebenchmarking Updates	FY 2015 (\$ in millions)	FY 2016 (\$ in millions)	Biennium (\$ in millions)
Incentive and Categorical Programs	(0.6)	(0.2)	(0.8)
Net Changes for Funded Salaries and Positions	(0.7)	(0.7)	(1.4)
Increase Lottery Forecast to \$500M & Offset GF	(38.0)	(38.0)	(76.0)
<u>Remove FY 2014 One-Time Funding</u>	<u>(55.6)</u>	<u>(55.6)</u>	<u>(111.2)</u>
Subtotal for Rebenchmarking Decreases	(\$94.9)	(\$94.5)	(\$189.4)

Summary of Recommended Rebenchmarking Costs:

Net Increases	\$362.2	\$411.4	\$773.6
Net Decreases	(94.9)	(94.5)	(189.4)
Total Rebenchmarking Cost Estimates	\$267.3	\$316.9	\$584.2
Technical, Policy, New & Expanded Initiatives	(\$22.6)	(\$30.7)	(\$53.3)
Net Direct Aid Adjustment for all Funds	\$244.7	\$286.2	\$530.9

Recommended Policy Changes

- The Committee's recommendations reflect a net increase of \$32.9 million GF over the biennium to backfill a portion of Literary funds used to pay a part of the teacher retirement costs
- Literary Fund changes include several major actions:
 - Provides \$25.0 million for new School Construction Loans
 - Increases revenues by \$25.0 million from the sale of unclaimed stock/property
- Provides \$5.4 million GF in the first year for the Cost of Competing Adjustment (COCA) for support positions relative to the introduced budget
- Continues previous biennium's policy impacting rebenchmarking costs:
 - Excludes non-personal inflation costs: saves \$76.4 million
 - Recognizes nonparticipation savings for PreK: saves \$48.5 million
- Reduces the second year allocation for the Strategic Compensation Grants by (\$1.5) million GF
- Recommends level funding several programs at the FY 2014 levels: saves a net (\$1.4) million GF over biennium
 - Plugged In Virginia, GRASP, and Positive Behavioral Intervention

New and Expanded Initiatives: Adds \$7.5 million Over the Biennium

The Committee's recommendations include adding:

- \$3.6 million for a new Reading and Math Specialist initiative that will provide instructional positions to underperforming schools that have been denied accreditation or have been accredited with warning for three consecutive years
- \$1.2 million to reflect increased participation levels of eligible teachers receiving bonuses related to National Board certifications
- \$1.2 million in competitive grants to schools that apply for funding for either a Combined Year Round or other alternative instructional approach to classroom instruction
- \$1.0 million to provide grants to help offset the \$5,000 per teacher hiring fee charged to school divisions that contract with Teach For America
- \$538,800 to establish a Communities In Schools affiliate in the Petersburg school division

\$5.3 Million for Technical Amendments & Language Amendments

- The Committee's recommendations also include \$5.3 million over the biennium to reflect several technical amendments needed for data corrections:
 - K-3 Class Size Reduction updated for VRS: \$4.5 million
 - Transportation and True Property Value updates: \$0.7 million
- Language Amendments include:
 - Special Education – State Operated Programs: adds new language that specifies that state funding allocated for educational programs in local and regional detention homes will be based only on students detained in the facilities through a court order issued by a Virginia court
 - Virginia E-Learning Backpack Initiative: changes the criteria that determines a school eligibility from one year to two consecutive years for not being fully accredited
 - Reading Specialist Initiative: modifies the existing funding methodology by stepping down the budget allocation to 50% by the third year for a school that started in the program during FY 2014 and require annual report
 - Expand VPSA equipment eligibility purchases

Central Office & Secretary of Education & Opportunity Educational Institution

Department of Education (DOE) - Central Office Operations:

- The recommended budget adds \$619,360 for Academic Reviews for those schools that are not fully accredited
- Continues to fund the Center for Excellence in Teaching and the Positive Behavioral Intervention programs at their FY2014 amounts

Secretary of Education:

- Eliminates the College Partnership Labs grants: saves \$1.2 million
- New language directs the Secretary to conduct a study of the funding formula used to determine Governor Schools allocations

Opportunity Educational Institution:

