

Item 0 #1c

Revenues

Revenues

Language

Language:

Item 0, strike Lines 3 through 11, and insert:

"A bill to appropriate the public revenues for the two years ending respectively on the thirtieth day of June 2005, and the thirtieth day of June 2006, to provide a portion of such revenues, to amend and re-enact §§ 4.1-230, 4.1-231, 16.1-69.6:1, 17.1-507, and 19.2-163.2 of the Code of Virginia, and to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:01."

Explanation:

(This amendment revises the title of House Bill 5001 to incorporate the amendments in Part V of the bill.)

Item 0 #2c

Revenues

Revenues

Language

Language:

Page 1, strike lines 27 through 34 and insert:

	First Year	Second Year	Total
Unreserved Balance, June 30, 2004	\$273,912,118	\$0	\$273,912,118
Additions to Balance	(\$500,000)	(\$500,000)	(\$1,000,000)
Official Revenue Estimates	\$12,451,848,650	\$13,093,421,900	\$25,545,270,550
Lottery Proceeds Fund	\$395,000,000	\$402,000,000	\$797,000,000
Transfers	\$312,688,347	\$358,256,260	\$670,944,607
Total General Fund Resources Available for Appropriation	\$13,432,949,115	\$13,853,178,160	\$27,286,127,275

Page 1, strike lines 36 through 42 and insert:

	First Year	Second Year	Total
Balance, June 30 2004	\$1,854,347,481	\$0	\$1,854,347,481
Official Revenue Estimates	15,203,614,759	16,009,504,699	\$31,213,119,458
Bond Proceeds	\$1,003,762,290	\$46,871,475	\$1,050,633,765
Total Nongeneral Fund Revenue			
Available for Appropriation	\$18,061,724,530	\$16,056,376,174	\$34,118,100,704
TOTAL PROJECTED REVENUES	\$31,494,673,645	\$29,909,554,334	\$61,404,227,979

Explanation:

(This amendment reflects general fund and nongeneral fund revenue adjustments included in approved amendments to the 2004-06 budget, as introduced.)

Item 2 #1c

Legislative Department

Auditor Of Public Accounts

Language

Language:

Page 8, after line 13, insert:

"The Auditor of Public Accounts shall review the operations of the State Comptroller as they relate to the Commonwealth's financial accounting and control operations. The Secretary of Finance, State Comptroller, State Treasurer, Director of Planning and Budget and the Chief Information Officer shall provide any assistance and cooperation necessary for the Auditor to conduct this review. In conducting the review, the Auditor shall determine the factors that have led to the current structure of the Commonwealth's financial accounting and control operations, the Comptroller's responsibility for financial and internal controls, the impact of decentralization on the financial structure and internal controls, and whether the Commonwealth has a modern financial system and structure. Additionally, the Auditor of Public Accounts shall provide the Chairmen of the Senate Finance Committee, the House Appropriations Committee and the House Finance Committee with an assessment of the information available to them, how any changes in the Commonwealth's financial accounting and control operations could enhance their oversight, and what resources would be necessary to accomplish this function. The Auditor shall submit a planning document to the Chairmen of the Senate Finance and House Appropriations and Finance Committees outlining the scope of this review by July 15, 2004. A preliminary report of initial findings, recommendations and issues shall be available to the Governor and the General Assembly by December 1, 2004, and a final report by November 15, 2005, with recommendations for proposed budgetary and statutory changes."

Explanation:

(This amendment directs the Auditor of Public Accounts to conduct a review of the Commonwealth's financial controls. Over the past several years, budget reductions to the Department of Accounts have significantly reduced the resources available for operation and modernization of the Commonwealth's financial systems. This review will allow for the identification of areas where additional resources and improvements are warranted.)

Item 2 #2c

Legislative Department	FY 04-05	FY 05-06	
Auditor Of Public Accounts	(\$78,435)	(\$78,435)	GF

Language:

Page 8, line 2, strike "\$9,974,706" and insert "\$9,896,271".
Page 8, line 2, strike "\$9,978,384" and insert "\$9,899,949".

Explanation:

(This amendment reduces the general fund appropriation for the Auditor of Public Accounts by \$78,435 each year to account for the information provided by the agency in its base budget submission. The base budget submitted by the agency reported that after including sufficient sums for current salary costs, fringe benefits, and operating costs, the agency did not require use of the full general fund appropriation it had been granted as a guide for budget development.)

Item 2 #3c

Legislative Department	
Auditor Of Public Accounts	Language

Language:

Page 8, after line 13, insert:
"The Auditor of Public Accounts shall conduct an audit to determine the amount of deferred maintenance costs in the Commonwealth in accordance with Item C-194.10 of this act. The Auditor shall use the funding provided in Item C-194.10 of this act to assist agencies and institutions to acquire the software and training necessary to accumulate the information to perform the audit."

Explanation:

(This amendment requires the Auditor of Public Accounts to conduct an audit of the Commonwealth's deferred maintenance on capital facilities.)

Item 4 #1c

Legislative Department

Division Of Capitol Police

Language

Language:

Page 9, line 4, strike "\$79,588" and insert "\$90,549".

Page 9, line 5, strike "\$81,976" and insert "\$90,549".

Page 9, line 6, after "2006", insert "The salary increase authorized in the first year in Item 505 shall not apply to this salary."

Explanation:

(This amendment increases the annual salary for the Chief of the Division of Capitol Police.)

Item 7 #1c

Legislative Department

Division Of Legislative Services

FY 04-05

\$50,000

FY 05-06

\$50,000

GF

Language:

Page 9, line 34, strike "\$4,577,254" and insert "\$4,627,254".

Page 9, line 34, strike "\$4,577,254" and insert "\$4,627,254".

Explanation:

(This amendment provides \$50,000 each year from the general fund for the acquisition of specialized legal services.)

Item 7 #2c

Legislative Department

Division Of Legislative Services

FY 04-05

(\$160,000)

-2.00

FY 05-06

(\$160,000)

-2.00

GF

FTE

Language:

Page 9, line 34, strike "\$4,577,254" and insert "\$4,417,254".

Page 9, line 34, strike "\$4,577,254" and insert "\$4,417,254".

Explanation:

(This amendment reduces the general fund appropriation for the Division of Legislative Services by \$160,000 each year to account for the agency's plans to eliminate two positions. The employees in these positions retired, and the agency does not plan to replace them.)

Item 7 #3c

Legislative Department

Division Of Legislative Services

FY 04-05

(\$62,500)

FY 05-06

(\$62,500)

NGF

Language:

Page 9, line 34, strike "\$4,577,254" and insert "\$4,514,754".

Page 9, line 34, strike "\$4,577,254" and insert "\$4,514,754".

Explanation:

(This amendment reduces the nongeneral fund appropriation for the Division of Legislative Services to account for the privatization of the printing, distribution, and subscription services related to the Register of Regulations, which had previously been handled in-house. This publication has been privatized, so the agency will no longer collect the subscription revenue associated with it. The agency's remaining nongeneral fund appropriation includes the revenues collected from printing the Legislative Record, Session Summary, and Issue Briefs. The agency will continue to produce these publications in-house.)

Item 10 #1c

Legislative Department

Dr. Martin Luther King, Jr.

Memorial Commission

FY 04-05

\$10,000

FY 05-06

\$10,000

GF

Language:

Page 10, line 26, strike "\$40,000" and insert "\$50,000".

Page 10, line 26, strike "\$40,000" and insert "\$50,000".

Explanation:

(This amendment provides \$10,000 each year from the general fund to permit the Dr. Martin Luther King, Jr. Memorial Commission to fulfill additional duties associated with the Commonwealth's two-year commemoration of the Supreme Court's decision in Brown v. Board of Education, including the 40th anniversary of the court's landmark decision in Griffin v. Virginia.)

Item 11 #1c

Legislative Department

Joint Commission On Health Care

Language

Language:

Page 10, after line 37, insert:

"The Joint Commission on Health Care should support the continuation of state funding of local initiatives to address the needs of adults and juveniles with mental health, mental retardation, or co-occurring disorders who come into contact with the criminal justice system."

Explanation:

(This amendment is self-explanatory.)

Item 13 #1c

Legislative Department

Commissioners For Promotion Of
Uniformity Of Legislation

FY 04-05

\$21,000

FY 05-06

\$23,000 GF

Language:

Page 11, line 16, strike "\$39,500" and insert "\$60,500".

Page 11, line 16, strike "\$39,500" and insert "\$62,500".

Explanation:

(This amendment provides \$21,000 the first year and \$23,000 the second year from the general fund for an organizational dues increase and related travel and other expenses for the Commissioners for Promotion of Uniformity of Legislation.)

Item 17 #1c

Legislative Department	FY 04-05	FY 05-06	
Virginia Commission On Youth	(\$23,683)	(\$23,683)	GF

Language:

Page 12, line 12, strike "\$315,861" and insert "\$292,178".

Page 12, line 12, strike "\$315,861" and insert "\$292,178".

Explanation:

(This amendment reduces the general fund appropriation for the Virginia Commission on Youth to account for the commission's decision to leave a part-time analyst position vacant during the 2004-2006 biennium.)

Item 18 #1c

Legislative Department	FY 04-05	FY 05-06	
Virginia Crime Commission	\$69,463	\$0	GF

Language:

Page 12, line 22, strike "\$500,436" and insert "\$569,899".

Page 12, after line 26, insert:

"A. Included within this appropriation is \$69,463 the first year from the general fund to replace a federal grant that has expired. Should the Crime Commission obtain additional federal funds during fiscal year 2005, an equal amount of these general funds, not to exceed \$69,463, shall revert to the general fund."

Explanation:

(This amendment provides \$69,463 the first year from the general fund to replace a federal grant which expired on March 31, 2004.)

Item 18 #2c

Legislative Department		
Virginia Crime Commission		Language

Language:

Page 12, after line 26, insert:

"B. The Virginia Crime Commission shall examine the statutory basis for computer crimes in the Code of Virginia, including a determination of the appropriate definitions and elements constituting offenses in this area."

Explanation:

(This amendment directs the Crime Commission to examine computer crimes.)

Item 21 #1c

Legislative Department

Joint Legislative Audit And Review
Commission

Language

Language:

Page 14, line 14, after "process.", insert:

"JLARC fiscal impact staff shall have direct access to tax data files maintained by the Department of Taxation for the purpose of providing on-going support of tax policy oversight conducted by the House Finance and Senate Finance Committees. Information accessed by JLARC fiscal impact staff under the provisions of this item shall be deemed privileged and confidential and such lawful recipient thereof shall be subject to the penalties imposed by § 58.1-3, Code of Virginia, for any unauthorized use of such information."

Explanation:

(This amendment provides the JLARC fiscal analysis staff with access to tax data files for the purpose of producing tax policy analysis for the House Finance, House Appropriations, and Senate Finance Committees. JLARC staff will be under the same legal prohibitions against disclosing individual tax records that apply to Department of Taxation staff.)

Item 25 #1c

Judicial Department

Supreme Court

Language

Language:

Page 16, after line 39, insert:

"F. The Judicial Council of Virginia shall evaluate and make recommendations on the

funding, resources, and statutory changes required to implement a system of family courts in Virginia pursuant to the provisions contained in Chapters 929 and 930 of the Acts of Assembly of 1993. In performing this evaluation, all state agencies shall cooperate, upon request, with the Judicial Council of Virginia. The Judicial Council of Virginia shall report its findings to the Governor and the General Assembly by November 1, 2004."

Explanation:

(This amendment directs the Judicial Council of Virginia to examine the costs and other resources necessary to establish a system of family courts in Virginia.)

Item 26 #1c

Judicial Department

Supreme Court

Language

Language:

Page 17, line 11, strike "in lieu of travel and all other expenses" and insert: "for expenses not otherwise reimbursed,".

Page 17, strike lines 12 through 13.

Page 17, line 14, strike "conducting the business of the Court,".

Explanation:

(This amendment adjusts language in the Appropriation Act to allow Justices of the Supreme Court of Virginia to be reimbursed for their expenses as are other state employees.)

Item 31 #1c

Judicial Department

Court Of Appeals Of Virginia

Language

Language:

Page 18, lines 29, strike "in lieu of travel and all other expenses" and insert: "for expenses not otherwise reimbursed,".

Page 18, strike lines 30 through 31.

Page 18, line 32, strike "conducting the business of the Court,".

Explanation:

(This amendment adjusts language in the Appropriation Act to allow Judges of the

Court of Appeals of Virginia to be reimbursed for their expenses as are other state employees.)

Item 32 #1c

Judicial Department	FY 04-05	FY 05-06	
Circuit Courts	(\$6,556,539)	(\$6,501,430)	GF

Language:

Page 19, line 2, strike "\$75,756,553" and insert "\$69,200,014".

Page 19, line 2, strike "\$79,070,327" and insert "\$72,568,897".

Explanation:

(This amendment reduces the general funds provided for the payment of court-appointed attorneys' fees. These fees are paid from appropriations made to the Criminal Fund for the representation of indigent criminal defendants. However, due to the creation of four new public defender offices, the need for court-appointed counsel will be reduced. The four new public defender offices will be established in Arlington County (including the City of Falls Church) and the Cities of Chesapeake, Hampton, and Newport News. In addition to the direct costs of establishing these offices, general fund savings are captured from the Criminal Fund due to public defenders' more effective and efficient representation of indigent criminal defendants. Public defenders' per charge rates equal about \$113 per charge. This amendment is a companion to an amendment providing funding for the creation of the four new public defender offices found in Item 39, which represents the Public Defender Commission's budget.)

Item 32 #2c

Judicial Department	FY 04-05	FY 05-06	
Circuit Courts	\$355,152	\$1,045,645	GF
	5.00	5.00	FTE

Language:

Page 19, line 2, strike "\$75,756,553" and insert "\$76,111,705".

Page 19, line 2, strike "\$79,070,327" and insert "\$80,115,972".

Explanation:

(This amendment provides \$355,152 the first year and \$1,045,645 the second year from the general fund for the creation of five new Circuit Court judgeships. These judgeships, recommended by the Judicial Council of Virginia, will be located in the 1st, 14th, 15th, 22nd, and 29th judicial circuits. Appointments to these judgeships are to be confirmed by the 2005 Session of the General Assembly and will be effective March 1, 2005. Statutory authorization for these judgeships is contained in Part 5 of this act.)

Item 32 #3c

Judicial Department	FY 04-05	FY 05-06	
Circuit Courts	(\$250,000)	(\$400,000)	GF

Language:

Page 19, line 2, strike "\$75,756,553" and insert "\$75,506,553".

Page 19, line 2, strike "\$79,070,327" and insert "\$78,670,327".

Explanation:

(This amendment reduces the general fund appropriation for the Criminal Fund by \$250,000 the first year and \$400,000 the second year. This is a technical amendment based upon adjusted expenditure projections.)

Item 33 #1c

Judicial Department	FY 04-05	FY 05-06	
General District Courts	\$128,623	\$380,870	GF
	2.00	2.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$75,346,685".

Page 20, line 2, strike "\$75,218,062" and insert "\$75,598,932".

Explanation:

(This amendment provides \$128,623 the first year and \$380,870 the second year from the general fund for two new Juvenile and Domestic Relations District Court judgeships for the 15th and 27th judicial districts, as recommended by the Committee

on District Courts. Appointments to these judgeships are to be confirmed by the 2005 Session of the General Assembly and will be effective March 1, 2005. Statutory authorization for these judgeships is contained in Part 5 of this act.)

Item 33 #2c

Judicial Department	FY 04-05	FY 05-06	
General District Courts	\$898,406	\$1,796,812	GF
	49.00	49.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$76,116,468".

Page 20, line 2, strike "\$75,218,062" and insert "\$77,014,874".

Explanation:

(This amendment provides \$898,406 the first year and \$1.8 million the second year from the general fund to support the addition of 49.0 positions for the general district courts. The Committee on District Courts shall allocate these positions among the general district courts, juvenile and domestic relations district courts, and combined district courts in such a manner as to ensure that each court has at least 85 percent of the positions required by the judicial system staffing model. The Committee on District Courts originally recommended an additional 170.2 positions to implement the staffing model's recommendations. This amendment is a first step toward meeting that requirement.)

Item 37 #1c

Judicial Department	FY 04-05	FY 05-06	
Board Of Bar Examiners	(\$997,828)	(\$993,828)	GF
	\$997,828	\$993,828	NGF

Language:

Page 23, strike lines 16 through 47, and insert:

"Authority: Title 54.1, Chapter 39, Articles 3 and 4 and §54.1-3934, Code of Virginia. The State Comptroller shall establish a Board of Bar Examiners Fund on the Commonwealth Accounting and Reporting System. Revenues collected from fees paid by applicants for admission to the bar shall be deposited into the Board of Bar Examiners Fund. The source of nongeneral funds included in this item is the Board of

Bar Examiners Fund. Interest generated by the fund shall be retained by the fund."

Page 24, strike lines 1 through 56.

Page 25, strike lines 1 through 16.

Page 450, strike line 22.

Page 450, line 23, strike "e" and insert "d".

Page 450, line 24, strike "f" and insert "e".

Page 450, line 34, strike "g" and insert "f".

Page 450, line 36, strike "h" and insert "g".

Page 450, line 37, strike "i" and insert "h".

Page 450, line 41, strike "j" and insert "i".

Page 450, line 42, strike "k" and insert "j".

Explanation:

(This amendment changes the fund source for the Board of Bar Examiners from the general fund to nongeneral funds. In the past, revenues collected by this agency have been deposited to the general fund, and the source of the appropriation for its operation was the general fund. Beginning July 1, 2004, the revenues collected by this agency will be deposited into a special fund to be established for this purpose. A companion amendment to the Revenue Page eliminates the general fund revenues and recognizes the corresponding amount of nongeneral fund revenue collections.)

Item 39 #1c

Judicial Department

Public Defender Commission

FY 04-05

\$258,542

4.00

FY 05-06

\$355,770

6.00

GF

FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$23,937,460".

Page 25, line 33, strike "\$23,693,663" and insert "\$24,049,433".

Page 25, line 32, strike "PUBLIC DEFENDER COMMISSION" and insert:
"INDIGENT DEFENSE COMMISSION".

Page 25, line 38, after "Virginia" insert ", as amended by Chapter 884 of the Acts of Assembly 2004".

Page 25, after line 38, insert:

"It is the intent of the General Assembly that the current employees of the Public Defender Commission shall become the employees of the new Indigent Defense Commission, effective July 1, 2004. This includes employees located in the central administrative office as well as the employees located in the individual public defender

offices."

Page 25, line 39, strike "Public Defender Commission" and insert:
"Indigent Defense Commission".

Explanation:

(This amendment provides \$258,542 and four positions the first year and \$355,770 and six positions the second year from the general fund to reconfigure the Public Defender Commission as the Indigent Defense Commission, pursuant to Chapter 884 of the Acts of Assembly 2004 (Senate Bill 330). The Indigent Defense Commission will develop the standards for and oversee the training of all court-appointed attorneys and public defenders representing indigent criminal defendants.)

Item 39 #2c

Judicial Department

Public Defender Commission

FY 04-05

\$6,425,708

90.00

FY 05-06

\$5,931,546

90.00

GF

FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$30,104,626".

Page 25, line 33, strike "\$23,693,663" and insert "\$29,625,209".

Page 25, after line 38, insert:

"Out of the amounts provided for criminal indigent defense, \$6,425,708 the first year and \$5,931,546 the second year from the general fund is provided to establish four public defender offices in Arlington County (including the City of Falls Church) and the cities of Chesapeake, Hampton, and Newport News. The Indigent Defense Commission shall give priority in establishing these public defender offices first to the City of Newport News."

Explanation:

(This amendment provides \$6.4 million the first year and \$5.9 million the second year from the general fund and 90 positions each year to support the creation of four new public defender offices. These offices will be located in Arlington County (including the City of Falls Church) and the cities of Chesapeake, Hampton, and Newport News. The amendment gives priority the establishment of the Newport News public defender office, because that locality provides the greatest potential for producing general fund savings from the Criminal Fund. A companion amendment in Item 32 reduces appropriations for the Criminal Fund to account for the savings produced by the creation of these four offices because of the more efficient

representation of indigent criminal defendants by public defenders. Statutory authorization for these four offices is contained in Part 5 of this Act.)

Item 39 #3c

Judicial Department	FY 04-05	FY 05-06	
Public Defender Commission	\$1,010,000	\$2,080,000	GF
	16.00	32.00	FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$24,688,918".

Page 25, line 33, strike "\$23,693,663" and insert "\$25,773,663".

Explanation:

(This amendment provides \$1.0 million and 16.0 positions the first year and \$2.1 million and 32.0 positions the second year from the general fund to increase the number of attorneys and support staff in existing public defender offices. The purpose of this amendment is to reduce attorney caseloads in those offices where caseloads significantly exceed the statewide average.)

Item 53 #1c

Executive Offices

Division Of Debt Collection	Language
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Language:

Page 31, strike lines 24 through 33 and insert:

"A. All agencies and institutions shall follow the procedures for collection of funds owed the Commonwealth as specified in §§ 2.2-518 and 2.2-4806 of the Code of Virginia, except as provided otherwise therein or in this act.

B.1. There is hereby created on the books of the Comptroller a special nonreverting fund known as the "Debt Collection Recovery Fund." The Division of Debt Collection shall deposit to the Fund all revenues generated by it, less any cost of recovery, from receivables collected on behalf of state agencies, pursuant to § 2.2-518 and 2.2-4806 of the Code of Virginia. This provision shall apply whether such payment is made directly to the affected agency or to the Office of the Attorney General.

2. The Secretary of Finance may make exemptions from the required deposits to the Fund, as specified in B1. above, upon his determination that such collections are more appropriately returned to the fund source in which such receivables are due. Any such exemptions shall be reported by the Secretary of Finance to the Division of Debt Collection and to the Chairmen of the Senate Finance and House Appropriations Committees within 30 days of such approval.

3. From the amounts collected for the Fund, 30 percent, not to exceed \$1,800,000 in any fiscal year, shall be paid to the Division of Debt Collection.

4. From the amounts collected for the Fund, 30 percent shall be returned to the state agency for which the claim was collected. Out of the balance in the Fund, the State Comptroller shall transfer up to \$3,454,000 to the general fund on or before June 30, 2005, and up to \$3,444,000 on or before June 30, 2006. Any amount in excess of the transfer which remains in the Debt Collection Recovery Fund each year after the transfer shall be returned on a pro rata basis to all state agencies having claims collected by the Division of Debt Collection during the course of the year, to the extent that such collections contributed to the balance in the Fund.

5. The Division of Debt Collection may contract with private collection agents for the collection of debts amounting to less than \$15,000.

C. The Division of Debt Collection of the Office of the Attorney General and the Department of Accounts shall promulgate rules necessary to implement these provisions."

Explanation:

(This amendment establishes procedures to enhance the collection of accounts receivable owed to agencies and institutions of the Commonwealth, consistent with Chapter 919 (House Bill 1037) Acts of Assembly 2004.)

Item 58 #1c

Administration

Secretary Of Administration

Language

Language:

Page 34, after line 7, insert:

"The Secretary of Administration, in consultation with the Secretary of Education, the Office of the Attorney General, and third party professional engineers with experience in the field of building environmental controls, shall prepare a report outlining plans, including a schedule of steps and events, which are to be implemented with a view toward corrective actions addressing remaining design and construction issues associated with the maintenance and operation of the Library of Virginia building in Richmond. The Secretaries shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 1, 2004."

Explanation:

(This amendment requires the Secretaries of Administration and Education to resolve the environmental control issues at the Library of Virginia. These environmental control issues are potentially due to design and construction flaws in the building, which is currently the subject of negotiations between the administration and the architects, engineers and contractors. Changes in operating practices can mitigate the impact of these difficulties pending resolution of the design and construction questions. A related amendment is found at Item 256 #1c.)

Item 62 #1c

Administration	FY 04-05	FY 05-06	
Commonwealth Competition	(\$262,297)	(\$262,297)	NGF
Council	-3.00	-3.00	FTE

Language:

- Page 35, line 40, strike "\$262,297" and insert "\$0".
- Page 35, line 40, strike "\$262,297" and insert "\$0".
- Page 35, strike lines 39 through 50 and insert "62. Omitted."
- Page 36, strike lines 1 through 26.

Explanation:

(This amendment eliminates the nongeneral fund appropriation and positions provided for the Commonwealth Competition Council. A companion amendment in Item 283 transfers the funding for this function to the Department of Planning and Budget.)

Item 63 #1c

Administration

Compensation Board

Language

Language:

Page 37, line 6, strike "9,698" and "9,781" and insert "9,699" and "9,782".

Page 37, line 14, strike "507" and insert "506".

Page 37, line 15, strike "550" and insert "549".

Explanation:

(This amendment corrects a position adjustment made to the sheriffs' totals. The sheriffs' totals were inadvertently adjusted when the intent was to adjust the temporary position totals. This correction has no impact on the budget.)