- Transfer out of DOE and create a new stand alone agency
- Continues funding at the FY 2014 level of \$150,000 each year & provides one position
- New language:
 - Allows the OEI Board to determine whether any school that has been accredited with warning for three consecutive years to be transferred under its authority
 - Directs all applicable state, federal and required local matching funds to be transferred from the resident school division to OEI

Higher Education

Criteria for Higher Education Recommendations

- Through Use of Six-Year Plans, Address Funding Needs Consistent With TJ 21 Legislation
 - Resources will continue progress to achieving 100,000 new degrees
 - Increase access and affordability
- Address High Priority Items In Higher Education
 - Compensation
 - Additional Full-time Faculty
 - Enhance Research
 - Improve Retention & Graduation
 - Allow for Moderation of In-State Undergraduate Tuition Increases
 - Provide Incentive for Degree Production
 - O & M for New Buildings
 - Other House Member Priorities
- Require Reallocation of Resources Tied to Compensation

Funding Recommendations for Colleges, Universities, VIMS & Extension: \$178.3 million GF

- \$35.4 million GF for Incentive Funding
 - \$11.8 million GF the first year
 - \$23.6 million the second year designated for a two percent faculty and staff bonus
- \$6.2 million to complete funding for 1,700 new in-state undergraduate seats at CWM, UVA, VT & JMU
- \$50.9 million GF to hire new full-time faculty for increased enrollment and to maintain academic quality
- \$21.8 million GF in targeted research
- \$20.0 million in funds to assist institutions in moderating the growth of tuition increases
- \$21.5 million to operate and maintain new buildings
- \$14.0 million for specific actions to improve retention and graduation
- \$8.5 million in institution-specific initiatives

Total GF Allocations to Colleges and Universities (Operating & Research): \$178.3 million

Institution	\$ in Millions	Institution	\$ in Millions
CNU	4.4	RU	6.5
CWM	1.9	UVA	12.1
GMU	16.9	UVA-W	1.6
JMU	9.4	VCU	17.4
LU	4.0	VMI	1.8
UMW	4.0	VT	17.9
NSU	6.2	VSU	3.8
ODU	26.9	RBC	1.8
VIMS / Extension	5.1	VCCS	36.5

Advanced Manufacturing Advisory Council

- Industry led evaluation of advanced manufacturing initiatives in higher education
 - Eight member council:
 - ✓ Two industry members appointed by CCAM Board
 - ✓ Two industry members appointed by Chairman of VMA
 - ✓ Council of Presidents appoints one senior institution representative and two representatives from two-year colleges and higher education centers
 - ✓ One representative from the Department of Veteran Services
- Streamlining of credentialing process for military & veterans
- Support for an Apprenticeship Academy and Centers of Excellence in partnership with the Commonwealth Center for Advanced Manufacturing
 - Advances a Treasury loan once federal matching grant is received

Other Major Higher Education Budget Recommendations

- \$8.3 million for TAG program
- \$7.0 million for EVMS
- \$4.9 million for higher education centers
- \$4.6 million in capital equipment upgrade for Jeff Labs
- \$3.1 million for Virtual Library (VIVA)
- \$136.5 million in HEETF allocations
 - Including \$32.6 million for research equipment
- \$3.9 million in graduate financial aid
- SCHEV is tasked with coordinating a re-evaluation of the faculty peer group process, new instructional technologies and economic development efforts

Capital Outlay and General Government

Generated Budget Savings for High Priority Items

- Eliminates proposed GF subsidy for Build America Bonds saves \$2.8 million in HB 30 and saves \$1.5 million in HB 29
- Debt service savings based on spring issuance for two VCBA planned sales saves \$16 million over the biennium
- Moving Gunston Hall and Waller Depot Complex to capital pool saves \$2.9 million GF over the biennium

HB 29 Projects

- Committee recommends several changes to debt financed projects proposed in House Bill 29
 - Continue assumption that GMU will generate gift revenue to support project approved under that assumption: \$20.0 million reduction in debt
 - Eliminate proposed new CSO project: \$1.0 million reduction in debt
 - Correct fund split for campus infrastructure project at Virginia State: reduce debt by \$3.5 million and increases auxiliary enterprise NGF by \$5.6 million
- \$2.0 million for VIMS research equipment
- \$300.0 million supplement to the 2013 capital project pool to allow DGS projects to move forward
- Allow projects authorized for planning in 2013 Session to continue to detailed planning using their own NGF

HB 30 Projects

The Committee recommends several changes to the proposed capital project pool

Eliminates Projects

Agency	Project
Department of State Police	Rehabilitate South Hill & Emporia Area Offices
Department of Forestry	Construct Garages for Fire Dozers and Transports
Department of Corrections	Replace Fire Alarm Systems

Adds Projects

Agency	Project
Gunston Hall	Renov Mason Visitor Ctr
Dept of Military Affairs	Waller Depot Complex
VMFA	Renovate Gallery
Univ of Virginia	Renovate Research Labs
Department of Corrections	River Road Water Tower (Phase III)
Roanoke Higher Educ Ctr	Addition / Renov Claude Moore Building

- Language authorizes the DBHDS to proceed with projects associated with facilities not planned for replacement

Maintenance Reserve

- The Committee recommends several changes to the maintenance reserve program for a total allocation increase of \$5 million
 - Supplement Virginia State University
 - Supplement the Dept of General Services
 - Supplement Jamestown-Yorktown Foundation
 - Supplement Frontier Culture Museum
- Language allows the Jamestown-Yorktown Foundation to utilize funds to repair, restore or renew exhibits
- Language allows the Frontier Culture Museum to repair loop roads and parking lots

Other Major Capital Actions

- \$87.1 million in 9(c) revenue bond projects consistent with HB 869 that has passed the House
 - Project revenues cover the debt service costs
- \$7.5 million for VCU Sanger Hall
- \$10.1 million in 9(d) NGF revenue bonds at Mary Washington
- Planning authorized for three projects upon completion of the previously authorized projects from 2013 Session
- Elimination of \$100.0 million in NGF bonds which are duplicative of Chapter 1, 2008 Special Session I
- Longwood Alternative Financing Language
- Stormwater grant actions covered under Natural Resources

Revenue Stabilization Fund

- Committee includes \$243.2 million GF in FY 2015 for deposit into Revenue Stabilization Fund
 - Balance in the Revenue Stabilization Fund will reach \$939.1 million after the FY 2015 deposit
 - ✓ Balance was \$303.6 million in FY 2012
 - Committee recommendations include an amendment to eliminate the \$59.9 million FY 2016 deposit proposed in introduced budget
 - ✓ Based on the revised FY 2014 revenue forecast announced by the Governor, FY 2016 deposit is no longer required

Judicial Branch Actions

- Recommendations include language and funding in Central Appropriations which continues the general freeze on judicial vacancies but establishes an exception to fill judgeships agreed upon in the final budget or during a Special Session held to fill judgeships
 - Language applies to judgeships currently in the Code as well as any created pursuant to HB 606
 - Committee recommendations include a reversion of \$1.0 million each in both FY 2015 and FY 2016 from judicial vacancies
 - ✓ This reversion is significantly reduced compared to reversion in prior years
- Committee recommends \$150,130 GF each year to hire two additional full-time foreign language interpreters for the court system
 - One FTE would be for a Vietnamese speaking interpreter and one for a Korean speaking interpreter
 - A companion amendment captures savings of \$185,000 GF in FY 2015 and \$190,000 GF in FY 2016 from the criminal fund as a result of a reduced need for outside assistance
- Includes \$290,000 GF in FY 2015 and \$240,000 GF in FY 2016 to reinstate the judicial evaluation project

Reversion of Balances to the General Fund

- Committee amendments result in \$21.1 million in additional resources through reversions, transfers or additional revenues over the 3 years (HB 29 and HB 30)

Action	Resource
GF Reversion from Legislative Agencies	\$7.4
NGF Transfers from Legislative Agencies	\$0.6
GF Reversions from Judicial Vacancies	\$3.1
GF Reversions from Indigent Defense Commission	\$1.0
Transfer NGF Balances from State Corporation Comm.	\$6.0
Eliminate Exemption Excess Circuit Court Clerks Fee Calc.	\$1.9

Victims of Sterilization Fund

- Committee recommendations include \$500,000 GF in FY 2015 to provide compensation to individuals who were involuntarily sterilized pursuant to the Virginia Eugenical Sterilization Act
 - Individual must be living as of February 1, 2014 to be eligible for compensation
 - Reimbursement limited to \$25,000 per verified claim and contingent on funding being available
 - Compensation Fund would be administered by the Department of Behavioral Health and Developmental Services
 - If funding is exhausted prior to the end of fiscal year 2015 the Department shall continue to accept applications and the Department shall provide a report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees on a quarterly basis on the number of additional individuals who have been identified