Item 63 #2c

Administration

Compensation Board

Language

Language:

Page 36, line 34, after "69,", insert "69.10,".

Page 36, line 46, after "69,", insert "69.10,".

Page 37, line 9, strike "1,151" and "1,151" and insert "797" and "797".

Page 37, after line 9, insert:

"Directors of Finance 354 354".

Explanation:

(This amendment includes technical changes required by the creation of a separate program within the Compensation Board's budget for Directors of Finance. Directors of Finance had previously been included in the item containing local Treasurers, so mention of the new item number for Directors of Finance is needed to permit salary adjustments, local compensation supplements, and correct staffing numbers to be shown for these offices.)

Item 64 #1c

Administration

Compensation Board

Language

Language:

Page 40, line 54, strike:

"\$95,528" "\$95,528" "\$98,394" and insert "\$97,677" "\$97,677" "\$100,607".

Explanation:

(This amendment corrects the salaries shown in the sheriff salary chart for localities with populations between 175,000 and 249,999 to reflect the 2.25 percent pay increase provided by the General Assembly in fiscal year 2004. While the introduced budget correctly displayed the salaries for other types of localities, it failed to account for the salary increase for this locality group. The correction has no budgetary impact.)

Item 64 #2c

Administration

Compensation Board

FY 04-05
(\$1,127,722)

FY 05-06
(\$1,127,722) GF

Language:

Page 40, line 25, strike "\$326,631,328" and insert "\$325,503,606".

Page 40, line 25, strike "\$333,277,378" and insert "\$332,149,656".

Page 43, after line 19, insert:

"L. The Compensation Board is authorized to use up to \$3,550,000 in the first year and \$1,150,000 the second year from projected general fund balances in Items 64, 65, 66, 69 and 70 to address constitutional officer local retirement rate increases and salary annualization costs. The Compensation Board shall receive approval from the Department of Planning and Budget prior to spending or allocating any portion of the projected amount."

Explanation:

(This amendment eliminates proposed funding of annualization costs due to 2003 salary increases and authorizes use of year end balances for this and VRS rate changes.)

Item 64 #3c

Administration

Compensation Board

Language

Language:

Page 40, strike lines 26 and 27, and insert:

"Financial Assistance for Administration (xxx) ... \$ 9,486,236 \$9,486,236

Financial Assistance for Local Law

Enforcement \$247,393,166 \$249,610,616"

Explanation:

(This amendment updates the program structure for Sheriffs' offices and regional jails by setting out the salary and benefits for the Sheriffs in a new subprogram.)

Item 65 #1c

Administration

Compensation Board

Language

Language:

Page 43, strike lines 21 and 22, and insert:

"Financial Assistance for Administration (xxx) ... \$12,617,317 \$12,617,317

Financial Assistance for Local Attorneys

For the Commonwealth \$31,249,599 \$31,249,599".

Explanation:

(This amendment updates the program structure for Commonwealth's Attorneys by setting out the salary and benefits for the Commonwealth's Attorneys in a new subprogram.)

Item 66 #1c

Administration

Compensation Board

Language

Language:

Page 47, after line 8, insert:

"I.1. For audits of Clerks of the Circuit Court completed after July 1, 2004, the Auditor of Public Accounts shall report any internal control matter that could be reasonably expected to lead to the loss of revenues or assets, or otherwise compromise fiscal accountability. The Auditor of Public Accounts will also report on compliance with appropriate law and other financial matters of the Clerks' office.

2. For internal control matters that could be reasonably expected to lead to the loss of revenues or assets, or otherwise compromise fiscal accountability, the Clerk shall provide the Auditor of Public Accounts a written corrective action plan to any such audit findings within 10 business days of the audit exit conference, which will state what actions the clerk will take to remediate the finding. The Clerk's response may

also address the other matters in the report. During the next audit, the Auditor of Public Accounts shall determine and report if the Clerk has corrected the finding related to internal control matters that could be reasonably expected to lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

3. Notwithstanding the provisions of Item 505, paragraph F.2.e.1, the Compensation Board shall not provide any salary increase to any Circuit Court Clerk identified by the Auditor of Public Accounts who has not taken corrective action for the matters reported above.”

Explanation:

(This amendment requires that all circuit court clerks prepare written corrective action plans to address any internal control matters identified by the Auditor of Public Accounts. Any circuit court clerk who does not correct an internal control matter identified by the Auditor of Public Accounts by the immediately subsequent audit report shall not receive a salary increase.)

Item 66 #2c

Administration

Compensation Board

Language

Language:

Page 45, strike line 16 and insert:

"Financial Assistance for Administration (xxx) ... \$10,468,619 \$10,468,619
 Financial Assistance for Circuit Court Services .. \$17,291,525 \$17,291,525
 Financial Assistance for Maintenance of
 Local Land Records \$11,754,378 \$11,754,378".

Explanation:

(This amendment updates the program structure for Clerks by setting out the salary and benefits for the Clerks, Circuit Court Services and Local Land Records in new subprograms.)

Item 67 #1c

Administration

Compensation Board

FY 04-05	FY 05-06	
\$13,200,000	\$13,200,000	GF

Language:

Page 47, line 10, strike "\$62,303,558" and insert "\$75,503,558".

Page 47, line 10, strike "\$66,137,960" and insert "\$79,337,960".

Explanation:

(This amendment provides \$13.2 million the first year and \$13.2 million the second year from the general fund to restore previous reductions in reimbursements to localities for the cost of maintaining prisoners in local and regional jails.)

Item 67 #2c

Administration

Compensation Board

FY 04-05

(\$6,012,965)

FY 05-06

(\$9,075,267) GF

Language:

Page 47, line 10, strike "\$62,303,558" and insert "\$56,290,593".

Page 47, line 10, strike "\$66,137,960" and insert "\$57,062,693".

Page 51, after line 28, insert:

"M. Projected growth in per diem payments for the support of prisoners in local and regional jails shall be based on actual inmate population counts up through the first quarter of the affected fiscal year.

Explanation:

(This amendment requires that projected growth in per diem payments for the support of prisoners in local and regional jails will be based on actual inmate population counts up through the first quarter of the affected fiscal year.)

Item 68 #1c

Administration

Compensation Board

Language

Language:

Page 51, line 35, after "69", insert ", 69.10,".

Explanation:

(This amendment is a technical change permitting the Compensation Board to deduct the costs of insurance premiums from the reimbursements provided to Directors of Finance. Previously, Directors of Finance had been included within the

item appropriating general fund assistance to Treasurers. Because the Directors of Finance are being established as a separate program within the Compensation Board's budget, this technical change is necessary to reflect the new arrangement.)

Item 69 #1c

Administration	FY 04-05	FY 05-06	
Compensation Board	\$68,949	\$162,801	GF

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$21,870,231".

Page 51, line 43, strike "\$21,801,282" and insert "\$21,964,083".

Page 53, after line 3, insert:

"D.1. Out of the amounts included in this item is \$68,949 the first year and \$162,801 the second year from the general fund for the Compensation Board to implement a Deputy Treasurers' Career Development Program. The Compensation Board shall adopt minimum criteria for the Deputy Treasurers' Career Development Program by July 15, 2004. The minimum criteria shall include initial and continuing education requirements for the Deputy Treasurers and performance criteria. The Compensation Board shall submit the minimum criteria for Deputy Treasurers' Career Development Program to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. For each Deputy Treasurer selected by the Treasurer for participation in the Deputy Treasurers' Career Development Program, the Compensation Board shall increase the annual salary established for that position by 9.3 percent, effective December 1, following receipt of the Treasurer's certification that the minimum requirements of the Deputy Treasurers' Career Development Program have been met, and provided that such certification is submitted by the Treasurer as part of the annual budget request to the Compensation Board on February 1st of each year. The first period for Treasurers to make this certification and select Deputy Treasurers for participation in the Career Development Program will be on the budget request submitted to the Compensation Board on or before February 1, 2005, for a salary increase effective date of December 1, 2005. Subsequent new certifications and selections for participation shall occur each year as a part of the annual budget request submission on or before February 1st of each year, for an effective date of salary increase of the following December 1st."

Explanation:

(This amendment provides for the development and implementation of a Deputy Treasurers' Career Development Program.)

Item 69 #2c

Administration	FY 04-05	FY 05-06	
Compensation Board	(\$5,536,713)	(\$5,536,713)	GF

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$16,264,569".

Page 51, line 43, strike "\$21,801,282" and insert "\$16,264,569".

Page 51, strike lines 44 through 46, and insert:

"Financial Assistance for Administration (xxx) ...	\$7,860,338	\$7,860,338
Financial Assistance for Treasurers	\$7,384,347	\$7,384,347
Financial Assistance for State Tax Services	\$1,019,884	\$1,019,884"

Explanation:

(This amendment updates the program structure for Treasurers by setting out in new subprograms (i) the salary and benefits paid to the principal officers, (ii) state assistance for functions performed by treasurers' offices on behalf of their local governments, and (iii) state assistance for the processing state income tax returns. The amendment also removes the existing funding of \$5.5 million each year from the general fund for Directors of Finance and transfers those amounts to a new program.)

Item 69.10 #1c

Administration	FY 04-05	FY 05-06	
Compensation Board	\$5,536,713	\$5,536,713	GF

Language:

Page 53, after line 3, insert:

"Financial Assistance for Administration (xxx) ... \$ 515,271 \$ 515,271

Financial Assistance to Local

Directors of Finance \$5,021,442 \$5,021,442

Authority: Title 15.2, Chapter 16, Articles 2 and 6.1, Code of Virginia.

A.1. The annual salaries of elected or appointed officers who hold the combined office of city treasurer and commissioner of the revenue, or elected or appointed officers who hold the combined office of county treasurer and commissioner of the

revenue subject to the provisions of §15.2-1636.17, Code of Virginia, shall be as hereinafter prescribed, based on the services provided, except as otherwise provided in § 15.2-1636.12, Code of Virginia.

	July 1, 2004 to November 30, 2004	December 1, 2004 to November 30, 2005	December 1, 2005 to June 30, 2006
Less than 10,000	\$50,165	\$50,165	\$51,670
10,000 to 19,999	\$55,741	\$55,741	\$57,413
20,000-39,999	\$61,934	\$61,934	\$63,792
40,000-69,999	\$68,814	\$68,814	\$70,878
70,000-99,999	\$76,461	\$76,461	\$78,755
100,000-174,999	\$84,955	\$84,955	\$87,504
175,000-249,999	\$89,428	\$89,428	\$92,111
250,000 and above	\$101,622	\$101,622	\$104,671

2. Whenever any officer whether elected or appointed, who holds that combined office of city treasurer and commissioner of the revenue, is such for two or more cities or for a county and city together, the aggregate population of such political subdivisions shall be the population for the purpose of arriving at the salary of such officer under the provisions of this item.

B. There is hereby reappropriated the unexpended balance remaining in this program on June 30, 2004, and June 30, 2005.

C.1. The Treasurers' Career Development Program shall be made available by the Compensation Board to appointed officers who hold the combined office of city or county treasurer and commissioner of the revenue subject to the provisions of § 15.2-1636.17, Code of Virginia.

2. The Compensation Board may increase the annual salary in paragraph A1 of this item following receipt of the appointed officer's certification that the minimum requirements of the Treasurers' Career Development Program have been met, provided that such certifications are submitted by appointed officers as part of their annual budget request to the Compensation Board on February 1 of each year. The amount of increase shall be subject to appropriations by the General Assembly for this purpose. "

Explanation:

(This amendment updates the program structure for Treasurers by creating a

separate program for Directors of Finance. The existing funding of \$5.5 million the first year and \$5.5 million the second year from the general fund for Directors of Finance is transferred from the program for Treasurers in Item 69.)

Item 70 #1c

Administration

Compensation Board

FY 04-05

\$84,272

FY 05-06

\$198,978 GF

Language:

Page 53, line 4, strike "\$16,076,334" and insert "\$16,160,606".

Page 53, line 4, strike "\$16,076,334" and insert "\$16,275,312".

Page 53, after line 27, insert:

"C .1. Out of the amounts included in this Item is \$84,272 the first year and \$198,978 the second year from the general fund for the Compensation Board to establish a Commissioners' Career Development Program. The Compensation Board shall adopt minimum criteria for the Commissioners of the Revenue Career Development Program by August 1, 2004. The minimum criteria shall include initial and continuing education requirements for the Commissioners of the Revenue and Deputy Commissioners of the Revenue; specify the base duties, state income tax duties, and real estate services performed by Commissioners of the Revenue to be considered as part of the Career Development Program; and the adoption of certain Standards of Accountability to be attained by the Commissioners of the Revenue with respect to how the Commissioners' offices are managed and operated. The Compensation Board shall submit the minimum criteria for Commissioners of the Revenue Career Development Program to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. Following receipt of the Commissioner's certification that the minimum requirements of the Commissioners of the Revenue Career Development Program have been met, and provided that such certification is received by the Compensation Board on or before November 1, 2004, the Compensation Board shall increase the annual salary shown in Paragraph A of this item by the amount shown herein for a 12-month period effective December 1, 2004. Subsequent certifications shall be submitted by Commissioners of the Revenue as part of their annual budget request to the Compensation Board on February 1 of each year, with the salary increase becoming effective on the following December 1st for a 12-month period. The salary supplement shall be based upon the levels of service offered by the Commissioner of

the Revenue for his/her locality and shall be in accordance with the following schedule:

a. 4.7 percent increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Program;

b. 2.3 percent additional increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Program and provide State Income Tax or Real Estate services as described in the minimum criteria for the Commissioners of the Revenue Career Development Program; and

c. 2.3 percent additional increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Program and provide State Income Tax and Real Estate services, as described in the minimum criteria for the Commissioners of the Revenue Career Development Program.

D.1. Out of the amounts in this item shall be provided \$20,273 in the first year and \$52,571 in the second year from the general fund for the Compensation Board to implement a Deputy Commissioners' Career Development Program. The Compensation Board shall adopt minimum criteria for the Deputy Commissioners' Career Development Program by July 15, 2004. The minimum criteria shall include initial and continuing education requirements for the Deputy Commissioners of the Revenue; specify the base duties, state income tax duties, and real estate services performed by Commissioners' offices to be considered as part of the Career Development Program; and the adoption of certain Standards of Accountability to be attained by the Deputy Commissioners of the Revenue. The Compensation Board shall submit the minimum criteria for Deputy Commissioners' Career Development Program to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. For each Deputy Commissioner selected by the Commissioner of the Revenue for participation in the Deputy Commissioners' Career Development Program, the Compensation Board shall increase the annual salary established for that position by 9.3 percent effective December 1, following receipt of the Commissioner of the Revenue's certification that the minimum requirements of the Deputy Commissioners' Career Development Program have been met, and provided that such certification is submitted by the Commissioner of the Revenue as part of the annual budget request to

the Compensation Board on February 1st of each year. The first period for Commissioners of the Revenue to make this certification and select deputy commissioners for participation in the Deputy Commissioners' Career Development Program will be on the budget request submitted to the Compensation Board on or before February 1, 2005, for a salary increase effective date of December 1, 2005. Subsequent new certifications and selections for participation shall occur each year as a part of the annual budget request submission on or before February 1st of each year, for an effective date of salary increase of the following December 1st."

Explanation:

(This amendment provides for the development and implementation of career development programs for Commissioners of the Revenue and Deputy Commissioners.)

Item 70 #2c

Administration

Compensation Board

Language

Language:

Page 53, strike lines 5 and 6, and insert:

"Financial Assistance for Administration (xxx) ...	\$7,485,578	\$7,485,578
Financial Assistance for Local		
Commissioners of the Revenue	\$8,371,660	\$8,371,660
Financial Assistance for State Tax Services	\$ 219,096	\$ 219,096".

Explanation:

(This amendment updates the program structure for Commissioners of the Revenue by setting out in new subprograms (i) the salary and benefits paid to the principal officers, (ii) state assistance for functions performed by commissioners of the revenue on behalf of their local governments, and (iii) state assistance paid to the commissioners of the revenue for processing state income tax returns.)

Item 78 #1c

Administration

Department Of General Services

Language

Language:

Page 57, after line 19, insert:

"D. The Department of Accounts shall provide a treasury loan of up to \$5,000,000 to the Department of General Services to support the department's expansion and overview of the statewide Virginia Partners in Procurement (VaPP) spend management program. The purpose of this program is to create savings for the Commonwealth's agencies and institutions by encouraging collaboration between agencies and institutions in areas where there exists overlap in purchasing. This treasury loan shall bear interest at a rate equal to the general fund composite investment rate and shall be repaid no later than June 30, 2008. Funding for the repayment of this loan will be from rebates or surcharges collected from and/or fees added to the statewide spend management contracts. The General Assembly strongly encourages all state agencies and institutions of higher education to participate in the statewide spend management program authorized in this item."

Explanation:

(This amendment authorizes the issuance of a \$5.0 million treasury loan to the Department of General Services to support the further implementation of the department's statewide spend management program. Although similar language is contained in the recently adopted Caboose Bill, the Auditor of Public Accounts recommended this language also be included in this act.)

Item 79 #1c

Administration

Department Of General Services

Language

Language:

Page 58, line 8, strike the first "\$200,000" and insert "\$158,513".

Page 58, line 8, strike the second "\$200,000" and insert "\$158,513".

Explanation:

(This amendment limits the payments in lieu of taxes paid by the Virginia Museum of Fine Arts to no more than the amount the agency was required to pay on July 1, 2003. This sum, \$158,513, represents about 2.5 percent of the museum's general fund appropriation.)

Item 79 #2c

Administration

Department Of General Services

Language

Language:

Page 57, line 42, strike "\$23,171,209" and insert "\$23,562,008".

Page 57, line 43, strike "\$23,571,669" and insert "\$24,028,797".

Explanation:

(This amendment increases the estimated expenditures to be made from the rent plan internal service fund by \$390,799 the first year and \$457,128 the second year. These increases are required to compensate for increases in the costs of utilities and inflationary increases in custodial and maintenance contracts. A companion amendment is included in Item 506.)

Item 90 #1c

Administration

Department Of Veterans Services

Language

Language:

Page 62, line 32, strike "the expenditure of".

Page 62, line 34, after "fund", insert "is provided".

Page 62, line 36, strike ", is contingent upon the" and insert ".".

Page 62, strike lines 37 through 39.

Explanation:

(This amendment eliminates language conditioning the addition of claims agents in the Department of Veterans Services' field offices upon the adoption of the Governor's tax proposal.)

Item 94 #1c

Administration

State Board Of Elections

Language

Language:

Page 64, line 30, strike "by an amount up" and insert ".".

Page 64, strike line 31.

Page 64, line 32, strike "general registrar pursuant to this act."

Explanation:

(This amendment eliminates a restriction imposed on local salary supplements for general registrars by the Appropriation Act. Currently, the Appropriation Act limits the total value of these local salary supplements to no more than 10 percent of the annual compensation for general registrars shown in that act.)

Item 94 #2c

Administration

State Board Of Elections

Language

Language:

Page 63, line 44, after "recent" insert "provisional".

Explanation:

(This amendment allows the State Board of Elections to use the most recent provisional population estimates rather than final population estimates when setting the compensation levels for registrars.)

Item 95 #1c

Commerce And Trade

Secretary Of Commerce And Trade

Language

Language:

Page 68, after line 55, insert:

"C. The Secretary of Commerce and Trade, in conjunction with the Department of Aviation, shall examine the feasibility of developing an air freight center at the Virginia Highlands Airport in Abingdon, Virginia, or the Lonesome Pine Airport in Wise, Virginia. Such feasibility review shall identify infrastructure improvements that would be required at the respective airports, as well as adjacent improvements to house potential air freight businesses. The resulting report shall include an enumeration of all impediments to such development, a recommendation as to which airport would best serve as an air freight center, and a preliminary plan for the development of an air freight center. The Secretary shall submit his report and findings to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by December 15, 2004."

Explanation:

(This amendment directs the Secretary of Commerce and Trade, in conjunction

with the Department of Aviation, to examine the feasibility of developing an air freight center at the Virginia Highlands or Lonesome Pine airport.)

Item 95.10 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Secretary Of Commerce And Trade	\$0	\$150,000	GF
	0.00	1.00	FTE

Language:

Page 69, after line 3, insert:

"95.10. Administrative and Support Services

General Management and Direction

Fund Sources: General \$0 \$150,000."

"Pursuant to the provisions of Chapters 940 and 960 of the Acts of Assembly of 2004, the Governor shall transfer one position and requisite funding from the Department of Agriculture and Consumer Services and one position and requisite funding from the Office of the Secretary of Commerce and Trade to the Office of the Secretary of Agriculture and Forestry."

Explanation:

(This amendment implements Chapters 940 and 960 (SB 543/HB 1212) of the 2004 Regular Session to create the Secretary of Agriculture and Forestry by providing one position and \$150,000 from the general fund and by transferring two positions from other agencies to staff the new secretariat.)

Item 97 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Agriculture And Consumer Services	\$150,000	\$150,000	GF
	3.00	3.00	FTE

Language:

Page 69, line 14, strike "\$7,890,059" and insert "\$8,040,059".

Page 69, line 14, strike "\$7,890,335" and insert "\$8,040,335".

Page 69, line 22, before "All", insert "A."

Page 69, after line 23, insert:

"B. Out of the amounts in this item shall be transferred to the Agricultural Education Program in the College of Agriculture and Life Sciences at Virginia Polytechnic Institute and State University \$150,000 and three positions in the first year and \$150,000 and three positions in the second year from the general fund to support agricultural educational specialists to be located in the eastern and western portions of Virginia."

Explanation:

(This amendment restores funding for three positions to support agricultural education, as funded in fiscal year 2003. Funding for this activity was not included in House Bill 5001 as introduced. These positions will address the curricula assistance in Agricultural Education consistent with the provisions of House Bill 5001.)

Item 97 #2c

Commerce And Trade

Department Of Agriculture And
Consumer Services

Language

Language:

Page 69, line 22, before "All", insert "A."

Page 69, after line 23, insert:

"B. The department shall work with the Secretary of Agriculture and Forestry to develop performance goals and strategies to measure the impact of the department's activities in these areas: (1) marketing and product promotion; (2) food safety and inspection services; (3) animal industry veterinary services and diagnostic laboratory services; and (4) plant pest and disease control services. The department shall submit these goals and measures by December 1, 2004, to the Chairmen of the Senate Finance and House Appropriations Committees. In addition, it is the intent of the General Assembly that the department incorporate these performance goals and strategies in budget amendments for review and approval by the 2005 Session."

Explanation:

(This amendment directs the Department of Agriculture and Consumer Services and the Secretary of Agriculture and Forestry to support efforts promoting greater performance and accountability in the core programs administered by the department by developing performance goals and strategies for the 2005 Session.)

Item 99 #1c

Commerce And Trade

Department Of Agriculture And
Consumer Services

Language

Language:

Page 70, strike lines 15 and 16.
Page 70, line 17, strike "9" and insert "8".
Page 70, line 19, strike "10" and insert "9".
Page 70, line 21, strike "11" and insert "10".
Page 70, line 23, strike "12" and insert "11".
Page 70, line 25, strike "13" and insert "12".
Page 70, line 27, strike "14" and insert "13".

Explanation:

(This amendment removes funding for the Sweet Potato Board. Companion legislation, Chapter 212 of the 2004 Acts of Assembly, eliminates the Board. This was a recommendation of the House Joint Resolution 159 study commission.)

Item 99 #2c

Commerce And Trade

Department Of Agriculture And
Consumer Services

Language

Language:

Page 70, line 43, strike "Winegrowers Advisory" and insert "Wine".
Page 70, line 44, strike "Winegrower's Productivity Fund" and insert:
"Virginia Wine Promotion Fund".

Explanation:

(This amendment redirects the existing appropriation for the Winegrowers Advisory Board to the Virginia Wine Board created pursuant to Chapters 89 and 319, 2004 Acts of Assembly. The shift to the Wine Board would allow the Board to engage in revenue generating activities, such as charging admission to wine tasting events and including paid advertising in the Board's annual Winery Festival and Tour Guide, activities not permitted under the existing Winegrowers Advisory Board's authority.)

Item 99 #3c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Agriculture And Consumer Services	\$100,000	\$0	GF

Language:

Page 69, line 30, strike "\$4,636,361" and insert "\$4,736,361".

Explanation:

(This amendment provides additional resources from the general fund for the *Virginia Grown*, *Virginia's Finest* and *Savor Virginia* programs and *Meet Your Customers* missions to promote Virginia-produced and processed agriculture and forest products.)

Item 104 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Agriculture And Consumer Services	\$25,000	\$25,000	GF

Language:

Page 72, line 1, strike "\$2,243,624" and insert "\$2,268,624".

Page 72, line 1, strike "\$2,243,624" and insert "\$2,268,624".

Page 72, line 9, before "Notwithstanding", insert "A."

Page 72, line 11, strike "\$9" and insert "\$4".