Transportation

HB 29: Transportation

- Authorizes the use of \$31.1 million remaining from a 2008 GF appropriation to the Transportation Partnership Opportunity Fund
 - \$500.0 million was designated for specific projects and the remaining amounts were not required to complete those projects
 - Balances will be used to provide \$10.0 million for dredging projects at the Virginia Port Authority and \$20.0 million to address grade crossing issues related to rail traffic at APM Terminals
- Includes language in the Department of Motor Vehicles clarifying that the additional regional sales tax on fuels does not apply to aviation fuel, mirroring the treatment of aviation fuel use for other taxing purposes
 - Identical language is included in HB 30 as well

Secretary of Transportation

- Includes a number of language items within the Secretary's area to promote prioritized and equitable project selection
 - Directs the Secretary to report to the General Assembly on ways in which to provide additional assistance for local transportation projects by December 1, 2014
 - Prohibits agencies in the Secretariat from using state funds to advocate for projects
 - Ensures that the requirements governing NVTAs project selection applies to all regional projects funding in FY 2015 and beyond
 - Directs the 3 VDOT districts encompassing the I-81 Corridor to identify projects to improve bottlenecks and safety concerns with input from the General Assembly
 - Adds language specifying that both federal bridge funds and required state match is allocated to projects across the state, meaning that match does not have to come from a particular jurisdiction's system funding

Virginia Department of Transportation

- Includes net adjustments of \$697.5 million NGF in FY 2015 and \$1,046.4 million in FY 2016
 - Reflects December revisions to the Commonwealth Transportation Fund forecast, adjustments included in the FY 2014-2019 Six Year Program and the carry-forward of prior year bond proceeds
 - Revised CTF forecast assumes growth of 13.1% in FY 2014, 9.5% in FY 2015 and 5.8% in FY 2016 and reflect reductions in the forecast for sales and motor fuel taxes offset in part by increases in titling taxes
- Like the Secretary's area, language items focus on increasing the objectivity associated with expenditures
 - Authorizes an increase in use of planning funds for project prioritization in keeping with House Bill 2
 - Clarifies that primary-extensions are eligible for "CTB formula" funding for deficient pavements
 - Establishes a pilot project in the Richmond district to distribute local maintenance funding based on pavement condition
- Project-specific language authorizes additional work on the High Rise Bridge project with 2014 balances, directs the use of \$190,000 of federal Transportation Alternative Program funding for two projects

Virginia Port Authority

- Provides \$10.0 million NGF for costs associated with dredging of Norfolk Harbor to 55 feet and the Elizabeth River channel to 45 feet to help prepare for the post-Panamax shipping environment
- Provides \$3.5 million GF over the biennium to support the Port of Virginia Economic and Infrastructure Development Zone Grant Fund from the Governor's Opportunity Fund
- Provides an increase of \$75,000 NGF the first year and \$200,000 NGF the second year for payments in lieu of taxes to the Port host cities
 - Brings total payments to \$2.2 million NGF in FY 2015 and \$2.3 million in FY 2016, an increase of 5%
- Authorizes a \$37.0 million NGF capital project in FY 2015 to purchase equipment to address increased volumes at APM Terminal and at NIT.
 - The equipment would be purchased through the MELP program and be paid from the terminal revenues
- Two amendments eliminate VPA capital projects that had been previously authorized and included in the budget in error

Other Transportation Agencies

DRPT

- Includes net adjustments of \$131.1 million NGF in FY 2015 and \$144.2 million in FY 2016 to reflect the December revisions to the official revenue estimate, which includes both forecast adjustments and revenues resulting from HB 2313 of the 2013 Session of the General Assembly

VCSFA

- Increases operational support for the Commercial Space Flight Authority
 - Base funding of \$11.8 million NGF is supplemented by an additional \$4.0 million NGF each year to offset lower than anticipated launch revenues

DMV

- Provides an appropriation of \$817,731 NGF the first year and \$1,694,959 NGF the second year for a potential new customer service center in the greater Northern Virginia area
- Includes 2 language amendments seeking to expand the access to EZ Passes using additional DMV customer service centers and to authorize the use of reciprocal agreements to collect toll revenues from out of state drivers

Agriculture, Commerce, Natural Resources and Technology

Economic Development Incentive Payments

\$117.9 million GF

	Economic Development Incentives - \$ in millions	FY 2015	FY 2016
Performance Agreements			
	Aerospace Facility Incentive Grants	0.7	13.8
	Advanced Shipbuilding Training Facility Grant	8.0	7.6
	Virginia Investment Partnership (VIP) Grants	3.9	3.6
	Virginia Jobs Investment Program (VJIP)	5.7	5.7
	Semiconductor Manufacturing Grants (Micron)	5.4	3.8
	Major Eligible Employers Grants (VIP Subfund)	6.8	6.8
	VA Economic Development Incentive Grant (VEDIG)	4.5	5.9
	Biofuels Incentive Fund	1.5	1.5
Other Economic Development Incentives			
	Governor's Opportunity Fund	11.8	11.8
	Virginia Israel Advisory Board	0.3	0.3
	Commonwealth Research Commercialization Fund	3.0	3.0
	Life Sciences Consortium	0.0	2.5

Virginia Tourism

- Provides an increase of \$1.4 million GF each year to expand tourism marketing in the broadcast and online arenas and restores \$75,000 each year for outdoor advertising
- Continues the regional and local tourism grant program at \$4.8 million GF over the biennium and dedicates \$1.5 million to the following projects:
 - \$50,000 each year a railroad museum in the City of Portsmouth and \$250,000 the first year for the Museum of Transportation in Roanoke
 - \$125,000 each year for the AccessibleVirginia.org, a tourism web site that features self-guided accessible activities
 - \$300,000 each year for the Southwest Virginia Regional Recreational Authority for the Spearhead Trails initiative and \$200,000 in the first year for the Coalfield Regional Tourism Authority
 - \$50,000 each year for events sponsored by Special Olympics Virginia
- Provides \$2.0 million GF in the first year for the for the Slavery and Freedom Heritage Site project, including Lumpkin's Pavilion, Slave Trail improvements, expansion of the Burial Ground Memorial and construction of a slavery museum
 - Language requires the City to first appropriate \$5.0 million for the project, and half the fund raising goals to be achieved
 - Upon completion of the project, language stipulates that the City would be eligible to receive reimbursement for an additional \$9.0 million for the project

Department of Housing and Community Development

- Includes \$1.0 million GF each year to continue the rapid re-housing initiative
- Provides \$585,413 GF the first year and \$91,782 GF the second year and 1 FTE for a data collection system track the outcomes of homeless programs
- Eliminates proposed funding of \$4.0 million GF each year for the Housing Trust Fund
- Provides \$2.0 million GF each year for the rehabilitation of derelict structures
- Restores \$70,000 GF each year in cuts that had been proposed at the Planning District Commissions
- Provides \$1.05 million GF over the biennium for the Southwest Virginia Cultural Heritage Foundation for operation of the Heartwood Artisan Center

Other Commerce and Trade Agencies

- Virginia Economic Development Partnership
 - Provides \$1.3 million GF the first year for the Commonwealth Center for Advanced Manufacturing (CCAM) to support workforce development
 - Reflects transfer of the administration of the Virginia Jobs Investment Program from the former Department of Business Assistance, totaling \$564,166 GF each year
 - ✓ The accompanying grant funding is appropriated in the Incentive Payments Item
- Department of Mines, Minerals and Energy
 - Provides \$250,000 GF the first year to conduct a study on the feasibility of offshore oil and gas development. The language requires a report by April 2015
 - Eliminates proposed funding for wind energy development
 - Provides \$270,000 GF each year to replace federal grant funding for annual mine safety training to small mine operators

Other Commerce and Trade Agencies

■ Fort Monroe Authority

- Provides operational funding of \$6.7 million GF in FY 2015 and \$5.5 million in FY 2016 for Fort Monroe. HB 29 includes \$700,000 to supplement the FY 2014 appropriation
- Companion amendment in Capital Outlay provides \$22.5 million in VPBA bonds for the Authority's capital maintenance needs to be administered through DGS

■ Department of Small Business and Supplier Diversity

- Reflects the new agency which merged Department of Minority Business Enterprise and the Department of Business Assistance created pursuant to Chapter 482 of 2013 Acts of Assembly
- Appropriates \$5.9 million GF and \$2.4 million NGF each year and 63 FTE positions for the merged agency