Page 72, after line 14, insert:

"B.1. The Commissioner shall develop a long-term plan to adequately fund the weights and measures program. In developing the plan, the Commissioner shall seek input from representatives from local governments, private sector organizations and the public. The plan's objective is to develop a financial strategy for the program that will protect the public and the business sector without undue regulatory burdens. The plan shall address, but not be limited to, these factors: (1) the likelihood of additional general fund resources for this activity; (2) projected workloads, including the total number of devices subject to regulation and by type of device; (3) cost containment strategies in regulatory management through increased reliance upon technology; (4) options to fund the program or a portion of the program through a flexible fee schedule that considers the number of devices used by a business establishment and the time and resources to test such devices; and (5) legislation to implement the plan.

The Commissioner shall submit the plan no later than January 14, 2005, to the Chairmen of the Senate Finance and Agriculture, Conservation and Natural Resources Committees, and House Appropriations and Agriculture, Chesapeake and Natural Resources Committees. Legislative proposals to carry out the plan must be introduced no later than January 14, 2005.

2. If these conditions are not fulfilled, then the Department of Agriculture and Consumer Services is authorized to reinstate, effective June 1, 2005, the \$9 per device registration fee authorized in Chapter 1042 of the Acts of Assembly of 2003 and assess and collect the additional \$5 per device prior to the end of fiscal year 2005. If the Department of Agriculture and Consumer Services fails to introduce legislative proposals to carry out the plan, the Department of Planning and Budget shall unallot \$222,980 the first year from special funds appropriated for the weights and measures program. Such moneys shall remain unallotted until such time as the Department of Agriculture and Consumer Services fulfills the conditions set out in these paragraphs."

Explanation:

(This amendment reduces the \$9 weights and measures fee assessed beginning in fiscal year 2004, pursuant to Chapter 1042 of the Acts of Assembly of 2003, to \$4. The amendment also requires the department to develop and submit a plan on ways to fund the program and to improve its efficiency and reduce its regulatory burdens. Language stipulates that if a proposal to address the program is not submitted to the 2005 Session of the General Assembly, the fee will revert to \$9 but the increased revenues generated will be held by the Department of Planning and Budget unless VDACS develops the plan package. The amendment also provides \$50,000 from the general fund to help the Department of Agriculture and Consumer Services develop and implement the plan.)

Item 104 #2c

Commerce And Trade

Department Of Agriculture And
Consumer Services

Language

Language:

Page 72, line 9, before "Notwithstanding", insert "A.1."

Page 72, after line 14, insert:

"2. However, any such entity that is subject to any permit fee, application fee, inspection fee, or similar fee imposed by any locality shall not be subject to this

registration fee."

Explanation:

(This amendment exempts businesses from paying the department's registration fee for the weights and measures program if a business already pays a local inspection fee.)

Item 107 #1c

Commerce And Trade

Department Of Business Assistance

FY 04-05

\$300,000

FY 05-06

\$0 GF

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$12,266,255".

Page 74, after line 37, insert:

"F. Out of the amounts provided for Industrial Development Services shall be provided \$300,000 the first year from the general fund for the Virginia Capital Access Program."

Explanation:

(This amendment provides funding for the Virginia Capital Access Program in fiscal year 2005. The program leverages private financing to businesses at an average rate of 30 to 1. In fiscal year 2003, the program assisted in the creation or retention of 786 jobs, providing almost \$1.3 million in state tax revenue.)

Item 107 #2c

Commerce And Trade

Department Of Business Assistance

FY 04-05

\$0

FY 05-06

(\$148,700) GF

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$11,817,555".

Page 73, line 36, strike "and".

Page 73, line 37, strike "\$148,700 the second year".

Explanation:

(This amendment removes second-year funding for the Virginia-Israel Advisory Board.)

Item 107 #3c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Business Assistance	\$199,592	\$200,408	GF
	\$1,065,924	\$1,065,924	NGF
	16.50	16.50	FTE

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$13,231,771".

Page 73, line 18, strike "\$11,966,255" and insert "\$13,232,587".

Page 74, after line 37, insert:

"F. To encourage equal opportunity in state procurement, the Department of Business Assistance shall recognize and fully implement the Governor's Executive Order 29 issued on July 2, 2002.

G.1. The Department of Business Assistance shall continue the study authorized under Item 125 of Chapter 1042 of the Acts of Assembly of 2003.

2. However, any monies held in an institutional fund outside of the state treasury for the purpose of carrying out the study shall be transferred to the state treasury. Such moneys shall be treated as special funds, and shall not be taken into consideration in, nor be used to reduce, state appropriations or payments, but such funds shall be used in accordance with the wishes of the donors to offset the costs of conducting analyses of the availability and utilization of minority business enterprises or otherwise strengthen the services rendered by the department to minority business enterprises in the Commonwealth. The Director, Department of Planning and Budget, is authorized to establish a nongeneral fund appropriation for the purpose of expending revenues that are received for this study.

H. The Department of Business Assistance is authorized to relocate from its present location to another less-expensive location more accessible to the public.

I. In developing the operating plan for the consolidated agency, the Department of Business Assistance shall seek input from representatives of affected client and industry groups. Upon completion of the operating plan, the Director, Department of Business Assistance, shall submit copies to the Chairmen of the Senate Finance and House Appropriations Committees for their review no later than October 1, 2004.

J. It is the intent of the General Assembly that proposed legislation in the 2005 Session to effectuate the merger shall ensure that the core operations of the

Department of Minority Business Enterprise shall continue."

Explanation:

(This amendment appropriates dollars and positions transferred in a companion amendment from the Department of Minority Business Enterprise; continues the major study begun by the Department of Minority Business Assistance on procurement opportunities for minority-owned businesses; authorizes the Department of Business Assistance to relocate to more publicly accessible and less-expensive office space; continues the powers and responsibilities of the Department of Minority Business Enterprise in the Department of Business Assistance; and expresses legislative intent that proposed measures in the 2005 Session ensure that the core operations of the Department of Minority Business Enterprise continue.)

Item 107 #4c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Business Assistance	(\$335,000)	(\$335,000)	GF

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$11,631,255".
Page 73, line 18, strike "\$11,966,255" and insert "\$11,631,255".
Page 73, strike line 43 through line 52.
Page 74, strike line 1 through line 17.
Page 74, line 18, strike "D." and insert "C."
Page 74, line 24, strike "E." and insert "D."

Explanation:

(This amendment eliminates funding for the small business incubator programs.)

Item 108 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Forestry	\$159,000	\$159,000	GF

Language:

Page 74, line 47, strike "\$23,769,792" and insert "\$23,928,792".
Page 74, line 47, strike "\$23,766,671" and insert "\$23,925,671".

Explanation:

(This amendment restores general fund support to purchase firefighting equipment for the department.)

Item 108 #2c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Forestry	\$125,000	\$250,000	GF

Language:

Page 74, line 47, strike "\$23,769,792" and insert "\$23,894,792".

Page 74, line 47, strike "\$23,766,671" and insert "\$24,016,671".

Page 75, strike lines 34 through 36 and insert:

"G. The appropriation in the Forestry and Reforestation Incentives subprogram includes \$125,000 the first year and \$250,000 the second year from the general fund for the Reforestation of Timberlands Fund. This appropriation shall be deemed sufficient to meet the provisions of Titles 10.1 and 58.1 Code of Virginia."

Explanation:

(This amendment provides general fund support to match the tax paid by the forest industry for reforestation efforts.)

Item 109 #1c

Commerce And Trade	
Department Of Housing And Community Development	Language

Language:

Page 76, after line 3, insert:

"As a condition of this appropriation, the Department of Housing and Community Development shall work towards accomplishing these goals and strategies in the 2004-2006 biennium:

A. In the program area of economic development, the department shall target community economic development activities to distressed areas of the Commonwealth with a goal of creating or retaining 4,500 jobs and stimulating new private investment of \$110 million that can be directly tied to the department's efforts in each year of the biennium.

B. In the program area of infrastructure development, the department shall provide access to new safe drinking water and approved wastewater disposal systems to households. The goal is to provide new water and/or wastewater service to 1,500 households through the department's projects in each year of the biennium.

C. In the program area of fire and building safety, the department shall increase fire safety in buildings subject to inspection by the State Fire Marshal's Office. The goal is to eliminate fire code violations by inspecting 4,000 buildings annually and bringing 95 percent of the buildings into compliance with the Statewide Fire Prevention Code in each year of the biennium.

D. In the program area of housing assistance, the department shall increase the availability of decent, safe and affordable housing to individuals and families at 60 percent of median income or below. The goal is to produce 100 units of new affordable rental housing, improve 2,950 units of substandard housing and provide homeownership opportunities to 400 households in each year of the biennium.

E. In the program area of homelessness, the department shall reduce the number of families and individuals experiencing homelessness. The goal is to prevent 2,400 households from becoming homeless and to move 5,000 homeless individuals and families into permanent housing in each year of the biennium."

Explanation:

(This amendment sets out a series of goals for the department to achieve in the 2004-2006 biennium to promote greater performance and accountability in the core programs managed by the Department of Housing and Community Development.)

Item 111 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Housing And Community Development	\$50,000	\$100,000	GF

Language:

Page 77, line 2, strike "\$40,027,706" and insert "\$40,077,706".

Page 77, line 2, strike "\$40,027,706" and insert "\$40,127,706".

Page 79, after line 19, insert:

"H. Out of the amounts in this item shall be provided \$50,000 the first year and \$100,000 the second year from the general fund for the Center for Rural Virginia. The

department shall report periodically to the Chairmen of the Senate Finance and House Appropriations Committees on the status, needs and accomplishments of the Center."

Explanation:

(This amendment provides general fund support for the Center for Rural Virginia established under Chapters 938 and 964 (Senate Bill 407 and House Bill 1213), 2004 Regular Session.)

Item 112 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Housing And Community Development	\$0	\$1,000,000	GF

Language:

Page 79, line 20, strike "\$1,960,000" and insert "\$2,960,000".

Page 79, after line 47, insert:

"C.1. This item includes \$1,000,000 the second year from the general fund to support a performance job creation grant program in qualifying economically distressed localities. Localities eligible for participation in the program shall have an unemployment rate at least 175 percent of the statewide average over the past two years.

2. The Department of Housing and Community Development shall administer the performance job creation grant program and shall provide one-time grants to new or expanding businesses meeting the following criteria: (1) eligible companies shall be in the business of manufacturing or wholesale; forestry or fishing; transportation or information technologies. Retail establishments shall be ineligible; and (2) provide at least five additional or new full-time qualified positions. These positions represent net new jobs when compared to a company's record of permanent positions over the previous two years. Qualified positions shall mean a minimum of 35 hours of an employee's time a week for the entire normal year of the business firm's operations, which "normal year" must consist of at least 48 weeks, a minimum of 35 hours of an employee's time a week for the portion of the taxable year in which the employee was initially hired for, or transferred to, the business firm, or a minimum of 1,680 hours per year if the standard fringe benefits are paid by the business firm for the employee. Seasonal or temporary positions shall be ineligible for the grant program.

3. Any company eligible to apply for a grant under this item shall provide evidence,

satisfactory to the Department of Housing and Community Development, of the amount of any capital investment, the number of new jobs created, and such other evidence required by the Department of Housing and Community Development to prove that the requirements and intent of this item have been satisfied, including any certification needed to prove that the qualified positions have been filled continuously over a 12-month period beginning July 1, 2004.

4. Grants shall be \$5,000 for each new employee up to a maximum of \$25,000 per business. If the jobs created by the new or expanding employer has a wage of at least twice the prevailing wage of that locality as determined by the Virginia Employment Commission, the per-employee grant shall increase to \$7,500 per employee, up to a maximum of \$37,500 per business. Total grants awarded under this program shall be limited to \$1,000,000 in fiscal year 2006.

5. The Department of Housing and Community Development shall report to the Secretary of Commerce and Trade, and to the Chairmen of the Senate Finance and House Appropriations Committees, on the program's results and any recommendations regarding program improvements or the program's continuation by December 30, 2005."

Explanation:

(This amendment redirects \$1,000,000 the second year from the general fund appropriation for the Governor's Development Opportunity Fund to the Department of Housing and Community Development for a grant program geared toward attracting new and expanding businesses to economically distressed localities in the Commonwealth. Eligible companies can be reimbursed up to a maximum of \$37,500 per business. Under the program's criteria, businesses located in the following jurisdictions would have been eligible for participation in the program in fiscal year 2004 based on the prior two years' unemployment rates: Counties of Appomattox, Buchanan, Dickenson, Grayson, Halifax, Henry, Mecklenberg, Patrick, Pittsylvania, Patrick and Smyth, and the Cities of Danville, Galax, Martinsville and Petersburg.)

Item 116 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Labor And Industry	(\$212,830)	(\$202,830)	GF
	-4.00	-4.00	FTE

Language:

Page 80, line 32, strike "\$878,901" and insert "\$666,071".
Page 80, line 32, strike "\$868,901" and insert "\$666,071".

Explanation:

(This amendment eliminates the funding and positions associated with an expansion of the apprenticeship program proposed in House Bill/Senate Bill 5001 as introduced by the Governor.)

Item 121 #1c

Commerce And Trade

Department Of Mines, Minerals
And Energy

Language

Language:

Page 81, line 44, strike "\$16,093" and insert "\$21,136".
Page 81, line 45, strike "\$16,093" and insert "\$21,136".

Explanation:

(This amendment reflects the latest estimate of dues for the Interstate Mining Compact Commission.)

Item 123 #1c

Commerce And Trade

Department Of Mines, Minerals
And Energy

FY 04-05
(\$1,877,758)

FY 05-06
\$0 GF

Language:

Page 82, line 22, strike "\$2,916,120" and insert "\$1,038,362".
Page 82, line 27, strike "A."
Page 82, strike lines 32 through 36.

Explanation:

(This amendment transfers \$1.9 million for the solar photovoltaic manufacturing incentive grant program to the Governor's Development Opportunity Fund in Central Appropriations. A companion amendment reserves the funding for the incentive grant program provided that the Secretary of Commerce and Trade and the Auditor of Public Accounts certify to the Governor and to the Chairmen of the Senate Finance

and House Appropriations Committees that the company slated to receive the grant met the statutory requirements of the performance-based program.)

Item 125 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Minority Business	(\$634,605)	(\$663,571)	GF
Enterprise	(\$1,065,924)	(\$1,065,924)	NGF
	-24.00	-24.00	FTE

Language:

Page 83, line 7, strike "\$1,700,529" and insert "\$0".

Page 83, line 7, strike "\$1,729,495" and insert "\$0".

Page 83, strike lines 7 through 56 and insert:

"Notwithstanding Title 2.2, Part C, Chapter 14, Code of Virginia, the Department of Minority Business Enterprise shall be merged into the Department of Business Assistance effective July 1, 2004. The powers and duties heretofore exercised by such agency shall hereafter be vested in the Department of Business Assistance."

Explanation:

(This amendment removes funding and positions from the department as part of the consolidation with the Department of Business Assistance. A companion amendment transfers the dollars and positions to the Department of Business Assistance.)

Item 128 #1c

Commerce And Trade	FY 04-05	FY 05-06	
Virginia Economic Development Partnership	(\$500,000)	(\$500,000)	GF

Language:

Page 84, line 33, strike "\$16,683,880" and insert "\$16,183,880".

Page 84, line 33, strike "\$16,151,939" and insert "\$15,651,939".

Page 86, strike line 38 through line 44 and insert:

"M. The amounts for Industrial Development Services include \$500,000 the first year and \$500,000 the second year from the general fund to market distressed areas of the Commonwealth."

Explanation:

(This amendment reduces by \$1.0 million funding in the 2004-2006 biennium to market distressed areas of the Commonwealth. The amendment retains \$500,000 each year for that purpose.)

Item 128 #2c

Commerce And Trade

Virginia Economic Development
Partnership

FY 04-05

(\$250,000)

FY 05-06

(\$250,000) GF

Language:

Page 84, line 33, strike "\$16,683,880" and insert "\$16,433,880".

Page 84, line 33, strike "\$16,151,939" and insert "\$15,901,939".

Page 86, strike line 45 through line 48.

Page 86, line 49, strike "O" and insert "N".

Explanation:

(This amendment eliminates funding for a new initiative proposed in House Bill 5001 to attract motor sports-related businesses to Virginia.)

Item 132 #1c

Commerce And Trade

Virginia Racing Commission

Language

Language:

Page 89, after line 29, insert:

"D. From the amounts provided for in this item, up to \$40,000 the first year and \$40,000 the second year shall be transferred to the Department of Agriculture and Consumer Services for the Virginia Horse Industry Board; up to \$40,000 the first year and \$40,000 the second year shall be provided to the Virginia Equine Center Foundation."

Page 89, line 30, strike "D." and insert "E."

Explanation:

(This amendment provides for set asides of net proceeds from parimutuel betting for the Virginia Equine Center Foundation and the Virginia Horse Industry Board as required by § 59.1-392 of the Code of Virginia.)

Commerce And Trade	FY 04-05	FY 05-06	
Virginia Tourism Authority	\$75,000	\$75,000	GF

Language:

Page 89, line 43, strike "\$11,369,914" and insert "\$11,444,914".

Page 89, line 43, strike "\$11,370,098" and insert "\$11,445,098".

Page 90, line 44, strike the first "\$150,000" and insert "\$225,000".

Page 90, line 44, strike the second "\$150,000" and insert "\$225,000".

Explanation:

(This amendment restores funding for the Tredegar Civil War Center, providing a total of \$225,000 each year. The Tredegar Foundation has raised \$15 million privately and requires the additional funding to ensure continued operation as the remaining \$3.5 million in funding requirements is raised from private donations and the Center is constructed.)

Commerce And Trade		
Virginia Tourism Authority		Language

Language:

Page 91, after line 12, insert:

"J. Out of the amounts for Tourist Promotion shall be provided \$25,000 the first year and \$25,000 the second year from the general fund to support the activities of the Coalfield Regional Tourism Authority."

Explanation:

(This amendment restores \$25,000 each year to support the activities of the Coalfield Regional Tourism Authority.)

Commerce And Trade		
Virginia Tourism Authority		Language

Language:

Page 91, after line 12, insert:

"J. The Authority shall work with the Secretary of Commerce and Trade to develop performance goals and strategies to measure the impact of the Authority's programs and activities, specifically in the areas of (1) marketing and promotions, (2) customer service and industry relations, and (3) film and television productions in Virginia. The Authority shall submit these goals and measures by December 1, 2004, to the Chairmen of the Senate Finance and House Appropriations Committees. In addition, it is the intent of the General Assembly that the Authority incorporate these performance goals and strategies in budget amendments for review and approval by the 2005 Session."

Explanation:

(This amendment directs the Virginia Tourism Authority and the Secretary of Commerce and Trade to support efforts promoting greater performance and accountability in the core programs managed by the Authority by developing performance goals and strategies for the 2005 Session.)

Item 134 #4c

Commerce And Trade

Virginia Tourism Authority

Language

Language:

Page 91, after line 12, insert:

"J. The Virginia Tourism Authority, in cooperation with the Virginia Wineries Association, the Virginia Wine Board and such other groups as necessary, shall enhance its "Virginia.org" tourism website to include comprehensive hyperlinked listings of wineries, "bed and breakfast" establishments, and historic attractions by geographic area of the Commonwealth. The web site shall include photographs of wineries and other attractions, which the Virginia Tourism Authority shall request from the respective Virginia wineries. Such hyperlinked directory shall be designed to assist potential travelers to the Commonwealth in the development of travel itineraries, and shall be organized such that the information is searchable by geographic vicinity. The Virginia Tourism Authority shall report on revisions made to its web site to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 15, 2004."

Explanation:

(This amendment directs the Virginia Tourism Corporation, in conjunction with the Virginia Wineries Association and the Virginia Wine Board, to develop a web site that contains links to bed and breakfasts, wineries and historical attractions in each region of the Commonwealth.)

Item 134 #5c

Commerce And Trade	FY 04-05	FY 05-06	
Virginia Tourism Authority	(\$500,000)	(\$500,000)	GF

Language:

Page 89, line 43, strike "\$11,369,914" and insert "\$10,869,914".
Page 89, line 43, strike "\$11,370,098" and insert "\$10,870,098".
Page 91, line 6, strike the first "\$1,000,000" and insert "\$500,000".
Page 91, line 6, strike the second "\$1,000,000" and insert "\$500,000".
Page 91, line 9, strike "is contingent upon the passage into".
Page 91, strike lines 10 through 12 and insert "."

Explanation:

(This amendment removes the contingency language for the program to market the Jamestown 2007 Commemoration. The amendment authorizes \$1.0 million from the general fund for this activity.)

Item 134 #6c

Commerce And Trade	FY 04-05	FY 05-06	
Virginia Tourism Authority	\$100,000	\$100,000	GF

Language:

Page 89, line 43, strike "\$11,369,914" and insert "\$11,469,914".
Page 89, line 43, strike "\$11,370,098" and insert "\$11,470,098".
Page 91, after line 12, insert:
"J. Out of the amounts provided for Tourist Promotion, \$100,000 the first year and \$100,000 the second year from the general fund shall be provided to "See Virginia First," a public-private partnership operated by the Virginia Association of Broadcasters to advertise Virginia tourism."

Explanation:

(This amendment provides general fund support for the "See Virginia First"

advertising program managed by the Virginia Association of Broadcasters.)

Item 134 #7c

Commerce And Trade	FY 04-05	FY 05-06	
Virginia Tourism Authority	(\$150,000)	(\$150,000)	GF

Language:

Page 89, line 43, strike "\$11,369,914" and insert "\$11,219,914".

Page 89, line 43, strike "\$11,370,098" and insert "\$11,220,098".

Page 91, strike line 1 through line 4.

Page 91, line 5, strike "I" and insert "H".

Explanation:

(This amendment removes funding for a new initiative to promote outdoor resources tourism.)

Item 134 #8c

Commerce And Trade	FY 04-05	FY 05-06	
Virginia Tourism Authority	(\$50,000)	(\$50,000)	GF

Language:

Page 89, line 43, strike "\$11,369,914" and insert "\$11,319,914".

Page 89, line 43, strike "\$11,370,098" and insert "\$11,320,098".

Page 90, line 38, strike "and other ethnic-American".

Explanation:

(This amendment eliminates language expanding the African-American heritage trails programs to the creation of other new ethnic-American trails. The appropriation for the program is reduced by \$50,000 each year to reflect limiting the funding to African-American trails. The initial work to develop the African-American trails has been completed. Future work will focus on adding sites to the trails and maintaining the systems.)

Item 134 #9c

Commerce And Trade	
Virginia Tourism Authority	

Language

Language:

Page 91, after line 12, insert:

"J. Out of the amounts provided for Tourist Promotion, \$75,000 the first year and \$75,000 the second year from the general fund shall be provided to support the "See Virginia First" cooperative advertising program operated by the Outdoor Advertising Association of Virginia. In fiscal year 2005 and in fiscal year 2006, the Outdoor Advertising Association of Virginia shall provide "three for the price of one" for an annual total of at least \$225,000 in advertising to promote tourism in Virginia."

Explanation:

(This amendment authorizes \$150,000 to restore the joint public-private partnership with the Outdoor Advertising Association of Virginia. Budget language requires the state moneys to be matched on a 3-to-1 basis.)

Item 135 #1c

Education: Elementary & Secondary

FY 04-05

FY 05-06

Secretary Of Education

\$984,000

\$0 GF

Language:

Page 92, line 3, strike "\$621,136" and insert "\$1,605,136".

Page 94, after line 4, insert:

"F. Out of this appropriation, \$984,000 the first year from the general fund is designated to support the continuation of the school efficiency reviews pilot, in cooperation with the Department of Planning and Budget. An evaluation of the pilot shall include recommendations for partial recovery of the cost of any reviews beginning in fiscal year 2006, such that if within two years after the recommendations have been made the school division superintendent or superintendent's designee has not certified that at least half the recommendations and savings have been implemented, the school division shall reimburse the state for 25 percent of the cost of the review."

Explanation:

(This amendment provides funding for a school efficiency review pilot in the first year. This funding is provided in lieu of the amounts and positions proposed in House Bill 5001 as introduced in the Department of Accounts. The corresponding amendment is in Item 274.)

Education: Elementary & Secondary	FY 04-05	FY 05-06
Secretary Of Education	\$100,000	\$0 GF

Language:

Page 92, line 3, strike "\$621,136" and insert "\$721,136".

Page 94, after line 4, insert:

"F. Out of this appropriation, \$100,000 the first year from the general fund is provided for the following capital needs assessment and feasibility study. In the pre-planning phase for the consolidation at a single campus, the Secretaries of Education, Health and Human Resources, Administration, and Finance, together with the State Board of Education, the Department of Education, the two schools for the deaf, blind, and multi-disabled, the Woodrow Wilson Rehabilitation Center, the Department of General Services, and the Department of Planning and Budget shall complete a capital needs assessment and feasibility study for consolidating the State's two existing schools for the deaf, blind, and multi-disabled. The Secretaries of Education, Health and Human Resources, Administration, and Finance shall submit a joint report on the capital needs assessment and feasibility study to the Governor and the Chairmen of the House Committees on Appropriations and Education, and the Senate Committees on Finance and Education and Health by October 1, 2004. Building upon the work of the 2003 Consolidation Task Force, the report shall also include a suggested timeline of steps necessary to achieve a well-planned consolidation of the two existing schools at the new location no later than September 1, 2007, including the closing of the existing sites and disposition of the properties as well as a mechanism to assist the local school divisions with program development for those children who will not continue at the new school."