Secretariat Agriculture and Forestry

- Secretariat includes a net increase of \$4.7 million GF in the first year and \$5.4 million GF in the second year, representing increases of 10.1% and 11.4% respectively

VDACS

- Includes an additional \$250,000 GF for grants from the Governor's Agriculture and Forestry Industries Development Fund to support localities in attracting and expanding agricultural and forestry facilities
- Provides an additional \$262,409 the first year and \$270,047 the second year and 3 FTE positions to increase the number of food safety inspectors
- Increases funding by \$267,768 the first year and \$220,038 the second year and 3 FTE positions for the weights and measures program to reduce the time between inspections
- Authorizes 15 FTE positions and an increase of \$1.2 million NGF each year and to grade and inspect Virginia's agricultural exports
- Includes \$300,000 NGF each year from DGIF to support hydrilla eradication on Lake Gaston, Lane Anna and Smith Mountain Lake

Secretariat Agriculture and Forestry

Racing Commission

- Reflects the transfer of the Virginia Racing Commission from the Secretariat of Commerce and Trade to the Secretariat of Agriculture and Forestry pursuant to the provisions of House Bill 1074 (Scott)

Forestry

- Fully funds the state's matching share of the Reforestation of Timberlands program by the end of the biennium, providing an additional \$485,782 GF the first year and \$999,500 the second year
 - FY 2016 amount totals \$1.6 million
- Provides \$500,000 each year to purchase \$4.4 million of additional fire protection equipment through the MELP program

Water Quality Initiatives

- Committee recommends depositing \$31.5 million to the WQIF in FY 2015, allocated as follows:
 - \$18.2 million for DCR agricultural best management practices
 - \$1.6 million for SWCD technical assistance
 - \$1.2 million for federal CREP match and forestry grants
 - \$6.6 million for DEQ's stormwater and other nonpoint source projects
 - \$4.0 million to the WQIF Reserve
 - ✓ Increases reserve balance to \$10.7 million
 - ✓ Reserve provides support for water quality initiatives when no year-end surplus or other funding is available
- Committee recommends \$38.0 million in bonds to provide matching grants to localities for implementation of stormwater improvements
 - Including \$12.0 million in unspent bonds approved during the 2013 Session, the total amount for these stormwater best management practices is \$50.0 million
 - Bonds are conditioned on a WQIF grant from DEQ to significantly improve the resolution of the digital map of Virginia
 - ✓ This improved resolution will assist Virginia and the localities responsible for Watershed Implementation Plan water quality improvements determine needs more precisely
- Increases the revenue collected from the portion of recordation fees dedicated to agricultural best management practices by \$900,000 NGF each year
 - Total collections increase from \$9.1 million to \$10.0 million annually

Natural Resources Spending

- Committee recommends transferring \$4.6 million annually from the GF to DGIF's Game Protection Fund
- Increases DGIF's federal revenue by \$3.2 million each year to account for actual collections
- Committee recommends allocating \$3.0 million GF over the biennium for grants from the Civil War Historic Site Preservation Fund
- Provides \$113,734 GF each year to continue the Historic Highway Marker program
- Committee recommends providing \$4.0 million GF over the biennium for the VLCF
- Adds \$100,000 GF each year to re-establish a position for the Shoreline Erosion Advisory Service (SEAS)
- Includes \$352,800 GF annually to fill six vacant marine police positions to address poaching in oyster sanctuaries and to provide other services
- Includes \$401,036 GF in FY 2015 and \$462,494 GF in FY 2016 to improve management of groundwater resources in Coastal Plain
- Committee recommends restoring \$151,000 GF each year to pay dues to the Interstate Commission on the Potomac River Basin

Other Natural Resources Actions

- Provides \$112,500 GF and \$150,000 NGF for DCR to hire two engineers to assist SWCD with structural agricultural best management practices (i.e., fencing, animal waste facilities)
- Committee recommends saving \$1.1 million GF each year from eliminating the continuation of specific dam project appropriations into FY 2015 and FY 2016
 - These appropriations were intended to be one-time funding in FY 2014 only
- Increases the Museum of Natural History's funding by \$144,483 in FY 2015 and \$150,801 in FY 2016 to offset reductions in donations and grants

Technology

- Committee recommends level funding modeling and simulation and cyber-security funding
- Committee provides \$9.4 million over the biennium for CIT's GAP Fund