Explanation:

(This amendment provides \$100,000 towards a capital needs assessment and feasibility study for consolidating the State's two existing schools for the deaf, blind, and multi-disabled. A task force established by the 2003 General Assembly recommended consolidation at a new site. Maintenance reserve and capital costs at both schools have been avoided in this budget pending implementation of the consolidation plan.)

Education: Elementary & Secondary

Secretary Of Education

Language

Language:

Page 94, after line 4, insert:

"F. Senior institutions of higher education shall make arrangements with community colleges for the remediation of students accepted for admission by the senior institutions."

Explanation:

(This amendment is based on language included in the General Provisions of the budget bill. Placing the language within the appropriations for the Secretary of Education makes the policy more accessible to other state agencies and to the public. A companion amendment deletes the language from the General Provisions.)

Item 135 #4c

Education: Elementary & Secondary

Secretary Of Education

Language

Language:

Page 93, strike lines 15 through 60.

Page 94, line 1, strike "E" and insert "D".

Explanation:

(This amendment removes reference to the funding provided by the Governor for base operating needs in the institutions' budgets and the contingent language associated with this action.)

Item 135 #5c

Education: Elementary & Secondary

Secretary Of Education

FY 04-05

FY 05-06

(\$50,000)

\$0 GF

Language:

Page 92, line 3, strike "\$621,136" and insert "\$571,136".

Page 94, line 1, strike "\$50,000 the first year from".
Page 94, line 2, strike " the general fund and".

Explanation:

(This amendment removes general fund support for a new cancer research fund within the Secretary of Education.)

Item 141 #1c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Department Of Education, Central Office Operations	(\$297,500)	(\$381,500)	GF

Language:

Page 97, line 18, strike "\$8,558,146" and insert "\$8,260,646".
Page 97, line 18, strike "\$8,779,646" and insert "\$8,398,146".
Page 99, line 2, strike "\$2,007,500" and insert "\$1,710,000".
Page 99, line 2, strike "\$2,229,000" and insert "\$1,847,500".

Explanation:

(This amendment reflects a revised estimated number of teachers eligible for initial and continuation bonuses based on their achievement of national board certification. For fiscal year 2005, the Department of Education estimates that 137 teachers will be eligible for the initial bonus and 410 will be eligible for the continuation bonus, for a total of 547 teachers. For fiscal year 2006, the Department estimates that 160 teachers will be eligible for the initial bonus and 547 will be eligible for the continuation bonus, for a total of 707 teachers. A separate amendment restores funding for bonus levels to \$5,000 and \$2,500, rather than the reduced amounts of \$3,000 and \$1,000, respectively.)

Item 141 #2c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Department Of Education, Central Office Operations	\$0	\$320,000	GF

Language:

Page 97, line 18, strike "\$8,779,646" and insert "\$9,099,646".

Page 98, line 55, after "certificate", strike "for".

Page 98, strike lines 56 through 60 and insert ".".

Page 98, strike line 61, and insert "This".

Page 99, line 2, strike "\$2,229,000" and insert "2,549,000".

Explanation:

(This amendment restores the National Board Certification Award payments to \$5,000 for the first year of the award and \$2,500 annually thereafter for the remaining nine years provided therein for the life of the certificate, rather than the reduced amounts of \$3,000 and \$1,000, respectively. A separate amendment makes a technical adjustment based on the Department of Education's estimates of the number of teachers that will be eligible.)

Item 142 #1c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Department Of Education, Central
Office Operations

(\$102,237)
-1.00

(\$102,237) NGF
-1.00 FTE

Language:

Page 99, line 19, strike "\$102,237" and insert "\$0".

Page 99, line 19, strike "\$102,237" and insert "\$0".

Page 99, strike lines 19 through 32 and insert "Omitted.".

Explanation:

(This amendment transfers the special funds and FTE related to the proprietary schools function from the Department of Education to the State Council for Higher Education in Virginia pursuant to Chapter 991, 2004 Acts of Assembly (House Bill 637). The companion amendment is in Item 165.)

Item 144 #1c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$600,000

\$600,000 GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$458,597,916".
Page 100, line 2, strike "\$465,142,441" and insert "\$465,742,441".

Explanation:

(This amendment makes a technical correction of an estimated \$600,000 each year for an erroneous double-count reduction in Special Education categorical funding.)

Item 144 #2c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$336,500

\$336,500 GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$458,334,416".

Page 100, line 2, strike "\$465,142,441" and insert "\$465,478,941".

Page 102, after line 44, insert:

" 5.a. This appropriation includes \$4,712,910 the first year and \$5,433,379 the second year from the general fund for targeted education initiatives to improve student achievement and teacher quality, including a mentoring program for teachers with no experience working in schools that are at-risk of not meeting adequate yearly progress, a middle school math teacher initiative in at-risk schools, turnaround specialists to enhance the leadership in schools that have consistently failed to show improvement in student progress, virtual Advanced Placement courses, and GED tests as required by the No Child Left Behind Act. In addition, the appropriation includes \$500,000 the first year and \$500,000 the second year from the general fund for competitive grants of \$100,000 each to be awarded to school divisions which demonstrate a partnership agreement with a Virginia institution of higher learning and/or other entity for a defined leadership development training program that addresses the leadership standards established for such training as defined by the Board of Education. The Department of Education shall establish the guidelines for school divisions to apply for these grants. These grants shall be allocated over the biennium.

b. The Department of Education shall continue to work with the school divisions to estimate the cost impacts of the federal No Child Left Behind Act. The Superintendent of Public Instruction shall provide an update on the effort to determine expected local cost impacts, as well as state costs, to the Chairmen of the House Appropriations and Senate Finance Committees by July 31, 2004, and subsequent updates as needed."

Explanation:

(This amendment specifies that an additional \$10.2 million for the biennium from the general fund is provided for targeted education initiatives to improve student achievement, leadership development and teacher quality related to meeting the progress requirements of the federal No Child Left Behind Act. In addition, this amendment requires certain reports on the fiscal impacts of the No Child Left Behind Act.)

Item 144 #3c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$200,000

\$200,000 GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$458,197,916".

Page 100, line 2, strike "\$465,142,441" and insert "\$465,342,441".

Page 101, after line 49, insert:

"3. Out of the amounts for Financial Assistance for Vocational Education Instruction, the Department of Education shall provide \$200,000 the first year and \$200,000 the second year from the general fund for the Jobs for Virginia Graduates initiative."

Explanation:

(This amendment provides funding for Jobs for Virginia Graduates (JVG) which is a school-to-graduation-to-work program which places Career Specialists in schools in 15 communities in the Commonwealth as a partner with the local school divisions.)

Item 144 #4c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$250,000

\$250,000 GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$458,247,916".

Page 100, line 2, strike "\$465,142,441" and insert "\$465,392,441".

Page 102, after line 44, insert:

"5. The appropriation for Financial Assistance for General Education includes

\$250,000 the first year and \$250,000 the second year from the general fund for the Wolf Trap Institute for Early Learning Through the Arts to support reading and other educational skills in pre-school children and to support professional development opportunities for educators."

Explanation:

(This amendment provides funding to assist with the support of the educational opportunities offered through the Wolf Trap Institute for Early Learning Through the Arts to unserved communities in Virginia and delivers direct services to at-risk pre-school children ages 3-5 by improving emergent literacy skills, enhancing academic and social development, and increasing school readiness. The program offerings are designed to help young children enter school ready to learn and to provide nationally recognized professional development opportunities for teachers.)

Item 145 #1c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$0	\$21,261,692	GF

Language:

Page 103, line 40, strike "\$275,092,690" and insert "\$296,354,382".

Explanation:

(This amendment provides funding in the second year from the general fund to end the one-month rollover of fringe benefits costs, per Chapter II of the Joint Legislative Audit and Review Commission's 2002 Review of Elementary and Secondary School Funding.)

Item 145 #2c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	(\$24,909,601)	(\$27,487,057)	GF

Language:

Page 103, line 40, strike "\$265,335,825" and insert "\$240,426,224".

Page 103, line 40, strike "\$275,092,690" and insert "\$247,605,633".

Explanation:

(This amendment transfers the savings associated with using the "pooled" Virginia Retirement System rate of 6.56 percent for teachers from the Central Appropriations section of the budget to the Direct Aid for Public Education section. The corresponding Central Appropriations amendment is in Item 505. In addition, there is a separate amendment that reflects the additional savings from the use of the "normal rate" of 6.03 percent the first year and 6.62 percent the second year.)

Item 145 #3c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

(\$11,437,562)

(\$54,625) GF

Language:

Page 103, line 40, strike "\$265,335,825" and insert "\$253,898,263".

Page 103, line 40, strike "\$275,092,690" and insert "\$275,038,065".

Page 104, after line 44, insert:

"c. As a part of the review of the Virginia Retirement System pursuant to House Joint Resolution No. 34 the joint subcommittee shall review: 1) the Commonwealth's responsibilities for funding the teacher retirement system beyond the actuarial normal rate and 2) the Commonwealth's appropriate share for retirement payments by school divisions. In making this review, the joint subcommittee shall review the impact of the blended retirement rates on the retirement system, school divisions, and the Commonwealth."

Explanation:

(This amendment reflects the savings associated with changing the Virginia Retirement System rate from the "pooled" rate of 6.56 percent to the normal rate of 6.03 percent in the first year. The rate for the second year is 6.62 percent. In addition, this amendment reflects a Retiree Health Care Credit Rate of 0.55 percent rather than 0.59 percent. There is a companion amendment that transfers the savings for the "pooled" rate from Central Appropriations to Direct Aid.)

Item 145 #4c

Education: Elementary &

Secondary

Direct Aid To Public Education

Language

Language:

Page 104, line 5, strike both "\$37,354" and insert "\$37,534".

Explanation:

(This amendment corrects a typographical error in the budget as introduced.)

Item 146 #1c

Education: Elementary &**Secondary**

Direct Aid To Public Education

Language

Language:

Page 120, line 3, strike "\$59,070,000" and insert "\$59,380,000".

Page 120, line 13, after "Authority in", insert "the Spring of".

Page 120, line 26, strike "each " and insert: "in fiscal year 2005 and \$59,380,000 in fiscal year 2006".

Page 120, line 27, strike "year".

Page 120, line 31, strike "respectively" and insert:

"for the Spring 2005 issuance, and September 30, 2005, for the Spring 2006 issuance".

Page 120, line 35, after "Blind.", insert:

"Schools and district centers that serve only pre-kindergarten students shall not be eligible for this grant."

Page 121, strike lines 5 through 11.

Page 121, line 12, strike "d)" and insert "c)".

Explanation:

(This amendment provides a technical update to the calendar year for which the debt issuance and payments to localities shall be completed and reflects the estimated number of schools eligible for the technology equipment grants through the Virginia Public School Authority. The language change further refines the definition for a school's eligibility for such possible funding and now excludes facilities that serve only pre-kindergarten students.)

Item 146 #2c

Education: Elementary & Secondary

Direct Aid To Public Education

Language

Language:

Page 109, after line 2, insert:

"8. In the event that the appropriations in Items 144 through 152 are not sufficient to meet the entitlements payable to school divisions pursuant to the provisions of each item, the Department of Education is authorized to transfer any available funds between these items to address such insufficiencies. If the total appropriations after such transfers remain insufficient to meet the entitlements of any program, the Department of Education is authorized to prorate such shortfall proportionately across all of the school divisions participating in the program where such shortfall occurred."

Explanation:

(This amendment provides the Department of Education the authority to transfer existing available surplus funds from one item to another for the required state share of direct aid distributions to localities.)

Item 146 #3c

Education: Elementary & Secondary

FY 04-05

FY 05-06

Direct Aid To Public Education

\$41,010

\$7,506 GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,920,468,143".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,471,626".

Page 115, line 27, strike "\$64,567,263" and insert "\$64,608,273".

Page 115, line 28, strike "\$65,025,564" and insert "\$65,033,070".

Explanation:

(This amendment makes a technical adjustment of \$41,010 the first year and \$7,506 the second year from the general fund for remedial education. It reflects the Department of Education's final calculation of remedial funding to be distributed to school divisions.)

Item 146 #4c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	(\$1,526,992)	(\$1,234,054)	GF

Language:

- Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,918,900,141".
- Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,230,066".
- Page 117, line 46, strike "\$68,878,904" and insert "\$67,351,912".
- Page 117, line 47, strike "\$69,033,753" and insert "\$67,799,699".

Explanation:

(This amendment makes a technical adjustment to reflect savings in the K-3 Primary Class Size Reduction Program due to the use of VRS rates of 6.03 percent in fiscal year 2005 and 6.62 percent in fiscal year 2006 rather than the Board-approved rate.)

Item 146 #5c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$22,588,552	\$28,075,678	GF

Language:

- Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,943,015,685".
- Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,962,539,798".
- Page 122, line 39, strike "another program" and insert "Head Start program funding".
- Page 122, line 44, after "full-day", insert "or half-day".
- Page 122, line 47, after "establish", insert:
"academic standards that are in accordance with appropriate preparation for students to be ready to successfully enter into kindergarten. These standards shall be established in such a manner as to be measurable for student achievement and success. Students shall be required to be evaluated at specified times as determined appropriate by the Department of Education. Superintendents, or their designee, of each participating school division must certify that the At-Risk Four-Year-Old program follows the established standards in order to receive the funding".
- Page 122, line 56, strike "sixty percent" and insert:
"90 percent the first year and 100 percent the second year".
- Page 122, line 57, after "locality" insert "for a full-day program. Programs operating

half-day shall receive state funds based on a fractional basis determined by the pro-rata portion of a full-day, school year program provided".

Page 123, strike lines 1 through 10.

Page 123, line 14, strike "May 15 of each year." and insert:

"June 30 the first year and May 15 the second year."

Page 123, line 37, strike "preschool".

Explanation:

(This amendment changes the funding formula for the at-risk four-year-olds program, also known as the Virginia Preschool Initiative, for the number of unserved four-year-olds from 60 percent up to 90 percent the first year and 100 percent the second year for participating localities. The amendment adds 100 percent of the students served by Title I as stipulated by the Code of Virginia § 22.1-199.1 and continues to exclude 100 percent of children who are served by Head Start programs or services. The amendment also includes new language for the establishment of academic standards for the program. Lastly, the amendment eliminates contingency language from House Bill 5001 as introduced.)

Item 146 #6c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

(\$146,786)

(\$146,478) GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,920,280,347".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,317,642".

Explanation:

(This amendment decreases the state's share for basic aid payments to localities by about \$146,000 in each year of the biennium as a result of the one cent sales tax collected and dedicated to public education from the revenues estimated to be generated from the sales of prepaid telephone calling cards as specified in House Bill 246. There is a companion amendment in Item 147 that reflects the increased distribution.)

Item 146 #7c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	(\$9,962,270)	(\$11,991,817)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,910,464,863".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,922,472,303".

Explanation:

(This amendment offsets, as required by the funding formula calculation, the state's share for basic aid payments to localities by \$21.9 million in the biennium as a result of the one cent sales tax collected and dedicated to public education from the revenues estimated to be generated through the elimination of certain sales tax exemptions. There is a companion amendment in Item 147 that reflects the increased distribution.)

Item 146 #8c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$55,020,114	\$55,562,990	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,975,447,247".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,990,027,110".

Explanation:

(This amendment restores the state's share for basic aid payments to localities by \$55.0 million the first year and \$55.6 million the second year of the biennium as a result of eliminating the local revenue deduction policy.)

Item 146 #9c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	(\$10,093,313)	(\$10,093,313)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,910,333,820".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,924,370,807".
Page 127, strike lines 37 through 52.
Page 128, strike lines 1 through 9.
Page 128, line 10, strike "16." and insert "15."

Explanation:

(This amendment eliminates the \$20.2 million for the "student achievement" block grant funds.)

Item 146 #10c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education (\$4,694,255) (\$5,633,862) GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,915,732,878".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,928,830,258".

Explanation:

(This amendment decreases the state's share for basic aid payments to localities by \$10.3 million in the biennium as a result of the revised December baseline estimate for the one cent sales tax revenue collected and dedicated to public education. There is a companion amendment in Item 147 that reflects the increased distribution.)

Item 146 #11c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education (\$1,088,338) (\$1,133,754) GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,919,338,795".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,330,366".
Page 126, line 21, strike "\$8,620,718" and insert "\$7,532,380".
Page 126, line 22, strike "\$8,688,174" and insert "\$7,554,420".

Page 126, line 48, strike "failed the".

Page 126, strike line 49 and insert "qualify for the federal Free Lunch Program."

Explanation:

(This amendment captures the savings from using the percent of students that qualify for the federal Free Lunch Program as the basis for distributing funds for the Algebra Readiness program rather than the current methodology that uses a percent of students that failed the 8th grade math SOL. This is consistent with the approach proposed by the Board of Education for funding SOQ remediation primarily on the basis of free lunch eligibility rather than SOL failure rates. In this way, funding does not decline as student achievement improves, but rather funding continues to be available for on-going prevention and intervention as well as for remediation.)

Item 146 #12c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$0

\$153,289 GF

Language:

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,617,409".

Page 114, line 50, strike "and \$400,000 the second year".

Page 115, line 2, after "City of Norton.", insert:

"An additional state payment of \$200,000 the second year from the general fund is provided as a Small School Division Assistance grant for the school division of the City of Norton."

Explanation:

(This amendment provides net additional funding for Highland County of \$153,289 in the second year from the general fund. This reflects an additional \$353,289 pursuant to Chapter 820 of the Acts of Assembly of 2004 (Senate Bill 518) in lieu of the \$200,000 Small School Divisions Assistance grant in the second year. No change is made to the existing Small School Division Assistance grant for the City of Norton in either year.)

Item 146 #13c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education	\$108,368,870	\$109,135,448	GF
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Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$3,028,796,003".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$3,043,599,568".

Page 111, after line 35, insert:

"10. Included in the amounts provided to update the Standards of Quality for the 2004-06 biennium, approximately \$350 million reflects growth in prevailing salaries and related fringe benefits. It is the desire of the General Assembly that on average local school divisions continue to improve the average salary for classroom teachers by at least three percent per year, the actual average annual rate increase in recent years."

Page 111, line 36, strike "10" and insert "11".

Page 111, line 36, strike "11" and insert "12".

Explanation:

(This amendment restores \$108.4 million the first year and \$109.1 million the second year by partially reversing actions proposed in House Bill 5001 as introduced, to deduct from the calculation of the SOQ cost base certain federal revenue, including Title I. The result of this restoration is that the deduction is limited to 29.22 percent, which is based on the estimated amount that is attributable to support expenditures, which are funded based on prevailing expenditures. In addition, this amendment expresses the desire of the General Assembly that localities continue to improve teacher salaries, consistent with their practice in recent years.)

Item 146 #14c

**Education: Elementary &
Secondary**

	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$105,671,682	\$220,308,014	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$3,026,098,815".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$3,154,772,134".

Page 109, line 32, after "6.", insert "a."

Page 109, strike lines 44 through 47.

Page 109, line 43, after "Quality." strike the rest of the line and insert:

"Funding in support of one hour of additional instruction per day based on the percent of students eligible for the federal free lunch program with a pupil-teacher ratio

range of 18: 1 to 10:1, depending upon a school division's combined failure rate on the English and Math Standards of Learning, is included in Remedial Education Payments (C8)."

Page 109, after line 47, insert:

"b. Appropriations in this item include programs supported in part by transfers to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to Part 3 of this Act. These transfers combined together with other appropriations from the general fund in this item funds the state's share of the following revisions to the Standards of Quality pursuant to Chapters 939 & 955 of the Acts of Assembly of 2004 (Senate Bill 479 and House Bill 1014): five elementary resource teachers per 1,000 students; one support technology position per 1,000 students the first year; one support technology position and one instructional technology position per 1,000 students the second year; one quarter of the daily planning period for teachers at the middle and high school level and the full daily planning period for teachers at the middle and high school levels the second year in order to relieve the financial pressure these education programs place on local real estate taxes. Notwithstanding Chapters 939 and 955, of the Acts of Assembly of 2004, no school division shall be required to maintain instructional positions meeting the increased standards set forth in this paragraph until July 1, 2005."

Page 114, after line 4 insert:

"k. The appropriation for Basic Aid includes \$83,500,000 the first year and \$105,350,000 the second year out of the amounts transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to Part 3 of this Act. These funds are combined together with other appropriations from the general fund in this item to fund the state's share of the following revisions to the Standards of Quality pursuant to Chapters 939 and 955, of the Acts of Assembly of 2004: five elementary resource teachers per 1,000 students; one support technology position per 1,000 students the first year; one support technology position and one instructional technology position per 1,000 students the second year; one quarter of the daily planning period for teachers at the middle and high school level and the full daily planning period for teachers at the middle and high school levels the second year in order to relieve the pressure on local real estate taxes and shall be taken into account by the governing body of the county, city, or town in setting real estate tax rates."

Explanation:

(This provides funding for the following revisions to the Standards of Quality

proposed by the State Board of Education, as set forth in House Bill 1014 and Senate Bill 479: \$27 million the first year and \$29 million the second year for the daily planning period for teachers at the middle and high school levels; \$74 million the first year and \$75 million the second year for five elementary resource teachers per 1,000 students; \$5 million the first year for one technology support position per 1,000 students and \$16 million the second year for two technology positions, one instructional and one support, per 1,000 students. In addition, this amendment corrects an error in the bill as introduced regarding the revised methodology for the SOQ Remediation funding.)

Item 146 #15c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$22,681,261	\$22,955,725	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,943,108,394".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,957,419,845".

Page 113, strike lines 40 through 45.

Page 113, line 46, strike "i" and insert "h".

page 113, line 52, strike "j" and insert "i".

Explanation:

(This amendment provides funding to complete the phase-in from 72 percent to 100 percent the restoration of certain administrative positions that had been dropped from the SOQ model in years past.)

Item 146 #16c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	(\$17,306,713)	(\$17,380,518)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,903,120,420".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,917,083,602".

Page 125, strike lines 39 through 58.

Page 126, strike lines 1 through 19.

Page 126, line 20, strike "13" and insert "12".
Page 127, line 7, strike "14" and insert "13".
Page 127, line 37, strike "15" and insert "14".
Page 128, line 10, strike "16" and insert "15".

Explanation:

(This amendment eliminates \$34.7 million for "SOL Remediation" as a separate incentive account. Instead, \$42.6 million has been budgeted in the introduced for the Board of Education's revised methodology for SOQ prevention, intervention, and remediation was maintained.)

Item 146 #17c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

(\$1,466,336)

(\$2,241,415) GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,918,960,797".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,932,222,705".
Page 115, strike lines 8 through 25.

Explanation:

(This amendment eliminates the No Loss Payments amounts. The payments included in the budget as introduced were intended to ensure that no school divisions would receive fewer dollars in fiscal year 2005 or fiscal year 2006 than in fiscal year 2004, whether due to changes in enrollment or composite index across all programs. Given the substantial increase in funding, this is no longer necessary.)

Item 146 #18c

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 114, line 1, strike "is contingent upon the passage".
Page 114, strike lines 2 through 4 and insert "."

Explanation:

(This amendment deletes language making the additional appropriation of \$3.5 million the first year and \$3.7 million the second year to increase the cost of competing adjustment for Planning District 8 from 20.92 percent to 24.61 percent contingent on enactment of the Governor's tax proposal.)

Item 146 #19c

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 128, line 11, strike "\$22,122,525" and insert "\$22,350,077".

Page 128, line 12, strike "\$25,703,423" and insert "\$26,240,687".

Page 128, strike lines 19 through 26.

Explanation:

(This amendment deletes language making the additional \$9.1 million the first year and \$10.6 million the second year to increase the number of instructional positions from 10 to 17 per 1,000 students for whom English is a second language contingent upon enactment of the Governor's tax proposal.)

Item 146 #20c

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 112, line 18, strike "\$229,406,811" and insert "\$229,862,963".

Page 112, line 19, strike "\$233,615,729" and insert "\$233,990,041".

Page 115, line 27, strike "\$64,567,263" and insert "\$63,822,650".

Page 115, line 28, strike "\$65,025,564" and insert "\$64,414,539".

Explanation:

(This amendment makes technical edits to reflect the savings in SOQ prevention, intervention, and remediation funding based upon a lower VRS rate than was used in the calculation in the budget as introduced. There is a companion language amendment in Item 147.)

Education: Elementary & Secondary

Direct Aid To Public Education

Language

Language:

Page 111, after line 44, insert:

"12. By November 15 of each year, the Department of Planning and Budget, in cooperation with the Department of Education, shall prepare and submit a preliminary forecast of Standards of Quality expenditures, based upon the most current data available, to the Chairmen of the House Appropriations and Senate Finance Committees. In odd-numbered years, the forecast for the current and subsequent two fiscal years shall be provided. In even-numbered years, the forecast for the current and subsequent fiscal year shall be provided. The forecast shall detail the projected Average Daily Membership and the resulting impact on the education budget."

Explanation:

(This amendment requires certain reports, including a report on the SOQ forecast, similar to the existing requirement for a Medicaid forecast.)

Education: Elementary & Secondary

Direct Aid To Public Education

FY 04-05

FY 05-06

(\$47,036,357)

(\$59,351,153)

GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,873,390,776".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,875,112,967".

Explanation:

(This amendment offsets the state's share for basic aid payments to localities by \$106.4 million in the biennium as a result of the 1/8 cent sales tax from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund that is distributed on the basis of school-aged population. There is a companion amendment in Item 147 that reflects the increased distribution.)

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

(\$963,877)

(\$1,175,225) GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,919,463,256".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,288,895".

Explanation:

(This amendment offsets, as required by the funding formula calculation, the state's share for basic aid payments to localities by \$2.1 million in the biennium as a result of the one cent sales tax collected and dedicated to public education from the revenues estimated to be generated through the sale of cigarettes. There is a companion amendment in Item 147 that reflects the increased distribution.)

Item 146 #24c

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 108, line 47, strike "(returned on the basis" and insert:

"dedicated to public education and those sales tax revenues transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund and appropriated in Item 147, both of which are returned on the basis of the most recent census of school age population collected by the Department of Education and distributed to school divisions in the fiscal year in which the school year begins and less the required local expenditure."

Page 108, strike lines 48 and 49.

Page 108, line 58, after "tax", strike "(returned on the basis of school" and insert:

"dedicated to public education and those sales tax revenues transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund and appropriated in Item 147, both of which are returned on the basis of the most recent census of school age population collected by the Department of Education and distributed to school divisions in the fiscal year in which the school year begins."

Page 109, strike lines 1 and 2.

Page 109, line 22, after "tax", insert:

"dedicated to public education and those sales tax revenues transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund and appropriated in Item 147".

Explanation:

(This amendment adds additional language to the existing sales tax distribution descriptions to include the new funds being allocated from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund to direct aid.)

Item 147 #1c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$260,000	\$260,000	GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,279,305,675".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,328,303,698".

Explanation:

(This amendment provides an additional sales tax payment of \$260,000 to localities in each year of the biennium as a result of the one cent sales tax collected and dedicated to public education from the revenues estimated to be generated from sales of prepaid telephone calling cards as specified in House Bill 246. There is a companion amendment in Item 146 that reflects the associated offset in Basic Aid.)

Item 147 #2c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$17,685,714	\$21,285,714	GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,296,731,389".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,349,329,412".

Explanation:

(This amendment provides an additional \$39 million in the biennium from the one cent portion of sales tax collections dedicated to public education from revenues generated through the elimination of certain sales tax exemptions. There is a companion amendment in Item 146 that reflects the associated offset in Basic Aid.)

Item 147 #3c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$8,333,333

\$10,000,000 GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,287,379,008".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,338,043,698".

Explanation:

(This amendment provides an additional \$18.3 million in the biennium from the one cent portion of sales tax collections dedicated to public education from revenues generated through the revised December 2003 sales tax estimate. There is a companion amendment in Item 146 that reflects the associated offset in Basic Aid.)

Item 147 #4c

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$83,500,000

\$105,350,000 GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,362,545,675".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,433,393,698".

Page 128, after line 33, insert:

"Financial Assistance for Public Education Standards of Quality/Local Real Estate Property Tax Relief (17703) \$83,500,000 \$105,350,000".

Page 129, after line 47, insert:

"C. 1. Out of the amounts appropriated from the general fund for Financial Assistance

for Special State Revenue Sharing, \$83,500,000 the first year and \$105,350,000 the second year is from the amounts transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to § 3-5.05 of this Act.

2. These funds shall be be distributed, along with the one cent of sales tax for public education in Paragraph A above on the basis of the most recent triennial census of school-aged population collected by the Department of Education in order to relieve the financial pressure that public education programs place on local real estate taxes and shall be taken into account by the governing body of the county, city, or town in setting real estate tax rates."

Explanation:

(This amendment is one of several amendments related to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund as established in House Bill 5018, made up of one quarter cent of sales tax revenues, estimated at \$168 million the first year and \$210.7 million the second year, for a total of \$377 million for the biennium. These funds shall be transferred to the general fund to support public education programs. Half of that amount (1/8 of a cent) shall be distributed based on the most recent triennial census of school-aged population, consistent with the distribution of the existing one cent for public education. The remaining half of that amount (1/8 of a cent) shall be allocated to Basic Aid payments to support the following revisions to the Standards of Quality, pursuant to Chapter 939 and Chapter 955, 2004 Acts of Assembly: five elementary resource teacher positions per 1,000 students; one quarter of the funding for the required planning period for middle and high school teachers in the first year and the full amount of funding in the second year; and one support technology position per 1,000 students in the first year and one support technology and one instructional technology position per 1,000 students in the second year.)

Item 147 #5c

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$1,728,935	\$2,085,788	GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,280,774,610".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,330,129,486".

Explanation:

(This amendment provides an additional \$3.8 million in the biennium from the one cent portion of sales tax collections dedicated to public education from revenues generated through the Cigarette sales tax estimate. There is a companion amendment in Item 146 that reflects the associated offset in Basic Aid.)

Item 147 #6c

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

- Page 129, line 2, strike "\$20,519,407" and insert "\$19,774,792".
- Page 129, line 2, strike "\$20,648,826" and insert "\$20,037,805".
- Page 129, line 7, strike "\$229,406,811" and insert "\$229,862,963".
- Page 129, line 8, strike "\$233,615,729" and inser "\$233,990,041".
- Page 129, line 13, strike "\$145,070,808" and insert "\$145,356,607".
- Page 129, line 13, strike "\$147,733,049" and insert "\$147,968,369".
- Page 129, line 16, strike "\$218.26" and insert "\$218.69".
- Page 129, line 17, strike "\$219.73" and insert "\$220.08".

Explanation:

(This amendment reflects the change in the lottery per pupil amount as a result of technical savings in SOQ prevention, intervention, and remediation funding based upon a lower VRS rate than was used in the calculation in the budget as introduced. There is a companion amendment in Item 146.)

Item 149 #1c

**Education: Elementary &
Secondary**

Direct Aid To Public Education

FY 04-05

FY 05-06

\$177,829

\$177,930 GF

Language:

- Page 130, line 23, strike "\$12,781,908" and insert "\$12,959,737".
- Page 130, line 23, strike "\$13,049,102" and insert "\$13,227,032".

Page 131, line 11, strike "1,300" and insert "1,500".

Page 131, line 35, strike "2002-2003" and insert "2003-2004".

Explanation:

(This amendment increases the funding cap on Governor's Schools from 1,300 students to 1,500 students per school. Increasing the cap would allow the Thomas Jefferson High School for Science and Technology in Fairfax to receive the state share of funding for more of its students, projected to total 1,720 in 2005-2006. The next largest of the state's 16 Governor's Schools is Maggie Walker in Richmond with projected 2005-2006 enrollment of 642. This amendment also updates the date of the maintenance of effort requirement for local funding for the school.)

Item 157.10 #1c

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 133, after line 35, insert:
"157.10.

A. The appropriation for the Financial Assistance for Public Education (Standards of Quality) in Item 146 and the appropriation for Financial Assistance for Special State Revenue Sharing in Item 147 include amounts estimated at \$167 million the first year and \$210.7 million the second year from the amounts transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to Part 3 of this Act which are derived from the ¼ cent increase in the state sales and use tax levied pursuant to House Bill 5018, 2004 Special Session. These additional funds are provided to local school divisions and local governments in order to relieve the financial pressure education programs place on local real estate taxes.

B. From the total amounts in paragraph A. above, an amount estimated at \$83,500,000 the first year and \$105,350,000 the second year (approximately 1/8 cent of sales and use tax) is appropriated in Item 146 to support a portion of the cost of the state's share of the following revisions to the Standards of Quality pursuant to Chapter 939 of the Acts of Assembly of 2004 (Senate Bill 479), and Chapter 955 of the Acts of Assembly (House Bill 1014): five elementary resource teachers per 1,000 students; one support technology position per 1,000 students in the first year and one

support and one instructional technology position per 1,000 students in the second year; 1/4 of the daily planning period for teachers at the middle and high school levels the first year and the full daily planning period for teachers at the middle and high school levels the second year."

C. From the total amounts in paragraph A. above, an amount estimated at \$83,500,000 the first year and \$105,350,000 the second year (approximately 1/8 cent of sales and use tax) is appropriated in Item 147 to distribute the remainder of the revenues collected and deposited into the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund on the basis of the most recent triennial census of school age population."

Explanation:

(This is one of a series of amendments related to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund, which provides one quarter cent of sales tax revenue for the public education, estimated at \$167.0 million the first year and \$210.7 million the second year, for a total of \$377.7 million for the biennium. These funds shall be transferred to the general fund to support public education programs. Half of that amount (1/8 of a cent) shall be distributed based on the most recent triennial census of school age population collected by the Department of Education, consistent with the distribution of the existing one cent of sales tax dedicated to public education. The remaining half of that amount (1/8 of a cent) shall be allocated to Basic Aid payments to support the following revisions to the Standards of Quality pursuant to Chapter 939 of the Acts of Assembly of 2004 (Senate Bill 479), and Chapter 955 of the Acts of Assembly of 2004 (House Bill 1014): elementary resource teachers, technology positions (one support position in each year of the biennium and one instructional position in the second year of the biennium), and the required planning period in middle schools and high schools (25 percent of the required funding is provided in the first year and 100 percent of the required funding is provided in the second year.))

Item 163 #1c

Education: Higher Education	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	\$1,500,000	\$1,000,000	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$49,025,465".

Page 136, line 24, strike "\$46,384,948" and insert "\$47,384,948".

Page 137, line 5, strike "\$39,891,082" and insert "\$41,391,082".

Page 137, line 6, strike "\$40,740,733" and insert "\$41,740,733".

Page 137, line 8, strike "Of the amounts cited in this".

Page 137, strike lines 9 through 15.

Page 137, strike lines 28 through 33 and insert:

"1. Payments to students out of this appropriation shall not exceed \$3,000 for qualified undergraduate students and \$2,200 for qualified graduate and medical students attending not-for-profit, independent institutions in accordance with §§ 23-38.12 through 23-38.19, Code of Virginia."

Page 138, line 20, after "Grants.", insert:

"However, beginning in fiscal year 2006 each new student entering the Virginia Women's Institute for Leadership shall become eligible for Tuition Assistance Grants."

Explanation:

(This amendment provides funding to increase the Tuition Assistance Grant awards from their current level of \$2,210 for undergraduate students and \$1,700 for graduate students to an estimated level of \$2,500 for undergraduate and \$1,900 for graduate students. Actual award levels will be determined by the State Council of Higher Education for Virginia based on the actual number of eligible students; individual awards shall not exceed \$3,000 for undergraduate students and \$2,200 for graduate students annually.)

Item 163 #2c

Education: Higher Education

FY 04-05

FY 05-06

State Council Of Higher Education
For Virginia

\$50,000

\$0 GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$47,575,465".

Page 139, line 25, insert:

"H. Out of this appropriation, \$50,000 the first year from the general fund is provided for the Brown v. Board of Education Scholarship Program and Fund. The State Council of Higher Education for Virginia shall administer this program as set out in Chapter 935, of the Acts of Assembly of 2004."

Explanation:

(This amendment provides funding for the scholarship program established in Chapter 935, of the Acts of Assembly of 2004. The program provides funding to assist students who were enrolled in the public schools of Virginia between 1954 and 1964, in jurisdictions in which public schools were closed to avoid desegregation.)

Item 163 #3c

Education: Higher Education

State Council Of Higher Education
For Virginia

FY 04-05

(\$160,000)

FY 05-06

(\$160,000) GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$47,365,465".

Page 136, line 24, strike "\$46,384,948" and insert "\$46,224,948".

Page 138, strike lines 34 through 54.

Page 139, strike lines 1 through 6.

Page 139, strike "G" and insert "F".

Explanation:

(This amendment eliminates new funding provided for a pilot program that would have provided a grant of up to \$4,000 a year for 40 community college students who transfer to a private college.)

Item 163 #4c

Education: Higher Education

State Council Of Higher Education
For Virginia

Language

Language:

Page 139, line 12, strike ", is contingent" and insert "."

Page 139, strike lines 13 through 15.

Page 139, after line 15, insert:

"2. a) Students qualifying under this provision shall be eligible for the waiver of nonresident tuition and fee charges for one year from the actual reporting date shown on military orders.

b) Such students shall continue to be eligible for the waiver of nonresident tuition and fee charges so long as either they or the nonresident parents claiming them as a dependent for federal or state income tax purposes are employed full time in Virginia,

paying Virginia income taxes on all taxable income earned in this Commonwealth and the students are claimed as a dependent for Virginia and federal income tax purposes."

Page 139, line 16, strike "2" and insert "3".

Explanation:

(This amendment adds language clarifying the provision in the introduced budget to provide in-state tuition rates to dependents of military personnel stationed in Virginia. The additional language makes it clear that the one-year waiver on out-of-state tuition shall apply only for one year unless the student or a parent are paying income taxes in the Commonwealth of Virginia.)

Item 164 #1c

Education: Higher Education

State Council Of Higher Education
For Virginia

FY 04-05

(\$68,000)

FY 05-06

(\$68,000) GF

Language:

Page 139, line 27, strike "\$6,680,728" and insert "\$6,612,728".

Page 139, line 27, strike "\$6,592,208" and insert "\$6,524,208".

Page 140, strike lines 19 through 26.

Explanation:

(This amendment completes the phase-out of funding for tuition grants for students on the Eastern Shore of Virginia who attend the higher education institutions in Maryland.)

Item 164 #2c

Education: Higher Education

State Council Of Higher Education
For Virginia

Language

Language:

Page 139, line 52, after "1966.", insert:

"This plan shall include provision for the inclusion of an allocation to match investment earnings on endowments established in accordance with Item 230 D. of this act."

Explanation:

(This amendment provides for an allocation of funds to the Virginia Community College System for endowments established by the State Board for Community Colleges under Item 230 D.)

Item 165 #1c

Education: Higher Education	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	(\$430,000)	(\$370,000)	GF

Language:

Page 140, line 38, strike "\$9,842,470" and insert "\$9,412,470".
Page 140, line 38, strike "\$9,848,424" and insert "\$9,478,424".
Page 141, Line 56, strike "\$5,606,894" and insert "\$5,176,894".
Page 141, line 57, strike "\$5,606,894" and insert "\$5,236,894".
Page 142, line 4, strike "Of the amounts cited in this paragraph,".
Page 142, strike lines 5 through 10.

Explanation:

(This amendment reduces funding provided in the introduced budget for the Virtual Library of Virginia, a cost-sharing consortium that allows higher education institutions to share in the purchase and acquisition of library materials. With this adjustment, general fund support for the Virtual Library will increase about \$1.0 million each year over current funding levels.)

Item 165 #2c

Education: Higher Education	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	(\$135,290) -1.00	(\$135,290) -1.00	GF FTE

Language:

Page 140, line 38, strike "\$9,842,470" and insert "\$9,707,180".
Page 140, line 38, strike "\$9,848,424" and insert "\$9,713,134".

Explanation:

(This amendment removes funding provided in the introduced budget for an

additional position to support student participation efforts.)

Item 165 #3c

Education: Higher Education	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	\$0	(\$150,000)	GF

Language:

Page 140, line 38, strike "\$9,848,424" and insert "\$9,698,424".

Page 141, line 2, strike the second "\$546,986" and insert "\$396,986".

Page 141, line 14, after "Grants.", insert:

"Beginning in fiscal year 2006, funding for this program will be phased out and each incoming class will be eligible for funding under the Tuition Assistance Grant program."

Explanation:

(This amendment begins a phase-out of separate funding for the Virginia Women's Institute for Leadership (VWIL) program at Mary Baldwin College. Beginning with the freshman class entering in fiscal year 2006, students in the VWIL program will be eligible for aid under the Tuition Assistance Grant program as funding for VWIL is phased out entirely by fiscal year 2009.)

Item 165 #4c

Education: Higher Education	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	\$102,237 1.00	\$102,237 1.00	NGF FTE

Language:

Page 140, line 38, strike "\$9,842,470" and insert "\$9,944,707".

Page 140, line 38, strike "\$9,848,424" and insert "\$9,950,661".

Page 142, after line 55, insert:

"H. Out of this appropriation, \$102,237 in nongeneral funds and 1.0 position each year are provided for the oversight of proprietary schools in the Commonwealth pursuant to Chapter 991, of the Acts of Assembly of 2004."

Explanation:

(This amendment transfers the funding and one position for oversight of

proprietary schools from the Department of Education to the State Council for Higher Education in Virginia, pursuant to Chapter 991, of the Acts of Assembly of 2004. The companion amendment is in Item 142.)

Item 168 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	(\$664,224)	(\$1,062,035)	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$34,206,373".

Page 143, line 29, strike "\$35,707,092" and insert "\$34,645,057".

Page 143, line 39, strike "A."

Page 143, strike lines 44 through 49.

Page 144, strike lines 1 through 5.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 168 #2c

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	\$208,800	\$790,265	NGF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,079,397".

Page 143, line 29, strike "\$35,707,092" and insert "\$36,497,357".

Page 144, after line 5, insert:

"C. Christopher Newport University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 168 #3c

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	\$1,987,073	\$3,269,605	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$36,857,670".

Page 143, line 29, strike "\$35,707,092" and insert "\$38,976,697".

Page 144, after line 5, insert:

"C. Out of this appropriation, \$1,987,073 the first year and \$3,269,605 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs, increased student enrollments, and institution-specific funding needs. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 168 #4c

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	\$211,788	\$390,994	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,082,385".

Page 143, line 29, strike "\$35,707,092" and insert "\$36,098,086".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 169 #1c

Education: Higher Education

Christopher Newport University

FY 04-05

\$315,711

FY 05-06

\$315,711 GF

Language:

Page 144, line 6, strike "\$2,490,787" and insert "\$2,806,498".

Page 144, line 6, strike "\$2,490,787" and insert "\$2,806,498".

Explanation:

(This amendment supplements funding provided in the introduced budget for student financial aid. The budget, as introduced, provided a total of \$4.1 million from the general fund each year in additional student financial aid; however, funding at some institutions remains below the statewide average of meeting 35 percent of remaining student need. This supplemental funding is provided to bring student financial aid for the institution up to 35 percent of remaining need.)

Item 172 #1c

Education: Higher Education

The College Of William And Mary
In Virginia

FY 04-05

(\$403,250)

FY 05-06

\$0 GF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$100,221,381".

Page 145, strike lines 10 through 22.

Page 145, line 23, strike "D" and insert "C".

Explanation:

(This amendment removes one-time funding for an initiative proposed in the introduced budget to connect Virginia's doctoral institutions to national advanced communications networks. Funding for this item can be supported through the additional base operating support provided for the institution through a separate amendment.)

Item 172 #2c

Education: Higher Education	FY 04-05	FY 05-06	
The College Of William And Mary In Virginia	(\$624,381)	(\$443,354)	GF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$100,000,250".
Page 144, line 35, strike "\$100,285,985" and insert "\$99,842,631".
Page 145, strike lines 23 through 34.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs, enrollment growth, and research. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies. One-time seed money for research is also provided through a separate amendment.)

Item 172 #3c

Education: Higher Education	FY 04-05	FY 05-06	
The College Of William And Mary In Virginia	\$2,852,278	\$6,024,156	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$103,476,909".
Page 144, line 35, strike "\$100,285,985" and insert "\$106,310,141".
Page 145, after line 34, insert:
"E. The College of William and Mary shall report to the State Council of Higher

Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 172 #4c

Education: Higher Education	FY 04-05	FY 05-06	
The College Of William And Mary In Virginia	\$1,336,583	\$2,096,289	GF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$101,961,214".

Page 144, line 35, strike "\$100,285,985" and insert "\$102,382,274".

Page 145, after line 34, insert:

"E. Out of this appropriation, \$1,336,583 the first year and \$2,096,289 the second year from the general fund is provided from the general fund to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Education: Higher Education	FY 04-05	FY 05-06	
The College Of William And Mary In Virginia	\$0	\$324,800	GF

Language:

Page 144, line 35, strike "\$100,285,985" and insert "\$100,610,785".

Explanation:

(This amendment provides additional one-time general fund support for research efforts in physics.)

Education: Higher Education	FY 04-05	FY 05-06	
The College Of William And Mary In Virginia	\$395,540	\$730,228	GF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$101,020,171".

Page 144, line 35, strike "\$100,285,985" and insert "\$101,016,213".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Education: Higher Education	FY 04-05	FY 05-06	
Richard Bland College	(\$63,000)	(\$63,000)	GF

Language:

Page 146, line 34, strike "\$6,795,035" and insert "\$6,732,035".

Page 146, line 34, strike "\$6,814,478" and insert "\$6,751,478".

Page 146, strike lines 44 through 51.

Page 147, strike lines 1 through 3.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 176 #2c

Education: Higher Education

FY 04-05

FY 05-06

Richard Bland College

\$56,755

\$189,010 NGF

Language:

Page 146, line 34, strike "\$6,795,035" and insert "\$6,851,790".

Page 146, line 34, strike "\$6,814,478" and insert "\$7,003,488".

Page 146, after line 43, insert:

"A. Richard Bland College shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Page 146, line 44, before "Out", insert "B."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 176 #3c

Education: Higher Education

FY 04-05

FY 05-06

Item 180 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Institute Of Marine Science	\$660,544	\$660,544	GF

Language:

Page 147, line 30, strike "\$17,727,904" and insert "\$18,388,448".

Page 147, line 30, strike "\$17,371,016" and insert "\$18,031,560".

Page 148, after line 20, insert:

"E. Out of this appropriation, \$660,544 the first year and \$660,544 the second year from the general fund is provided to address base funding needs and to mitigate the pressure on student tuition and fees. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs.)

Item 180 #2c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Institute Of Marine Science	\$0	\$355,250	GF

Language:

Page 147, line 30, strike "\$17,371,016" and insert "\$17,726,266".

Explanation:

(This amendment provides additional one-time general fund support for research efforts in coastal environmental science.)

Item 180 #3c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Institute Of Marine Science	(\$665,794)	(\$310,544)	GF

Language:

Page 147, line 30, strike "\$17,727,904" and insert "\$17,062,110".

Page 147, line 30, strike "\$17,371,016" and insert "\$17,060,472".

Page 148, strike lines 11 through 20.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment in an effort to restore funding to the Institute and provide one-time seed money for research.)

Item 180 #4c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Institute Of Marine Science	\$91,980	\$169,809	GF
	\$131,755	\$243,278	NGF

Language:

Page 147, line 30, strike "\$17,727,904" and insert "\$17,951,639".

Page 147, line 30, strike "\$17,371,016" and insert "\$17,784,103".

Explanation:

(This amendment provides funding for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004.)

Item 182 #1c

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	\$139,352	\$150,200	GF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$215,817,056".

Page 148, line 47, strike "\$215,490,073" and insert "\$215,640,273".

Explanation:

(This amendment provides the additional general fund share of the cost of

operating and maintaining new facilities coming on-line in fiscal year 2005. The nongeneral fund share is included as part of a separate nongeneral fund amendment.)

Item 182 #2c

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	(\$4,528,537)	(\$4,021,514)	GF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$211,149,167".

Page 148, line 47, strike "\$215,490,073" and insert "\$211,468,559".

Page 149, strike lines 28 through 39.

Page 149, line 40, strike "E" and insert "D".

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies. One-time seed money for research is also provided through a separate amendment.)

Item 182 #3c

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	\$15,597,322	\$23,065,919	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$231,275,026".

Page 148, line 47, strike "\$215,490,073" and insert "\$238,555,992".

Page 149, after line 52, insert:

"F. George Mason University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included

in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 182 #4c

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	\$4,500,914	\$7,557,421	GF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$220,178,618".

Page 148, line 47, strike "\$215,490,073" and insert "\$223,047,494".

Page 149, after line 52, insert:

"F. Out of this appropriation, \$4,500,914 the first year and \$7,557,421 the second year from the general fund is provided fund to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 182 #5c

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	\$0	\$885,875	GF

Language:

Page 148, line 47, strike "\$215,490,073" and insert "\$216,375,948".

Explanation:

(This amendment provides additional one-time general fund support for research efforts in engineering, biodefense, coastal environmental science and computational modeling.)

Item 182 #6c

Education: Higher Education

George Mason University

FY 04-05

\$996,739

FY 05-06

\$1,840,133 GF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$216,674,443".