VITA

- Establishes a \$341.8 million annual NGF internal service fund line item to replace VITA's sum sufficient appropriations for vendor payments, optional state agency services, and administrative overhead
- Adds \$3.4 million NGF in FY 2015 and \$18.2 million NGF in FY 2016 to reflect growth in the IT and telecommunications services provided to state agencies
- Provides \$600,000 NGF in FY 2015 and \$1.6 million NGF in FY 2016 to develop strategies to prepare for the expiration of the Northrop Grumman contract
- Committee recommends providing \$773,464 NGF in FY 2015 and \$917,953 NGF in FY 2016 to provide positions to maintain service levels for state agency procurement, secure the Commonwealth's data, oversee IT projects and procurements, and ensure continuity of key services

Central Accounts

- Saves \$1.7 million GF in FY 2015 and \$3.6 million GF in FY 2016 by reducing the inflation rate for VITA's IT services to state agencies

Public Safety

HB 29: Public Safety

- Committee recommends including \$4.5 million GF in additional jail per diems to support local and state-responsible inmates housed in local and regional jails
 - About 5,000 state-responsible inmates in local and regional jails
- Committee recommends providing \$250,000 GF to assist the Department of Juvenile Justice with costs associated with the closing of Culpeper Juvenile Correctional Center
 - Facility is being transferred to the Department of Corrections for use as a women's correctional center
- Includes \$342,147 in FY 2014 to account for state's share of Residential Substance Abuse Treatment grant
 - Funding continues in House Bill 30
- Provides \$249,058 GF to restore the Military Strategic Response Fund, which will ease transportation issues around Fort Lee

Sheriffs and Jails

- Committee recommends including \$5.9 million GF in FY 2015 and \$10.3 million GF in FY 2016 for the following:
 - \$4.6 million GF in FY 2015 and \$7.8 million GF in FY 2016 for the staffing costs for operating the new Rappahannock-Shenandoah-Warren (RSW) Regional Jail and the expanded Southwest Virginia Regional Jail
 - ✓ RSW Regional Jail will open July 1, 2014 as planned
 - \$416,085 in FY 2015 and \$454,788 in FY 2016 to provide 13 temporary jail deputy positions for local and regional jails with overcrowding rates that exceed 150 percent of operational capacity
 - \$928,203 GF in FY 2015 and \$2.1 million GF in FY 2016 to provide 29 additional law enforcement deputies in FY 2015 and an additional 33 law enforcement deputies the following year

ABC, DCJS, and Forensics

ABC

- Includes \$20.6 million NGF in FY 2015 and \$43.0 million NGF in FY 2016 to open new stores and to purchase spirits and other products for resale
 - ABC profits are estimated to be \$73.6 million in FY 2014, \$73.8 million in FY 2015, and \$74.0 million in FY 2016
 - Represents increases of \$3.0 million in FY 2014, FY 2015, and FY 2016
- Adds \$2.3 million NGF in FY 2015 and \$3.0 million NGF in FY 2016 to upgrade ABC's financial, licensure, and case management systems

DCJS

- Committee recommends including \$7.1 million GF each year for HB 599 aid to localities with police departments
- Committee recommends adding \$3.6 million GF each year for victim-witness programs and \$1.3 million GF each year for the CASA program
- Continues the school resource officer-school security officer grant program at current levels

Forensic Science

- Includes \$242,390 GF in FY 2015 and \$323,186 GF in 2016 to fill 4 vacant scientist positions
- Committee recommends providing \$300,000 each year for three scientists to perform biological examinations of physical evidence recovery kits to improve the capacity to document, investigate, and prosecute sexual assault cases

Emergency Management and State Police

Emergency Management

- Committee recommends providing \$302,151 in FY 2015 and \$212,151 in FY 2016 to support the cyclical monitoring of state agency and local disaster response plans and state and local shelter, evacuation, traffic, refuge of last resort planning
- Adds \$99,762 GF in FY 2015 and \$133,015 GF in FY 2016 to establish a sheltering coordinator position
- Provides \$100,000 GF in FY 2015 to repay the line of credit for the Disaster Response Fund
- Saves \$178,162 GF in FY 2015 and \$213,794 GF in 2016 by foregoing the need to supplant federal grants with general fund support