Page 148, line 47, strike "\$215,490,073" and insert "\$217,330,206".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 182 #7c

Education: Higher Education

George Mason University

FY 04-05

(\$403,250)

FY 05-06

\$0 GF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$215,274,454".

Page 149, strike lines 40 through 52.

Explanation:

(This amendment removes one-time funding for an initiative proposed in the introduced budget to connect Virginia's doctoral institutions to national advanced communications networks. Funding for this item can be supported through the additional base operating support provided for the institution through a separate amendment.)

Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	(\$1,694,148)	(\$2,067,449)	GF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$135,115,244".

Page 150, line 31, strike "\$138,108,694" and insert "\$136,041,245".

Page 150, strike lines 42 through 49.

Page 151, strike lines 1 through 4.

Page 151, line 5, strike "B".

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies. One-time seed money for research is also provided through a separate amendment.)

Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	\$2,568,357	\$8,857,952	NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$139,377,749".

Page 150, line 31, strike "\$138,108,694" and insert "\$146,966,646".

Page 151, after line 12, insert:

"C. James Madison University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress

on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 186 #3c

Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	\$3,543,604	\$7,170,576	GF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$140,352,996".

Page 150, line 31, strike "\$138,108,694" and insert "\$145,279,270".

Page 151, after line 12, and insert:

"C. Out of this appropriation, \$3,543,604 the first year and \$7,170,576 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 186 #4c

Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	\$0	\$304,500	GF

Language:

Page 150, line 31, strike "\$138,108,694" and insert "\$138,413,194".

Explanation:

(This amendment provides additional one-time general fund support for research efforts in computer and information science.)

Item 186 #5c

Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	\$532,614	\$983,287	GF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$137,342,006".

Page 150, line 31, strike "\$138,108,694" and insert "\$139,091,981".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 190 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Longwood University	(\$546,620)	(\$745,351)	GF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$31,539,771".

Page 151, line 48, strike "\$32,427,726" and insert "\$31,682,375".

Page 152, strike lines 29 through 39.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 190 #2c

Education: Higher Education

Longwood University

FY 04-05

\$643,392

FY 05-06

\$1,558,846 NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,729,783".

Page 151, line 48, strike "\$32,427,726" and insert "\$33,986,572".

Page 152, after line 39, insert:

"F. Longwood University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 190 #3c

Education: Higher Education

Longwood University

FY 04-05

(\$34,000)

FY 05-06

(\$68,929) GF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,052,391".

Page 151, line 48, strike "\$32,427,726" and insert "\$32,358,797".

Page 152, strike lines 9 through 12 and insert:

"A.1. Out of this appropriation, \$443,855 and 7.0 positions the first year from the general fund is provided for the Halifax/South Boston Continuing Education Center and \$216,313 and 2.0 positions the first year from the general fund is provided for the Longwood Institute for Teaching Through Technology and Innovative Practices.

2. Out of this appropriation, \$660,168 and 9.0 positions the second year from the general fund is provided for the Halifax/South Boston Continuing Education Center with the intent that the Institute for Teaching Through Technology and Innovative

Practices incorporate its functions into the Center by July 1, 2005.

3. In order to implement this change, Longwood University, in cooperation with the Virginia Community College System and the Halifax/South Boston Continuing Education Center, shall develop a plan to integrate the functions of the Longwood Institute for Teaching Through Technology and Innovative Practices into the Halifax/South Boston Continuing Education Center and shall report its plan to the Chairman of the House Appropriations and Senate Finance Committees by October 1, 2004."

Page 152, line 21, strike "\$68,929" and insert "\$34,929".

Page 152, line 21, strike "and".

Page 152, line 22, strike "\$68,929 the second year".

Page 152, strike lines 24 through 28.

Page 152, line 29, strike "E" and insert "D".

Explanation:

(This amendment eliminates general fund support for one public service center at Longwood University and directs the University to develop a plan to merge the operations of the Longwood Institute for Teaching Through Technology into the South Boston Continuing Education Center beginning in fiscal year 2006. Funding is continued for the Longwood Institute for Teaching Through Technology in fiscal year 2005 in order to allow an orderly transition to the merger with the South Boston Continuing Education Center. Longwood University shall report its plan to merge the two centers to the Chairmen of the House Appropriations and Senate Finance Committees by October 1, 2004.)

Item 190 #4c

Education: Higher Education

Longwood University

FY 04-05

\$1,969,647

FY 05-06

\$3,572,123 GF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$34,056,038".

Page 151, line 48, strike "\$32,427,726" and insert "\$35,999,849".

Page 152, after line 39, insert:

"F. Out of this appropriation, \$1,969,647 the first year and \$3,572,123 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional

general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 190 #5c

Education: Higher Education	FY 04-05	FY 05-06	
Longwood University	\$161,425	\$298,016	GF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,247,816".

Page 151, line 48, strike "\$32,427,726" and insert "\$32,725,742".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 191 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Longwood University	\$109,472	\$109,472	GF

Language:

Page 152, line 40, strike "\$2,244,638" and insert "\$2,354,110".

Page 152, line 40, strike "\$2,244,638" and insert "\$2,354,110".

Explanation:

(This amendment supplements funding provided in the introduced budget for student financial aid. The budget, as introduced, provided a total of \$4.1 million from the general fund each year in additional student financial aid; however, funding at some institutions remains below the statewide average of meeting 35 percent of remaining student need. This supplemental funding is provided to bring student financial aid for the institution up to 35 percent of remaining need.)

Item 194 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Mary Washington College	(\$409,437)	(\$409,437)	GF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$36,088,161".

Page 153, line 24, strike "\$36,494,738" and insert "\$36,085,301".

Page 153, strike lines 35 through 44.

Page 153, line 45, strike "B."

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 194 #2c

Education: Higher Education	FY 04-05	FY 05-06	
Mary Washington College	\$3,635,823	\$5,048,456	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$40,133,421".

Page 153, line 24, strike "\$36,494,738" and insert "\$41,543,194".

Page 153, after line 52, insert:

"C. The University of Mary Washington shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 194 #3c

Education: Higher Education

Mary Washington College

Language

Language:

Page 153, line 23, strike "MARY WASHINGTON COLLEGE" and insert :
"UNIVERSITY OF MARY WASHINGTON".

Page 155, line 6, strike "Mary Washington College" and insert:
"University of Mary Washington".

Explanation:

(This amendment changes the agency name pursuant to Chapters 176 and 195 of the Acts of Assembly of 2004.)

Item 194 #4c

Education: Higher Education

Mary Washington College

FY 04-05

\$688,201

FY 05-06

\$1,079,371 GF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$37,185,799".

Page 153, line 24, strike "\$36,494,738" and insert "\$37,574,109".

Page 153, after line 52, insert:

"C. Out of this appropriation, \$688,201 the first year and \$1,079,371 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's

core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 194 #5c

Education: Higher Education	FY 04-05	FY 05-06	
Mary Washington College	\$155,444	\$286,974	GF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$36,653,042".

Page 153, line 24, strike "\$36,494,738" and insert "\$36,781,712".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 198 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Mary Washington College	\$100,000	\$100,000	GF

Language:

Page 154, line 22, strike "\$202,575" and insert "\$302,575".

Page 154, line 22, strike "\$202,575" and insert "\$302,575".

Explanation:

(This amendment provides operating support for the Melchers-Monroe Memorials

of Mary Washington College to partially offset recent declines in tourism revenue and reductions in general fund support.)

Item 198 #2c

Education: Higher Education

Mary Washington College

Language

Language:

Page 154, line 35, strike "Mary Washington College Board of Visitors" and insert: "the Board of Visitors of the University of Mary Washington".

Explanation:

(This amendment reflects the change in name from Mary Washington College to the University of Mary Washington pursuant to Chapters 176 and 195 of the Acts of Assembly of 2004.)

Item 200 #1c

Education: Higher Education

Norfolk State University

FY 04-05

(\$165,550)

FY 05-06

(\$85,400) GF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$68,724,503".

Page 155, line 14, strike "\$69,247,068" and insert "\$69,161,668".

Page 156, strike lines 37 through 46.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 200 #2c

Education: Higher Education

Norfolk State University

FY 04-05

\$1,302,887

FY 05-06

\$2,791,807 NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$70,192,940".

Page 155, line 14, strike "\$69,247,068" and insert "\$72,038,875".

Page 156, after line 46, insert:

"H. Norfolk State University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 200 #3c

Education: Higher Education

FY 04-05

FY 05-06

Norfolk State University

\$125,000

\$314,077 GF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$69,015,053".

Page 155, line 14, strike "\$69,247,068" and insert "\$69,561,145".

Page 156, after line 46, insert:

"H. Out of this appropriation, \$125,000 the first year and \$314,077 the second year from the general fund is provided to address base funding needs and to mitigate the pressure on student tuition and fees. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral

fund share is included as part of a separate amendment.)

Item 200 #4c

Education: Higher Education	FY 04-05	FY 05-06	
Norfolk State University	\$252,023	\$465,273	GF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$69,142,076".

Page 155, line 14, strike "\$69,247,068" and insert "\$69,712,341".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 204 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Old Dominion University	(\$403,250)	\$0	GF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$145,535,908".

Page 159, strike lines 8 through 20.

Explanation:

(This amendment removes one-time funding for an initiative proposed in the introduced budget to connect Virginia's doctoral institutions to national advanced communications networks. Funding for this item can be supported through the additional base operating support provided for the institution through a separate amendment.)

Item 204 #2c

Education: Higher Education	FY 04-05	FY 05-06	
Old Dominion University	(\$4,792,981)	(\$6,408,254)	GF

Language:

- Page 157, line 26, strike "\$145,939,158" and insert "\$141,146,177".
- Page 157, line 26, strike "\$149,163,120" and insert "\$142,754,866".
- Page 158, strike lines 51 through 55.
- Page 159, strike lines 1 through 7
- Page 159, line 8, strike "J" and insert "I".

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies. One-time seed money for research is also provided through a separate amendment.)

Item 204 #3c

Education: Higher Education	FY 04-05	FY 05-06	
Old Dominion University	\$2,641,547	\$4,455,760	NGF

Language:

- Page 157, line 26, strike "\$145,939,158" and insert "\$148,580,705".
- Page 157, line 26, strike "\$149,163,120" and insert "\$153,618,880".
- Page 159, after line 20, insert:

"K. Old Dominion University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Education: Higher Education	FY 04-05	FY 05-06	
Old Dominion University	(\$22,500)	(\$45,000)	GF
	0.00	-1.00	FTE

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$145,916,658".

Page 157, line 26, strike "\$149,163,120" and insert "\$149,118,120".

Page 158, line 13, strike "\$45,000" and insert "\$22,500".

Page 158, line 14, strike "and \$45,000 and 1.00 position the second".

Page 158, line 15, strike "year".

Explanation:

(This amendment continues the phase-out of general fund support for public service centers at Old Dominion University.)

Education: Higher Education	FY 04-05	FY 05-06	
Old Dominion University	\$7,073,235	\$10,973,002	GF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$153,012,393".

Page 157, line 26, strike "\$149,163,120" and insert "\$160,136,122".

Page 159, after line 20, insert:

"K.1. Out of this appropriation, \$7,073,235 the first year and \$10,973,002 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.

2. Out of this appropriation, the University may allocate funds to expand enrollment capacity through expansion of distance learning, Teletechnet and summer school."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 204 #6c

Education: Higher Education

Old Dominion University

FY 04-05

\$0

FY 05-06

\$406,000 GF

Language:

Page 157, line 26, strike "\$149,163,120" and insert "\$149,569,120".

Explanation:

(This amendment provides additional one-time general fund support for research efforts in coastal environmental science and computational modeling.)

Item 204 #7c

Education: Higher Education

Old Dominion University

FY 04-05

\$617,991

FY 05-06

\$1,140,906 GF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$146,557,149".

Page 157, line 26, strike "\$149,163,120" and insert "\$150,304,026".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 208 #1c

Education: Higher Education

FY 04-05

FY 05-06

Radford University

(\$787,986)

(\$1,484,543) GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$63,672,626".

Page 160, line 25, strike "\$65,754,529" and insert "\$64,269,986".

Page 160, strike lines 40 through 50.

Page 160, line 51, strike "C" and "B".

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 208 #2c

Education: Higher Education

FY 04-05

FY 05-06

Radford University

\$1,384,255

\$2,388,276 NGF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$65,844,867".

Page 160, line 25, strike "\$65,754,529" and insert "\$68,142,805".

Page 161, after line 3, insert:

"D. Radford University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 208 #3c

Education: Higher Education

Radford University

FY 04-05

(\$75,000)

FY 05-06

(\$50,000) GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$64,385,612".

Page 160, line 25, strike "\$65,754,529" and insert "\$65,704,529".

Page 160, strike lines 51 through 54.

Page 161, strike lines 1-3.

Explanation:

(This amendment removes funding included in the introduced budget for the Virginia Economic Bridge project at Radford University.)

Item 208 #4c

Education: Higher Education

Radford University

FY 04-05

\$2,997,573

FY 05-06

\$5,243,123 GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$67,458,185".

Page 160, line 25, strike "\$65,754,529" and insert "\$70,997,652".

Page 161, after line 3, insert:

"D. Out of this appropriation, \$2,997,573 the first year and \$5,243,123 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Education: Higher Education	FY 04-05	FY 05-06	
Radford University	\$307,700	\$568,061	GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$64,768,312".

Page 160, line 25, strike "\$65,754,529" and insert "\$66,322,590".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Education: Higher Education	FY 04-05	FY 05-06	
Radford University	\$417,186	\$417,186	GF

Language:

Page 161, line 4, strike "\$4,290,215" and insert "\$4,707,401".

Page 161, line 4, strike "\$4,290,215" and insert "\$4,707,401".

Explanation:

(This amendment supplements funding provided in the introduced budget for student financial aid. The budget, as introduced, provided a total of \$4.1 million from the general fund each year in additional student financial aid; however, funding at some institutions remains below the statewide average of meeting 35 percent of remaining student need. This supplemental funding is provided to bring student financial aid for the institution up to 35 percent of remaining need.)

Education: Higher Education	FY 04-05	FY 05-06	
Southwest Virginia Higher	3.00	3.00	FTE

Education Center

Language:

Page 162, line 2, strike the first "10.00" and insert "13.00".

Page 162, line 2, strike the second "10.00" and insert "13.00".

Page 162, line 4, strike the first "14.00" and insert "17.00".

Page 162, line 4, strike the second "14.00" and insert "17.00".

Explanation:

(This amendment provides additional general fund position authority to the Southwest Virginia Higher Education Center.)

Item 212 #2c

Education: Higher Education

FY 04-05

FY 05-06

Southwest Virginia Higher
Education Center

\$75,000

\$75,000 GF

Language:

Page 161, line 37, strike "\$1,875,458" and insert "\$1,950,458".

Page 161, line 37, strike "\$1,875,753" and insert "\$1,950,753".

Page 161, strike lines 42 through 47.

Explanation:

(This amendment partially restores funding to the Center to expand access to higher education programs in the Southwest region.)

Item 213 #1c

Education: Higher Education

FY 04-05

FY 05-06

University Of Virginia

\$21,867

\$44,843 GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$362,384,168".

Page 162, line 8, strike "\$372,357,689" and insert "\$372,402,532".

Explanation:

(This amendment provides the additional general fund share of the cost of operating and maintaining new facilities coming on-line in fiscal year 2005. The

nongeneral fund share is included as part of a separate nongeneral fund amendment.)

Item 213 #2c

Education: Higher Education

University Of Virginia

Language

Language:

Page 165, after line 34, insert:

"O. Out of this appropriation, \$69,000 is provided each year from the general fund and \$53,189 is provided each year from nongeneral funds in support of the State Arboretum at Blandy Farm."

Explanation:

(This amendment sets out a separate line item in the budget for the State Arboretum at Blandy Farm. There is no impact on the budget.)

Item 213 #3c

Education: Higher Education

University Of Virginia

FY 04-05

(\$403,250)

FY 05-06

\$0 GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$361,959,051".

Page 165, strike lines 22 through 34.

Explanation:

(This amendment removes one-time funding for an initiative proposed in the introduced budget to connect Virginia's doctoral institutions to national advanced communications networks. Funding for this item can be supported through the additional base operating support provided for the institution through a separate amendment.)

Item 213 #4c

Education: Higher Education

University Of Virginia

FY 04-05

(\$2,726,300)

FY 05-06

(\$943,349) GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$359,636,001".

Page 162, line 8, strike "\$372,357,689" and insert "\$371,414,340".

Page 165, strike lines 10 through 21.

Page 165, line 22, strike "N" and insert "M".

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies. One-time seed money for research is also provided through a separate amendment.)

Item 213 #5c

Education: Higher Education

University Of Virginia

Language

Language:

Page 165, after line 34, insert:

"O. The University of Virginia shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment establishes a reporting requirement for the University. Increases in the nongeneral fund appropriation for the institution included in the introduced budget reflect the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 213 #6c

Education: Higher Education

University Of Virginia

FY 04-05

(\$56,135)

FY 05-06

(\$56,135) GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$362,306,166".
Page 162, line 8, strike "\$372,357,689" and insert "\$372,301,554".
Page 163, line 10, strike "\$561,345" and insert "\$505,210".
Page 163, line 12, strike "\$561,345" and insert "\$505,210".

Explanation:

(This amendment reduces funding for the Generalist Physician Initiative Program by 10 percent as a result of the program not fully meeting the performance criteria identified in the Appropriation Act.)

Item 213 #7c

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia	(\$40,000)	(\$40,000)	GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$362,322,301".
Page 162, line 8, strike "\$372,357,689" and insert "\$372,317,689".
Page 164, line 15, strike "\$408,000" and insert "\$368,000".
Page 164, line 16, strike "\$408,000" and insert "\$368,000".

Explanation:

(This amendment continues the phase-out of general fund support for public service centers at the University of Virginia.)

Item 213 #8c

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia	\$3,843,157	\$7,547,085	GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$366,205,458".
Page 162, line 8, strike "\$372,357,689" and insert "\$379,904,774".
Page 165, after line 34, insert:
"O.1. Out of this appropriation, \$3,843,157 the first year and \$7,547,085 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the

pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.

2. Out of this appropriation, the University may allocate funds to attract and retain distinguished faculty clinicians associated with the School of Medicine and the University's related health professional programs."

Explanation:

(This amendment provides additional general fund support to address base operating needs, increased student enrollments and institution-specific needs. The corresponding nongeneral fund share is included in the budget, as introduced.)

Item 213 #9c

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia	\$1,122,631	\$2,072,550	GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$363,484,932".
 Page 162, line 8, strike "\$372,357,689" and insert "\$374,430,239".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 213 #10c

Education: Higher Education	
University Of Virginia	Language

Language:

Page 164, line 55, strike "Such" and insert "Annual contributions to such".

Page 164, line 56, strike "two" and insert "three".

Page 164, line 58, after "revenues", insert:

"for which such reserves are established".

Page 165, after line 9, insert:

"4. On a monthly basis, the Comptroller of Virginia shall credit to the special reserve account fund detail for such reserve funds, the imputed interest earned by the investment of such reserve balances on deposit with the State Treasurer."

Explanation:

(This amendment clarifies authority given to the University in the introduced budget to create a reserve fund for capital repairs by directing that the interest earnings shall revert to the Commonwealth.)

Item 213 #11c

Education: Higher Education

FY 04-05

FY 05-06

University Of Virginia

\$0

\$2,004,625 GF

Language:

Page 162, line 8, strike "\$372,357,689" and insert "\$374,362,314".

Explanation:

(This amendment provides additional one-time general fund support for research efforts in medicine, engineering and computer science.)

Item 221 #1c

Education: Higher Education

FY 04-05

FY 05-06

University Of Virginia's College At

(\$221,112)

(\$221,112) GF

Wise

\$0

\$0 NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$13,917,423".

Page 167, line 32, strike "\$14,135,756" and insert "\$13,914,644".

Page 167, strike lines 42 through 51.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 221 #2c

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia's College At Wise	\$204,586	\$641,270	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,343,121".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,777,026".

Page 167, line 42, before "Out", insert "A."

Page 167, after line 51, insert:

"B. The University of Virginia's College at Wise shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 221 #3c

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia's College At Wise	\$465,000	\$515,000	GF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,603,535".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,650,756".

Page 167, after line 51, insert:

"B. Out of this appropriation, \$465,000 the first year and \$515,000 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Page 167, line 42, before "Out", insert "B."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 221 #4c

Education: Higher Education

FY 04-05

FY 05-06

University Of Virginia's College At
Wise

\$76,497

\$141,225 GF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,215,032".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,276,981".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 222 #1c

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia's College At Wise	\$206,795	\$206,795	GF

Language:

Page 168, line 1, strike "\$893,115" and insert "\$1,099,910".

Page 168, line 1, strike "\$893,115" and insert "\$1,099,910".

Explanation:

(This amendment supplements funding provided in the introduced budget for student financial aid. The budget, as introduced, provided a total of \$4.1 million from the general fund each year in additional student financial aid; however, funding at some institutions remains below the statewide average of meeting 35 percent of remaining student need. This supplemental funding is provided to bring student financial aid for the institution up to 35 percent of remaining need.)

Item 225 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	\$0	\$55,000	GF

Language:

Page 168, line 43, strike "\$328,929,473" and insert "\$328,984,473".

Explanation:

(This amendment provides the additional general fund share of the cost of operating and maintaining new facilities coming on-line in fiscal year 2005. The nongeneral fund share is included as part of a separate nongeneral fund amendment.)

Item 225 #2c

Education: Higher Education	
Virginia Commonwealth University	Language

Language:

Page 169, line 39, strike "\$137,500" and insert "\$262,500".

Page 169, line 40, strike "\$137,500" and insert "\$262,500".

Explanation:

(This amendment is technical in nature, and is intended to clarify current language to reflect the appropriate level of funding for the Virginia Center on Aging and Alzheimers Research Award Fund. This amendment has no impact on the budget.)

Item 225 #3c

Education: Higher Education

Virginia Commonwealth University

Language

Language:

Page 169, after line 20, insert:

"4. In the event the Governor imposes across-the-board general fund reductions, pursuant to his executive authority in § 4-1.04 of this act, the General Fund appropriation for the Family Practice programs shall be exempt from any reductions, provided the general fund appropriation for the family practice program is excluded from the total general fund appropriation for Virginia Commonwealth University for purposes of determining the University's portion of the statewide general fund reduction requirement."

Explanation:

(This amendment excludes the family practice programs at VCU from executive budget reductions.)

Item 225 #4c

Education: Higher Education

Virginia Commonwealth University

FY 04-05

\$400,000

FY 05-06

\$400,000 GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$317,089,832".

Page 168, line 43, strike "\$328,929,473" and insert "\$329,329,473".

Page 169, line 7, strike "\$5,146,343" and insert "\$5,546,343".

Page 169, line 8, strike "\$5,146,343" and insert "\$5,546,343".

Page 169, line 11, after "programs.", insert:

"In allocating these funds, priority shall be given to providing full funding to the Shenandoah family practice program."

Explanation:

(This amendment provides an additional \$400,000 for the Family Practice programs at VCU.)

Item 225 #5c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	(\$3,682,575)	(\$1,956,251)	GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$313,007,257".

Page 168, line 43, strike "\$328,929,473" and insert "\$326,973,222".

Page 172, strike lines 41 through 52.

Page 172, line 53, strike "P" and insert "O".

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies. One-time seed money for research is also provided through a separate amendment.)

Item 225 #6c

Education: Higher Education	
Virginia Commonwealth University	Language

Language:

Page 173, after line 7, insert:

"Q. Virginia Commonwealth University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the

Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 225 #7c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	(\$88,769)	(\$88,769)	GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$316,601,063".

Page 168, line 43, strike "\$328,929,473" and insert "\$328,840,704".

Page 169, line 43, strike "\$887,688" and insert "\$798,919".

Page 169, line 45, strike "\$887,688" and insert "\$798,919".

Explanation:

(This amendment reduces funding for the Generalist Physician Initiative Program by 10 percent as a result of the program not fully meeting the performance criteria identified in the Appropriation Act.)

Item 225 #8c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	(\$30,000)	(\$49,000)	GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$316,659,832".

Page 168, line 43, strike "\$328,929,473" and insert "\$328,880,473".

Page 171, line 28, strike "\$97,500" and insert "\$67,500".

Page 171, line 29, strike "\$97,500" and insert "\$48,500".

Explanation:

(This amendment continues the phase-out of general fund support for public service centers at Virginia Commonwealth University.)

Item 225 #9c

Education: Higher Education	FY 04-05	FY 05-06	
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Virginia Commonwealth University \$7,202,141 \$15,097,866 GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$323,891,973".

Page 168, line 43, strike "\$328,929,473" and insert "\$344,027,339".

Page 173, after line 7, insert:

"Q. Out of this appropriation, \$7,202,141 the first year and \$15,097,866 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 225 #10c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	\$0	\$1,979,250	GF

Language:

Page 168, line 43, strike "\$328,929,473" and insert "\$330,908,723".

Explanation:

(This amendment provides additional one-time general fund support for research efforts in medicine and neuroscience.)

Item 225 #11c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	\$1,508,894	\$2,785,650	GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$318,198,726".

Page 168, line 43, strike "\$328,929,473" and insert "\$331,715,123".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 225 #12c

Education: Higher Education

Virginia Commonwealth University

FY 04-05

(\$403,250)

FY 05-06

\$0 GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$316,286,582".

Page 172, strike lines 53 through 58.

Page 173, strike lines 1 through 7.

Explanation:

(This amendment removes one-time funding for an initiative proposed in the introduced budget to connect Virginia's doctoral institutions to national advanced communications networks. Funding for this item can be supported through the additional base operating support provided for the institution through a separate amendment.)

Item 230 #1c

Education: Higher Education

Virginia Community College
System

FY 04-05

\$1,200,000

FY 05-06

\$1,200,000 GF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$508,181,339".

Page 174, line 20, strike "\$517,392,172" and insert "\$518,592,172".

Explanation:

(This amendment provides additional funding to operate the Medical Education Campus of Northern Virginia Community College and to accommodate increased enrollments for the 2004-05 and 2005-06 academic years.)

Item 230 #2c

Education: Higher Education

Virginia Community College
System

FY 04-05

(\$14,503,553)

FY 05-06

(\$20,885,499) GF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$492,477,786".

Page 174, line 20, strike "\$517,392,172" and insert "\$496,506,673".

Page 175, strike lines 2 through 13.

Page 175, line 14, strike "F" and insert "E".

Page 175, line 20, strike "G" and insert "F".

Page 175, line 36, strike "H" and insert "G".

Page 175, line 40, strike "I" and insert "H".

Page 175, line 52, strike "J" and insert "I".

Page 176, line 1, strike "K" and insert "J".

Page 176, line 6, strike "L" and insert "K".

Page 176, line 20, strike "M" and insert "L".

Page 177, line 8, strike "N" and insert "M".

Page 177, line 20, strike "O" and insert "N".

Page 177, line 39, strike "P" and insert "O".

Page 177, line 58, strike "Q" and insert "P".

Page 178, line 11, strike "R" and insert "Q".

Page 178, line 21, strike "S" and insert "R".

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 230 #3c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College System	\$13,781,119	\$24,557,071	NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$520,762,458".

Page 174, line 20, strike "\$517,392,172" and insert "\$541,949,243".

Page 178, after line 26, insert:

"T. The Virginia Community College System shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 230 #4c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College System	\$22,000,205	\$38,039,186	GF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$528,981,544".

Page 174, line 20, strike "\$517,392,172" and insert "\$555,431,358".

Page 178, after line 26, insert:

"T.1. Out of this appropriation, \$22,000,205 the first year and \$38,039,186 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core

academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.

2. Out of this appropriation, the Virginia Community College System shall allocate funds to support increased lease costs at Northern Virginia Community College. The Virginia Community College System may also use a portion of these funds to support the expansion of three Middle College sites."

Explanation:

(This amendment provides additional general fund support to address base operating needs, increased student enrollments, and institution-specific needs. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 230 #5c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College System	\$2,326,271	\$4,294,653	GF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$509,307,610".

Page 174, line 20, strike "\$517,392,172" and insert "\$521,686,825".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 230 #6c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College System	\$288,560	\$381,168	GF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$507,269,899".

Page 174, line 20, strike "\$517,392,172" and insert "\$517,773,340".

Explanation:

(This amendment provides the additional general fund share of the cost of operating and maintaining new facilities coming on-line in fiscal year 2005. The nongeneral fund share is included as part of a separate nongeneral fund amendment.)

Item 231 #1c

Education: Higher Education

FY 04-05

FY 05-06

Virginia Community College System

\$576,921

\$576,921 GF

Language:

Page 178, line 27, strike "\$71,178,055" and insert "\$71,754,976".

Page 178, line 27, strike "\$71,178,055" and insert "\$71,754,976".

Explanation:

(This amendment supplements funding provided in the introduced budget for student financial aid. The budget, as introduced, provided a total of \$4.1 million from the general fund each year in additional student financial aid; however, funding at some institutions remains below the statewide average of meeting 35 percent of remaining student need. This supplemental funding is provided to move student financial aid for the institution closer to the statewide average.)

Item 237 #1c

Education: Higher Education

FY 04-05

FY 05-06

Virginia Military Institute

(\$347,050)

(\$347,050) GF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$22,939,172".

Page 179, line 32, strike "\$23,287,948" and insert "\$22,940,898".

Page 179, strike lines 43 through 53.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 237 #2c

Education: Higher Education

Virginia Military Institute

FY 04-05

\$1,322,993

FY 05-06

\$2,099,598 NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$24,609,215".

Page 179, line 32, strike "\$23,287,948" and insert "\$25,387,546".

Page 179, after line 42, insert:

"A. Virginia Military Institute shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Page 179, line 43, before "Out", insert "B."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 237 #3c

Education: Higher Education

Virginia Military Institute

FY 04-05

\$350,000

FY 05-06

\$350,000 GF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$23,636,222".

Page 179, line 32, strike "\$23,287,948" and insert "\$23,637,948".

Page 179, after line 42, insert:

"A. Out of this appropriation, \$350,000 the first year and \$350,000 the second year from the general fund is provided to address base funding needs and to mitigate the pressure on student tuition and fees. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Page 179, line 43, before "Out", insert "B."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 237 #4c

Education: Higher Education

Virginia Military Institute

FY 04-05

\$64,966

FY 05-06

\$119,935 GF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$23,351,188".

Page 179, line 32, strike "\$23,287,948" and insert "\$23,407,883".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Item 240 #1c

Education: Higher Education

Virginia Military Institute

Language

Language:

Page 180, line 40, strike "\$204,201" and insert "\$199,660".

Page 180, line 41, strike "\$1,199,503" and insert "\$1,172,824".

Explanation:

(This amendment corrects the language reference to the amounts for the Unique Military Activities program at Virginia Military Institute. These funds are distributed to Mary Baldwin College and Virginia Polytechnic Institute and State University based on the number of cadets enrolled in the Corps of Cadets program. The revision was not made in the budget, as introduced.)

Item 242 #1c

Education: Higher Education

FY 04-05

FY 05-06

Virginia Polytechnic Institute And
State University

(\$403,250)

\$0 GF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$362,007,799".

Page 182, strike lines 38 through 50.

Explanation:

(This amendment removes one-time funding for an initiative proposed in the introduced budget to connect Virginia's doctoral institutions to national advanced communications networks. Funding for this item can be supported through the additional base operating support provided for the institution through a separate amendment.)

Item 242 #2c

Education: Higher Education

FY 04-05

FY 05-06

Virginia Polytechnic Institute And
State University

(\$2,517,901)

(\$976,551) GF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$359,893,148".

Page 181, line 28, strike "\$361,243,110" and insert "\$360,266,559".

Page 182, strike lines 26 through 37.

Page 182, line 38, strike "I" and insert "H".

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies. One-time seed money for research is also provided through a separate amendment.)

Item 242 #3c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Polytechnic Institute And State University	\$0	\$8,901,440	NGF

Language:

Page 181, line 28, strike "\$361,243,110" and insert "\$370,144,550".

Page 182, after line 50, insert:

"J. Virginia Polytechnic Institute and State University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Item 242 #4c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Polytechnic Institute And State University	(\$85,000)	(\$175,000)	GF

Language:

- Page 181, line 28, strike "\$362,411,049" and insert "\$362,326,049".
- Page 181, line 28, strike "\$361,243,110" and insert "\$361,068,110".
- Page 182, line 20, strike "\$512,013" and insert "\$427,013".
- Page 182, line 21, strike "\$512,013" and insert "\$337,013".

Explanation:

(This amendment continues the phase-out of general fund support for research and public service centers at Virginia Tech.)

Item 242 #5c

Education: Higher Education

FY 04-05

FY 05-06

Virginia Polytechnic Institute And
State University

\$4,182,727

\$8,257,349 GF

Language:

- Page 181, line 28, strike "\$362,411,049" and insert "\$366,593,776".
- Page 181, line 28, strike "\$361,243,110" and insert "\$369,500,459".
- Page 182, after line 50, insert:

"J.1. Out of this appropriation, \$4,182,727 the first year and \$8,257,349 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.

2. Out of this appropriation, the University may allocate funds to support the mobile chemistry laboratory program."

Explanation:

(This amendment provides additional general fund support to address base operating needs, increased student enrollments, and institution-specific needs. The corresponding nongeneral fund share is included as part of a separate amendment.)

Item 242 #6a

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Polytechnic Institute And State University	\$0	\$2,004,625	GF

Language:

Page 181, line 28, strike "\$361,243,110" and insert "\$363,247,735".

Explanation:

(This amendment provides additional one-time general fund support for research efforts in computational modeling, engineering, and host-pathogen interaction.)

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Polytechnic Institute And State University	\$1,221,427	\$2,254,942	GF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$363,632,476".
Page 181, line 28, strike "\$361,243,110" and insert "\$363,498,052".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a separate amendment.)

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Cooperative Extension And Agricultural Experiment Station	\$1,257,000 23.00	\$1,257,000 23.00	GF FTE

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$73,005,805".

Page 184, line 39, strike "\$72,023,805" and insert "\$73,280,805".

Explanation:

(This amendment provides \$1.3 million from the general fund each year to support the restoration of 23 staff positions.)

Item 246 #2c

Education: Higher Education

Virginia Cooperative Extension And
Agricultural Experiment Station

FY 04-05

(\$556,980)

FY 05-06

(\$831,980) GF

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$71,191,825".

Page 184, line 39, strike "\$72,023,805" and insert "\$71,191,825".

Page 185, strike lines 19 through 26.

Explanation:

(This amendment removes funding provided in the introduced budget for a new high-value crops research initiative.)

Item 246 #3c

Education: Higher Education

Virginia Cooperative Extension And
Agricultural Experiment Station

FY 04-05

\$618,413

FY 05-06

\$1,141,685 GF

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$72,367,218".

Page 184, line 39, strike "\$72,023,805" and insert "\$73,165,490".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004.)

Item 247 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	(\$420,538)	(\$319,038)	GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$45,602,364".

Page 185, line 43, strike "\$45,978,142" and insert "\$45,659,104".

Page 185, strike lines 44 through 53.

Explanation:

(This amendment removes operating funds provided in the introduced budget for base operating costs and enrollment growth. These funds are redirected through a separate amendment as part of the General Assembly's initiative to begin closing the gap in the general fund share of base funding as identified in the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 247 #2c

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	\$1,534,896	\$2,900,709	NGF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$47,557,798".

Page 185, line 43, strike "\$45,978,142" and insert "\$48,878,851".

Page 186, after line 53, insert:

"E. Virginia State University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Explanation:

(This amendment, in conjunction with the nongeneral fund appropriation included in the introduced budget, provides for the nongeneral fund share of support needed to begin moving towards full funding of the base adequacy guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies, to make progress on returning average faculty salaries to the 60th percentile of peer institutions nationally, and to provide funding needed to meet anticipated operating cost increases over the biennium.)

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	\$358,078	\$659,396	GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$46,380,980".

Page 185, line 43, strike "\$45,978,142" and insert "\$46,637,538".

Page 186, after line 53, insert:

"E. Out of this appropriation, \$358,078 the first year and \$659,396 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Explanation:

(This amendment provides additional general fund support to address base operating needs and increased student enrollments. The corresponding nongeneral fund share is included as part of a separate amendment.)

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	\$157,818	\$291,357	GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$46,180,720".

Page 185, line 43, strike "\$45,978,142" and insert "\$46,269,499".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004. The nongeneral fund share of this increase is included in the nongeneral fund appropriation adjustment through a

separate amendment.)

Item 251 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Cooperative Extension And Agricultural Research Services	\$20,075	\$37,062	GF

Language:

Page 187, line 34, strike "\$7,275,641" and insert "\$7,295,716".

Page 187, line 34, strike "\$8,083,452" and insert "\$8,120,514".

Explanation:

(This amendment provides general fund support for the state share of a three percent salary increase for all faculty, including full-time, part-time, administrative, and graduate assistants, effective November 25, 2004.)

Item 254 #1c

Education: Other	FY 04-05	FY 05-06	
Jamestown-Yorktown Foundation	\$200,000	\$315,000	GF
	\$150,000	\$350,000	NGF
	3.00	7.00	FTE

Language:

Page 189, line 14, strike "\$12,086,638" and insert "\$12,436,638".

Page 189, line 14, strike "\$12,216,411" and insert "\$12,881,411".

Explanation:

(This amendment provides additional funds to support operating costs related to the 2007 Commemoration.)

Item 255 #1c

Education: Other
Jamestown 2007

Language

Language:

Page 192, after line 18, insert:

"G. Except as provided otherwise in this paragraph, the provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq., Code of Virginia) shall not apply to the expenditure of funds from the Virginia 400th Anniversary Fund. However, the provisions of this paragraph shall not be effective until such time as the Board of Trustees of the Jamestown-Yorktown Foundation has adopted guidelines generally applicable to the procurement of goods and services by the Jamestown-Yorktown Foundation and Jamestown 2007 through the expenditure of funds from the Virginia 400th Anniversary Fund. The guidelines shall implement a system of competitive negotiation for professional services; shall prohibit discrimination because of race, religion, color, sex or national origin of the bidder or offeror in the solicitation or award of contracts; may take into account in all cases the dollar amount of the intended procurement, the term of the anticipated contract, and the likely extent of competition; may implement a prequalification procedure for contractors or products; may include provisions for cooperative procurement arrangements; shall incorporate the prompt payment principles of §§ 2.2-4350 and 2.2-4354, Code of Virginia; and may implement provisions of law. The following sections of the Virginia Public Procurement Act shall continue to apply to procurement by the Jamestown-Yorktown Foundation and Jamestown 2007 with funds from the Virginia 400th Anniversary Fund: §§ 2.2-4311, 2.2-4315, 2.2-4330, 2.2-4333 through 2.2-4338, 2.2-4340 through 2.2-4342, and 2.2-4367 through 2.2-4377, Code of Virginia."

Explanation:

(This amendment exempts Virginia 400th Anniversary Fund expenditures from most of the provisions of the Virginia Public Procurement Act, contingent upon guidelines adopted by the Jamestown-Yorktown Foundation's Board of Trustees. The amendment will allow Jamestown 2007 and the Jamestown-Yorktown Foundation to use the Fund to contract with corporate sponsors for events commemorating Jamestown's 400th anniversary.)

Item 255 #2c

Education: Other

Jamestown 2007

Language

Language:

Page 192, line 6, strike "K," and insert "J,".

Explanation:

(This amendment corrects a reference to appropriation language under Item 383, Paragraph J.)

Item 256 #1c

Education: Other

The Library Of Virginia

Language

Language:

Page 192, line 42, before "It", insert "A."

Page 192, after line 45, insert:

"B. The Library of Virginia shall, with due diligence and dispatch, make such operating adjustments as are necessary and prudent to provide proper care for the Library's records and collections, having regard for the capacities and limitations of the Library building's physical plant. Such adjustments may include, but need not be limited to, relocating materials on and among floors of the building or elsewhere, including without limitation the Library's Records Center, and redeploying and adjusting staff work areas and conditions. The operating plans to accomplish any changes, as well as the implementation of such plans, shall be reported to the Secretaries of Education and Administration no later than August 1, 2004."

Explanation:

(This amendment requires the Library of Virginia, working with the Secretaries of Administration and Education, to resolve the environmental control issues at the Library of Virginia building. These environmental control issues are potentially due to design and construction flaws in the building, which is currently the subject of negotiations between the administration and the architects, engineers and contractors. Changes in operating practices can mitigate the impact of these difficulties pending resolution of the design and construction questions. A related amendment is found at Item 58 #1c.)

Item 260 #1c

Education: Other

The Library Of Virginia

Language

Language:

Page 194, strike lines 14 through 18 and insert "Omitted."

Explanation:

(This amendment deletes language proposed by the Governor that would have allowed the Library of Virginia to use any appropriated funds, including those directed to local libraries, for the purchase licenses for online databases that can be accessed by public libraries statewide.)

Item 261 #1c

Education: Other

The Science Museum Of Virginia

FY 04-05

\$100,000

FY 05-06

\$100,000 GF

Language:

Page 194, line 27, strike "\$8,765,003" and insert "\$8,865,003".

Page 194, line 27, strike "\$8,766,329" and insert "\$8,866,329".

Page 194, after line 48, insert:

"D. Out of this appropriation, \$100,000 each year from the general fund may be used to develop a collaborative science education program in support of the Standards of Learning between the Science Museum of Virginia and the Science Museum of Western Virginia."

Explanation:

(This amendment provides funding for the development of a collaborative program between the Science Museum of Virginia and the Science Museum of Western Virginia.)

Item 262 #1c

Education: Other

Virginia Commission For The Arts

Language

Language:

Page 195, strike lines 27 through 33.

Explanation:

(This amendment removes contingent funding language in the introduced budget.)

Item 265 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Eastern Virginia Medical School	\$175,000	\$175,000	GF

Language:

Page 196, line 36, strike "\$11,847,875" and insert "\$12,022,875".

Page 196, line 36, strike "\$11,847,875" and insert "\$12,022,875".

Explanation:

(This amendment provides a portion of the funding needed for adequate base support of medical education for Virginia students in accordance with the guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 265 #2c

Education: Higher Education	FY 04-05	FY 05-06	
Eastern Virginia Medical School	(\$62,976)	(\$62,976)	GF

Language:

Page 196, line 36, strike "\$11,847,875" and insert "\$11,784,899".

Page 196, line 36, strike "\$11,847,875" and insert "\$11,784,899".

Page 197, line 16, strike "\$629,761" and insert "\$566,785".

Page 197, line 18, strike "\$629,761" and insert "\$566,785".

Explanation:

(This amendment reduces funding for the Generalist Physician Initiative Program by 10 percent as a result of the program not fully meeting the performance criteria identified in the Appropriation Act.)

Item 267 #1c

Education: Higher Education	FY 04-05	FY 05-06	
Institute For Advanced Learning And Research	\$750,000	\$750,000	GF

Language:

Page 198, line 39, strike "\$1,521,681" and insert "\$2,271,681".

Page 198, line 39, strike "\$1,521,681" and insert "\$2,271,681".

Page 198, strike lines 44 through 50.

Page 199, strike lines 1 through 17.

Explanation:

(This amendment provides program support for research activities at the Institute for Advanced Learning and Research in Danville. It is anticipated that these additional funds will be used to generate sponsored research dollars and expand economic development opportunities in Southside Virginia. A separate amendment provides authority for the Institute to participate in the Higher Education Equipment Trust Fund program.)

Item 268 #1c

Education: Higher Education

FY 04-05

FY 05-06

Roanoke Higher Education
Authority

\$100,000

\$100,000 GF

Language:

Page 199, line 21, strike "\$618,075" and insert "\$718,075".

Page 199, line 21, strike "\$618,075" and insert "\$718,075".

Page 199, strike lines 27 and 28.

Page 199, line 29, strike "C." and insert "B."

Page 199, strike lines 43 through 50.

Explanation:

(This amendment provides funding for the Roanoke Higher Education Center to support additional workforce development, technology training, and higher education programs.)

Item 270 #1c

Education: Higher Education

Virginia College Building Authority

Language

Language:

Page 201, line 30, strike "\$52,169,843" and insert "\$52,669,843".

Page 201, line 31, strike "52,169,843" and insert "\$54,169,843"

Page 202, line 4, strike the first "500,000" and insert "1,000,000".

Page 202, line 4, strike the second "500,000" and insert "2,500,000".

Page 202, line 5, strike the first "\$52,169,843" and insert "\$52,669,843".

Page 202, line 5, strike the second "\$52,169,843" and insert "\$54,169,843".

Explanation:

(This amendment increases the authorization for the Institute for Advanced Learning and Research in Danville to acquire \$1 million in the first year and \$2.5 million in the second year in academic and research equipment through the Higher Education Equipment Trust Fund. A companion amendment to the Treasury Board provides the additional debt service required to support the lease payments.)

Item 270 #2c

Education: Higher Education

Virginia College Building Authority

Language

Language:

Page 201, line 50, strike the second "1,023,763" and insert "3,023,763".

Page 202, line 5, strike the second "\$52,169,843" and insert "\$54,169,843".

Explanation:

(This amendment provides an additional allocation in the second year from the Higher Education Equipment Trust Fund for classroom furnishings and equipment for the RISE I facility at Norfolk State University, expected to be completed in 2005.)

Item 270 #3c

Education: Higher Education

Virginia College Building Authority

Language

Language:

Page 201, line 49, strike "Mary Washington College" and insert:

"University of Mary Washington".

Explanation:

(This amendment changes the agency name, pursuant to Chapters 176 and 195 of the Acts of Assembly of 2004, in the allocation table for the Higher Education Equipment Trust Fund.)

Item 272 #1c

Finance

Department Of Accounts

Language

Language:

Page 203, line 43, before "The", insert "A."

Page 203, after line 46, insert:

"B. As a condition of the appropriation in this item, the Department shall provide to the Chairmen of the House Appropriations and Senate Finance Committees the expenditure and revenue reports necessary for timely legislative oversight of state finances. The necessary reports include monthly and year-end versions and shall be provided in an interactive electronic format agreed upon by the Chairmen of the House Appropriations and Senate Finance Committees, or their designees, and the Comptroller. Delivery of these reports shall occur by way of electronic mail or other methods to ensure their receipt within 48 hours of their initial run after the close of the business month."

Explanation:

(This amendment requires the Department of Accounts to provide the monthly and year-end revenue and expenditure reports generated by the Commonwealth's financial and accounting systems within 48 hours of these reports' availability in a spreadsheet or other interactive electronic form. The current delivery method results in lengthy delays and provides the necessary information in formats that cannot be analyzed by computer spreadsheets and other software.)

Item 274 #1c

Finance

Department Of Accounts

FY 04-05	FY 05-06	
(\$2,460,000)	(\$3,280,000)	GF
-13.00	-18.00	FTE

Language:

Page 204, line 7, strike "\$5,757,749" and insert "\$3,297,749".

Page 204, line 7, strike "\$6,577,749" and insert "\$3,297,749".

Explanation:

(This amendment is one of two that transfer funding and responsibility for the performance of school efficiency reviews from the Department of Accounts to the Secretary of Education. These efficiency reviews were designed to improve local

school divisions' use of private sector best management practices in administrative areas such as transportation and building operations. In lieu of the amounts and positions proposed in House Bill 5001, as introduced, funding is provided in Item 274 to continue the pilot program for fiscal year 2005.)

Item 274 #2c

Finance	FY 04-05	FY 05-06	
Department Of Accounts	\$100,000	\$200,000	GF
	2.00	3.00	FTE

Language:

Page 204, line 7, strike "\$5,757,749" and insert "\$5,857,749".

Page 204, line 7, strike "\$6,577,749" and insert "\$6,777,749".

Explanation:

(This amendment provides additional general fund dollars and positions to the Department of Accounts to address financial control issues raised by the Auditor of Public Accounts.)

Item 279 #1c

Finance	FY 04-05	FY 05-06	
Department Of Accounts Transfer Payments	(\$3,050,000)	(\$4,250,000)	GF

Language:

Page 206, line 3, strike "\$58,100,000" and insert "\$55,050,000".

Page 206, line 3, strike "\$59,300,000" and insert "\$55,050,000".

Explanation:

(This amendment distributes the profits from the sale of alcoholic beverages to localities at the fiscal year 2004 level.)

Item 279 #2c

Finance	FY 04-05	FY 05-06
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Department Of Accounts Transfer (\$450,000) (\$450,000) GF
Payments

Language:

Page 206, line 3, strike "\$58,100,000" and insert "\$57,650,000".

Page 206, line 3, strike "\$59,300,000" and insert "\$58,850,000".

Explanation:

(This amendment distributes wine taxes to localities at the fiscal year 2004 level.)

Item 280 #1c

Finance	FY 04-05	FY 05-06	
Department Of Accounts Transfer	\$0	\$87,000,000	GF
Payments			

Language:

Page 207, line 10, strike "\$87,000,000" and insert "\$174,000,000".

Explanation:

(This amendment provides \$87.0 million the second year from the general fund for a supplemental deposit to the Revenue Stabilization Fund. A companion amendment included in the Caboose Bill provided \$87.0 million from the general fund for the constitutionally mandated deposit in fiscal year 2004.)

Item 280 #2c

Finance	FY 04-05	FY 05-06	
Department Of Accounts Transfer	\$0	(\$87,000,000)	GF
Payments			

Language:

Page 207, line 10, strike "\$87,000,000" and insert "\$0".