State Police

- Adds \$1.6 million NGF to purchase a new fixed wing aircraft using asset forfeiture
- Provides the State Police \$1.4 million NGF for vehicle purchases
- Committee recommends including \$400,000 GF each year to reimburse Chesterfield County for EMT service for med-flight operations

Department of Juvenile Justice

Spending

- Committee recommends \$2.9 million GF each year to create a 40-bed community placement program in detention homes for JCC offenders
- \$1.9 million GF each year to initiate continuity of mental health services for released offenders and to create a 50-bed short-term housing program for released 18-year old or older juveniles
- \$3.9 million GF in FY 2016 for 72 Correctional Officers to meet federal standards
- \$851,984 GF each year and 14 positions to add to DJJ's 31 housing unit managers

Savings

- \$3.9 million GF in FY 2015 and \$4.2 million in FY 2016 from annualizing the savings from repurposing Hanover JCC as a public safety training facility
- \$13.1 million GF in FY 2015 and \$16.8 million GF in FY 2016 from closing the Culpeper JCC
 - Culpeper will be repurposed as a DOC women's correctional center
- \$1.6 million each year from eliminating under-used halfway houses
- \$4.5 million GF each year from an unused juvenile correctional officer retention plan, elimination of five vacant positions, and eliminating funding earmarked for completed JCC generator projects

Department of Corrections

- Committee recommends including \$12.4 million GF in FY 2015 and \$12.7 million GF in FY 2016 and 191 positions to operate the former Culpeper JCC as a correctional center for women
 - Savings associated with closing DJJ's Culpeper JCC exceed DOC cost of operating facility as women's correctional center
- Adds \$5.6 million GF each year to annualize the operating costs of the River North Correctional Center
- Provides \$3.9 million NGF in FY 2015 and \$3.3 million NGF in FY 2016 for the development of electronic health records for inmates
 - Revenue is derived from balances and revenue from housing out-of-state inmates
- Adds \$1.0 million GF each year and 20 positions for additional correctional officers to address understaffed security posts
- Proposes \$365,733 in FY 2015 and \$572,445 in FY 2016 and 9 positions for additional probation officers to supervise sex offenders
- Adds \$533,517 GF each year to provide emergency housing for offenders released to probation (i.e., sex offenders) for which housing is difficult to obtain

Corrections

- Includes \$561,933 in FY 2015 for the “Woodrum” impacts of proposed criminal sentencing legislation
- Provides \$331,660 GF in FY 2015 and \$482,773 GF in FY 2016 to add 14 part-time instructors, additional costs for GED tests, upgrade computers to accommodate computerized GED tests
- Includes \$288,703 GF in FY 2015 and \$389,934 GF in FY 2016 and 5 positions to operate the new wastewater treatment plant at Augusta Correctional Center, which will open early in 2015
 - The plant had previously been operated by the Town of Craigsville; now the plant will be operated directly by DOC
- Saves \$251,925 GF each year and 5 positions from efficiencies gained from the deployment of an automated time computation system for offenders
- Adds \$537,660 GF in FY 2015 and \$586,538 GF in FY 2016 to account for the state’s larger share of the Residential Substance Abuse Treatment grant

Veterans Affairs and Homeland Security

- Committee recommends including \$8.0 million to address encroachment on Naval Air Station Oceana, Fentress Naval Air Landing Field in Chesapeake, and Langley Air Force Base
 - Includes \$4.4 million provided from Fact Fund and \$3.1 million from property sales proceeds for Oceana and Fentress Landing Field
 - Oceana receives \$5 million and Chesapeake receives \$2.5 million
 - Langley Air Force Base receives \$500,000 GF
- Adds \$191,833 GF in FY 2015 and \$208,500 GF in FY 2016 to provide an executive assistant, assistant curator, facility manager, and grounds maintenance for the War Memorial
- Includes \$164,640 GF in FY 2015 and \$149,640 GF in FY 2016 to open a new benefits field office in Fredericksburg, convert administrators to claims agents, provide mobile broadband for claims officers, and replace the Tidewater Regional Office's telephone system
- Provides \$150,000 GF each year to supplant the federal funds for the Post-Transition Assistance Program to assist veterans obtain civilian careers after military service
- Committee recommends adding \$100,000 GF each year to augment the V3 initiative, which encourages companies to provide jobs for veterans and trains companies about how veterans' skills and training can meet their needs for employees