Explanation:

(This amendment removes \$87.0 million included from the general fund for a mandatory deposit to the Rainy Day Fund. Although the State Constitution requires

that based upon the total revenues collected in fiscal year 2003 a deposit be made into the fund by fiscal year 2006, the Constitution does not preclude the payment of this deposit earlier. Therefore, this deposit will be made in fiscal year 2004 in order to provide a greater opportunity for interest earnings on the Revenue Stabilization Fund's balances.)

Item 283 #1c

Finance	FY 04-05	FY 05-06	
Department Of Planning And	\$250,000	\$250,000	NGF
Budget	2.00	2.00	FTE

Language:

Page 208, line 23, strike "\$5,551,734" and insert "\$5,801,734".

Page 208, line 23, strike "\$5,586,983" and insert "\$5,836,983".

Page 208, line 27, after "Virginia" insert:

"and Title 2.2, Chapter 26, Article 8, Code of Virginia".

Page 209, after line 9, insert:

"D.1. The Department of Planning and Budget shall provide staffing and operational support to the Commonwealth Competition Council. Other state agencies and institutions of the Commonwealth shall also assist the Commonwealth Competition Council in its work upon the request of the chairman of the Council.

2. There is hereby created upon the books of the Comptroller a special, nonreverting fund known as the "Commonwealth Competition Council Savings Recovery Fund." This Fund shall provide a nongeneral fund appropriation of \$250,000 each year for use by the Department of Planning and Budget in defraying the costs of providing staff and operational support to the council.

3. Prior to April 1 each year, the Director of the Department of Planning and Budget shall notify the Auditor of Public Accounts of any savings recommendations put forth by the Commonwealth Competition Council for which savings are likely to be realized in the current fiscal year or in the fiscal year beginning on the next July 1 after such notification. The Auditor of Public Accounts shall audit the implementation of these savings recommendations and shall certify to the State Comptroller by June 1 each year the total savings realized by state agencies or institutions as a result of the savings recommendations put forth by the Commonwealth Competition Council. By July 1 each year, the State Comptroller shall transfer 10 percent of these certified savings to the Commonwealth Competition Council Savings Recovery Fund for support of the

council's operations. However, if these savings have since accrued to the benefit of the general fund, either by subsequent budgetary action or by reversion, then following the certification of the savings by the Auditor of Public Accounts, the State Comptroller shall transfer the equivalent of 10 percent of the affected certified savings from the general fund to the Commonwealth Competition Council Savings Recovery Fund. The total amount transferred to the Commonwealth Competition Council Savings Recovery Fund pursuant to these provisions shall not exceed \$500,000 in any one fiscal year."

Explanation:

(This amendment is one of two that transfer 2.00 FTE positions of the Commonwealth Competition Council to the Department of Planning and Budget. The companion amendment is drawn to Item 62.)

Item 286 #1c

Finance	FY 04-05	FY 05-06	
Department Of Taxation	(\$3,446,321)	(\$1,835,207)	GF
	-22.00	-22.00	FTE

Language:

Page 210, line 11, strike "\$47,996,407" and insert "\$44,550,086".
 Page 210, line 11, strike "\$47,903,407" and insert "\$46,068,200".

Explanation:

(This amendment reduces the proposed increase in House Bill 5001, as introduced, for the Department of Taxation. These resources are no longer needed by the Department because of changes in the content of the tax reform package passed by the General Assembly in House Bill 5018 (2004 Special Session I). The Department was provided 90 new positions and \$7.9 million in fiscal year 2004.)

Item 286 #2c

Finance	FY 04-05	FY 05-06	
Department Of Taxation	(\$579,499)	(\$579,499)	GF
	-12.00	-12.00	FTE

Language:

Page 210, line 11, strike "\$47,996,407" and insert "\$47,416,908".
Page 210, line 11, strike "\$47,903,407" and insert "\$47,323,908".

Explanation:

(This amendment reduces funding and positions associated with the tax amnesty program concluded in the fall of 2003.)

Item 286 #3c

Finance	FY 04-05	FY 05-06	
Department Of Taxation	(\$251,326)	(\$251,326)	GF

Language:

Page 210, line 11, strike "\$47,996,407" and insert "\$47,745,081".
Page 210, line 11, strike "\$47,903,407" and insert "\$47,652,081".

Explanation:

(This amendment removes the increase in postage budgeted for the Department of tof Taxation. The recent postage increase was not generally budgeted.)

Item 290 #1c

Finance		
Department Of The Treasury		Language

Language:

Page 216, after line 54, insert:
"C. The Department of the Treasury shall report to the Governor and Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2005, its recommended liability insurance premiums for constitutional officers and regional jails under the VARisk program for the following biennium. This report shall also include the basis for the department's recommendations, program administrative costs, the number and amount of settlements concluded in the previous fiscal year, the impact of those settlements on the program's reserves, and the actions the Department has taken to reduce either the number and cost of claims or its administrative costs and attorneys fees."

Explanation:

(This amendment requires the provision of similar information to that provided by the Department of Human Resources Management for the state employee workers' compensation program. The information the Department of the Treasury's Division of Risk Management will provide is necessary to examine what steps have been taken to reduce the costs of liability insurance for constitutional officers and what potential other actions may be taken.)

Item 290 #2c

Finance	FY 04-05	FY 05-06
Department Of The Treasury	\$850,350	\$0 GF

Language:

Page 216, line 33, strike "\$7,387,807" and insert "\$8,238,157".

Page 216, after line 54, insert:

"C.1 Out of the amounts appropriated for Insurance Services, there shall be paid for the relief of Julius Earl Ruffin from the general fund, upon execution of a release of all present and future claims he may have against (i) the Commonwealth or any instrumentality, officer, employee, or political subdivision thereof, (ii) any legal counsel appointed pursuant to § 19.2-159, Code of Virginia, and (iii) all other parties of interest, (a) the sum of \$325,000 to be paid to Julius Earl Ruffin on or before August 1, 2004, by check issued by the State Treasurer on warrant of the Comptroller and (b) the sum of \$525,350 to purchase an annuity for the primary benefit of Julius Earl Ruffin providing for equal monthly payments for a period of 30 years commencing on or before September 1, 2004.

2. The State Treasurer shall purchase the annuity for Julius Earl Ruffin at the lowest cost available from any A+ rated company, including any A+ rated company from which the State Lottery Department may purchase an annuity. Such annuity shall contain beneficiary provisions providing for the annuity's continued disbursement in the event of the death of Julius Earl Ruffin."

Explanation:

(This amendment provides \$850,350 in general fund support to the Department of the Treasury's Division of Risk Management for the compensation of Julius Earl Ruffin. Mr. Ruffin served 21 years in prison for a crime he did not commit. The total compensation included in this amendment includes a lump sum payment of \$325,000 and \$525,350 for the purchase of a 30-year annuity making payments totaling \$900,000.)

Finance	FY 04-05	FY 05-06	
Department Of The Treasury	(\$48,674)	(\$48,674)	GF

Language:

Page 216, line 33, strike "\$7,387,807" and insert "\$7,339,133".

Page 216, line 33, strike "\$7,287,807" and insert "\$7,239,133".

Explanation:

(This amendment removes the increase in postage budgeted for the Department of the Treasury. The recent postage increase was not generally budgeted.)

Finance	FY 04-05	FY 05-06	
Treasury Board	\$0	\$163,218	GF

Language:

Page 220, line 36, strike "\$345,609,242" and insert "\$345,772,460".

Page 222, line 12, strike "\$54,406" and insert "\$217,624".

Page 222, line 6, strike "a."

Page 222, line 11, strike "\$19,952,533" and insert "\$20,115,751".

Page 222, strike lines 12 through 19.

Explanation:

(This amendment increases the amount of funding provided for debt service on equipment for the Institute for Advanced Learning and Research to correspond to a separate amendment which increases the authorization for equipment purchases to \$1 million in fiscal year 2005 and \$2.5 million in fiscal year 2006.)

Finance	FY 04-05	FY 05-06	
Treasury Board	(\$2,475,875)	(\$2,503,695)	GF

Language:

Page 220, line 36, strike "\$299,294,769" and insert "\$296,818,894".
 Page 220, line 36, strike "\$345,609,242" and insert "\$343,105,547".
 Page 224, line 3, strike "\$7,523,468" and insert "\$7,347,593".
 Page 224, line 3, strike "\$28,601,563" and insert "\$28,097,868".
 Page 224, line 6, strike "\$1,494,938" and insert "\$1,319,063".
 Page 224, line 6, strike "\$10,054,633" and insert "\$9,550,938".

Explanation:

(This amendment reduces debt service for three previously issued Virginia Public Building Authority bonds due to projected refunding that will take advantage of lower interest rates on the Authority's Series 1994A, 1995, and 1997 bonds. A portion of the debt service savings is also due to a lower debt service amount required for the State Agency Radio System (STARS) project, which is also due to a lower interest rate than originally projected.)

Item 296 #3c

Finance	FY 04-05	FY 05-06	
Treasury Board	\$0	(\$2,420,000)	GF
	\$0	\$2,420,000	NGF

Language:

Page 221, line 50, strike "\$18,026,100" and insert "\$15,606,100".
 Page 221, line 51, strike "\$2,422,604" and insert "\$4,842,604".
 Page 222, line 20, after "5.", insert "a."
 Page 222, after line 54, insert:

"b. Out of the amounts included in C.3. of this item the following is a breakdown of each institution's nongeneral fund share of the debt service on the bond issues to finance the 2004-06 equipment purchase:

Institution	FY 2006
George Mason University	\$88,181
Old Dominion University	\$121,331
University of Virginia	\$774,492
Virginia Commonwealth University	\$186,717
Virginia Polytechnic Institute and State University	\$577,067
College of William and Mary	\$124,701
Christopher Newport University	\$3,854
University of Virginia's College at Wise	\$3,492
James Madison University	\$131,584

Longwood University	\$4,765
University of Mary Washington	\$37,299
Norfolk State University	\$66,878
Radford University	\$32,108
Virginia Military Institute	\$66,154
Virginia State University	\$79,922
Richard Bland College	\$546
Virginia Community College System	\$120,907
TOTAL	\$2,420,000".

Explanation:

(This amendment provides for the nongeneral fund portion of lease payments for the 2004-06 allocation of equipment under the Higher Education Equipment Trust Fund. The source of the nongeneral funds will be increases in tuition and required fees on out-of-state students at public institutions of higher education.)

Item 296 #4c

Finance	FY 04-05	FY 05-06	
Treasury Board	\$150,000	\$800,000	GF

Language:

Page 220, line 36, strike "\$299,294,769" and insert "\$299,444,769".
Page 220, line 36, strike "\$345,609,242" and insert "\$346,409,242".

Explanation:

(This amendment provides debt service to cover the additional projects authorized through amendments to the budget, as introduced.)

Item 296 #5c

Finance		Language
Treasury Board		

Language:

Page 224, line 39, strike "\$1,235,000,000" and insert "\$1,300,000,000"

Explanation:

(This amendment adjusts the limit for outstanding VPBA bonds to reflect newly authorized projects identified through separate amendments. This item is technical in nature.)

Item 298 #1c

Health And Human Resources

Secretary Of Health And Human
Resources

Language

Language:

Page 228, after line 8, insert:

"The Secretary of Health and Human Resources, in cooperation with the Bureau of Insurance in the State Corporation Commission, shall report on the availability of obstetrical services in the Commonwealth and identify any areas of the Commonwealth where there is inadequate access to such services. The report shall include information on (i) the factors contributing to inadequate access to services; (ii) the availability and affordability of malpractice insurance for obstetricians; (iii) any specific problems regarding access to obstetrical care for Medicaid and Family Access to Medical Insurance Security enrollees; and (iv) an assessment of the degree to which these factors may be contributing to the lack of access to obstetrical care in certain areas of the Commonwealth. The report shall make recommendations on actions that can be taken to improve access to obstetrical care throughout the Commonwealth. The Secretary shall provide the report to the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care by November 1, 2004."

Explanation:

(This amendment requires the Secretary of Health and Human Resources to report on the availability of and access to obstetrical services in the Commonwealth.)

Item 299 #1c

Health And Human Resources

Comprehensive Services For
At-Risk Youth And Families

Language

Language:

Page 231, after line 50, insert:

"F. The State Executive Council for the Comprehensive Services Act shall investigate the reasons leading to the practice of parents relinquishing custody of their children solely to obtain necessary and appropriate mental health services. The State Executive Council shall recommend policy options, including legislative action if appropriate, for abolishing this practice while continuing to make the services available and accessible to children, and report to the Chairmen of the House Appropriations and Senate Finance Committees, and to the Chairman of the Joint Commission on Health Care, by November 1, 2004."

Explanation:

(This amendment requires a report that will examine the reasons that parents relinquish custody of their children in order to receive services provided through the CSA program.)

Item 299 #2c

Health And Human Resources

Comprehensive Services For
At-Risk Youth And Families

Language

Language:

Page 231, after line 50, insert:

"F. Pursuant to subdivision 3 of §2.2-52.06, Code of Virginia, Community Policy and Management Teams shall enter into agreements with the parents or legal guardians of children receiving services under the Comprehensive Services Act for At-Risk Children and Youth. The Office of Comprehensive Services shall be a party to any such agreement. If the parent or legal guardian fails or refuses to pay the agreed upon sum on a timely basis and a collection action cannot be referred to the Division of Child Support Enforcement of the Department of Social Services, upon the request of the community policy management team, the Office of Comprehensive Services shall make a claim against the parent or legal guardian for such payment through the Department of Law's Division of Debt Collection in the Office of the Attorney General."

Explanation:

(This amendment allows the Office of Comprehensive Services for At-Risk Youth and Families (CSA) to assist localities in obtaining parental copayments for CSA services by using debt set-off as a tool in collecting payments. The Code of Virginia requires Community Policy and Management Teams to establish policies to assess the ability of parents or legal guardians to contribute financially to the cost of services to

be provided and, when not specifically prohibited by federal or state law or regulation, provide for appropriate parental or legal guardian financial contribution, using a standard sliding fee scale based upon ability to pay.)

Item 299 #3c

Health And Human Resources	FY 04-05	FY 05-06	
Comprehensive Services For At-Risk Youth And Families	(\$1,250,000)	(\$2,250,000)	GF

Language:

Page 228, line 15, strike "\$243,901,805" and insert "\$242,651,805".

Page 228, line 15, strike "\$258,301,341" and insert "\$256,051,341".

Page 228, line 23, strike "122,338,905" and insert "121,088,905".

Page 228, line 25, strike "131,283,579" and insert "129,033,579".

Page 228, line 40, strike "91,172,637" and insert "89,922,637".

Page 228, line 41, strike "96,449,154" and insert "94,199,154".

Page 231, after line 50, insert:

"F. The Office of Comprehensive Services, in cooperation with the Department of Medical Assistance Services, shall provide technical assistance and training to assist residential and treatment foster care providers who provide Medicaid-reimbursable services through the Comprehensive Services Act for At-Risk Children and Youth (CSA) to become Medicaid-certified providers.

G. The Office of Comprehensive Services shall work with the State Executive Council and the Department of Medical Assistance Services to assist Community Policy and Management Teams in appropriately accessing a full array of Medicaid-funded services for Medicaid-eligible children and youth through the Comprehensive Services Act for At-Risk Children and Youth, thereby increasing Medicaid reimbursement for treatment services and decreasing the number of denials for Medicaid services related to medical necessity and utilization review activities.

H. By November 1, 2004, the Office of Comprehensive Services shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care on progress in increasing Medicaid utilization for CSA services. The report shall also recommend additional strategies, as necessary, for increasing Medicaid utilization."

Explanation:

(This amendment requires the Office of Comprehensive Services to work with others to enroll providers in Medicaid and ensure that localities are able to appropriately access Medicaid services. Comprehensive Services Act for At-Risk Children and Youth (CSA) expenditures are decreased by \$3.5 million GF over the biennium in anticipation of better use of Medicaid funding for CSA services, coverage of a broader array of residential treatment services through the Medicaid program, and a decrease in Medicaid payment denials. A companion amendment in Item 326 directs the Department of Medical Assistance Services to amend the State Plan for Medical Assistance to cover additional services for CSA children who are Medicaid eligible.)

Item 299 #4c

Health And Human Resources

Comprehensive Services For
At-Risk Youth And Families

Language

Language:

Page 229, after line 30, insert:

"d. Pursuant to § 2.2-5200, Code of Virginia, Community Policy and Management Teams shall seek to ensure that services and funding are consistent with the Commonwealth's policies of preserving families and providing appropriate services in the least restrictive environment, while protecting the welfare of children and maintaining the safety of the public. Each locality shall submit to the Office of Comprehensive Services information on utilization of residential facilities for treatment of children and length of stay in such facilities. By November 1 of each year, the Office of Comprehensive Services shall report to the Governor and Chairmen of the House Appropriations and Senate Finance Committees on utilization rates and average lengths of stays statewide and for each locality."

Explanation:

(This amendment directs Community Policy and Management Teams to use the least restrictive setting in providing services through the Comprehensive Services Act for At-Risk Children and Youth and to report on utilization of residential services.)

Item 299 #5c

Health And Human Resources

Comprehensive Services For

Language

At-Risk Youth And Families

Language:

Page 231, after line 50, insert:

"F. Out of the federal Temporary Assistance to Needy Families block grant, \$957,821 the first year and \$957,821 the second year shall be designated for the "Community Services Trust Fund for Youth and Families." The Office of Comprehensive Services shall assist the Department of Social Services in developing procedures to support these activities."

Explanation:

(This amendment restores an earmark of \$957,821 each year from the federal Temporary Assistance to Needy Families block grant for the Comprehensive Services Act for At-Risk Youth and Families Trust Fund.)

Item 301 #1c

Health And Human Resources

Department For The Aging

Language

Language:

Page 232, line 36, strike "each" and insert "the second".

Page 232, strike lines 48 through 52.

Page 233, strike lines 1 and 2.

Explanation:

(This amendment eliminates language in the introduced budget that made the additional funding for the Virginia Public Guardian and Conservator Program contingent upon the Governor's proposed tax plan and corrects a typographical error related to the second year funding for the initiative. The introduced budget added \$110,000 the first year and \$250,000 the second year to establish five new Public Guardian and Conservator Programs in unserved areas. Currently, nine programs operate throughout the state and serve elderly and disabled adults who have no family or friends able to provide guardian services. This is one of several amendments eliminating contingency language for Olmstead initiatives in order to ensure funding for the additional services.)

Item 301 #2c

Health And Human Resources	FY 04-05	FY 05-06	
Department For The Aging	\$0	(\$150,000)	GF

Language:

Page 232, line 16, strike "\$26,573,352" and insert "\$26,423,352".

Page 233, line 35, strike "250,000" and insert "100,000".

Explanation:

(This amendment reduces the general fund appropriation from \$250,000 to \$100,000 in the second year for a web-based aging information system contained in the introduced budget. The system is based on a public-private partnership. The reduction reflects the expectation that additional private funding will be identified to support the operation of the system in the second year.)

Item 301 #3c

Health And Human Resources	FY 04-05	FY 05-06	
Department For The Aging	\$35,000	\$35,000	GF

Language:

Page 232, line 16, strike "\$26,433,352" and insert "\$26,468,352".

Page 232, line 16, strike "\$26,573,352" and insert "\$26,608,352".

Page 233, line 24, strike "\$329,809" and insert "\$364,809".

Page 233, line 25, strike "\$329,809" and insert "\$364,809".

Explanation:

(This amendment restores \$35,000 from the general fund each year to the Pharmacy Connect Program in Southwest Virginia that was reduced in the 2002-2004 biennium. Each dollar in the program currently leverages \$35.46, translating to an additional \$2.5 million in prescriptions to the citizens of the seven-county, one-city area.)

Item 301 #4c

Health And Human Resources	FY 04-05	FY 05-06	
Department For The Aging	\$750,000	\$850,000	GF

Language:

Page 232, line 16, strike "\$26,433,352" and insert "\$27,183,352".

Page 232, line 16, strike "\$26,573,352" and insert "\$27,423,352".

Explanation:

(This amendment restores \$750,000 GF the first year and \$850,000 GF the second year to meet the documented service needs of local area agencies on aging such as transportation services, in-home care, adult day health, care coordination, congregate meals, home-delivered meals and respite care. Funding for area agencies on aging was reduced by \$1.4 million each year in the 2002-04 biennium.)

Item 307 #1c

Health And Human Resources

Department Of Health

FY 04-05

(\$3,450,000)

FY 05-06

(\$3,450,000) NGF

Language:

Page 237, line 7, strike "\$25,179,240" and insert "\$21,729,240".

Page 237, line 7, strike "\$25,179,240" and insert "\$21,729,240".

Page 237, strike line 55.

Page 238, strike lines 1 through 6.

Page 238, line 7, strike "2" and insert "F".

Explanation:

(This amendment reduces nongeneral funds transferred to Emergency Medical Services (EMS) from the surcharge on motor vehicle registrations (\$4-for-Life) passed during the 2002 General Assembly. The introduced budget transferred \$12,754,625 each year in \$4-for-Life funds from motor vehicle registrations to EMS; however, the transfer was contingent upon passage of the Governor's tax proposal. This amendment reflects a transfer of \$9.3 million each year from the additional \$4-for-Life funds for Emergency Medical Services. A companion amendment in Item 3-6.02 retains \$3.45 million each year from the surcharge and transfers these funds to the general fund. Finally, budget language that made this increase contingent upon passage of the Governor's tax proposal is eliminated to ensure that additional revenue will be provided for EMS.)

Item 309 #1c

Health And Human Resources

Department Of Health

Language

Language:

Page 238, line 26, strike "2002" and insert "2004".

Page 238, line 27, strike "10.00" and insert "12.00".

Page 238, line 32, after "Fund", insert:

"and two dollars of each fee collected shall be used to fund health care services".

Explanation:

(This amendment increases the fee for vital records from \$10.00 to \$12.00 on July 1, 2004, to offset the cost of publicly funded health care services.)

Item 310 #1c

Health And Human Resources

FY 04-05

FY 05-06

Department Of Health

\$50,000

\$50,000 GF

Language:

Page 238, line 34, strike "\$89,997,059" and insert "\$90,047,059".

Page 238, line 34, strike "\$91,107,059" and insert "\$91,157,059".

Page 239, after line 15, insert:

"D. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the general fund shall be used to purchase medications for individuals who have tuberculosis but who do not qualify for free or reduced prescription drugs and who do not have adequate income or insurance coverage to purchase the required prescription drugs."

Explanation:

(This amendment provides funding for the purchase of medications to treat tuberculosis in persons who are uninsured or underinsured.)

Item 312 #1c

Health And Human Resources

FY 04-05

FY 05-06

Department Of Health

\$100,000

\$100,000 GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 241, after line 56, insert:

"H. Out of this appropriation, \$100,000 the first year and \$100,000 the second year from the general fund shall be provided to the Virginia Department of Health to provide case management services to pregnant women in rural communities who lose obstetrical services."

Explanation:

(This amendment provides funding for the Virginia Department of Health for case management services in areas of the Commonwealth that lose obstetrical services. Services may include clinic visits, home visiting services, and other services to promote safe and healthy deliveries and infant care.)

Item 312 #2c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Health	\$50,000	\$50,000	GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,226,490".
Page 240, line 15, strike "\$5,176,490" and insert "\$5,226,490".
Page 240, line 22, strike "\$125,000" and insert "\$175,000".
Page 240, line 23, strike "\$125,000" and insert "\$175,000".
Page 240, line 27, strike the first "2,020,640" and insert "2,141,890".
Page 240, line 27, strike the second "2,020,640" and insert "2,141,890".

Explanation:

(This amendment restores \$50,000 the first year and \$50,000 the second year from the general fund for the Comprehensive Health Investment Project (CHIP) of Virginia to enable the program to draw down federal matching funds. Language also restores \$121,250 each year from the federal Temporary Assistance to Needy Families grant that was reduced in the introduced budget.)

Item 313 #1c

Health And Human Resources	
Department Of Health	Language

Language:

Page 242, after line 25, insert:
"B.1. Out of the federal Temporary Assistance to Needy Families block grant,

\$176,800 the first year and \$176,800 the second year shall be designated for the Resource Mothers Sibling program."

Page 242, line 26, strike "B." and insert "2."

Explanation:

(This amendment restores an earmark of federal Temporary Assistance to Needy Families (TANF) block grant funding for the Resource Mothers Sibling program, a program that targets pregnancy prevention services to the siblings of pregnant or parenting teenagers. TANF funds provided to the program, are equal to the amount provided in fiscal year 2004.)

Item 313 #2c

Health And Human Resources

Department Of Health

Language

Language:

Page 242, after line 30, insert:

"C. Out of the federal Temporary Assistance to Needy Families block grant, \$765,000 the first year and \$765,000 the second year shall be designated for the Partners in Prevention Program."

Explanation:

(This amendment restores an earmark from the federal Temporary Assistance to Needy Families (TANF) block grant for the Partners in Prevention Program, a program established to encourage and support community-directed strategies to prevent and reduce the incidence of out-of-wedlock births. Funds earmarked for this program were reduced by ten percent each year as part of a strategy to balance revenues and expenditures from the TANF block grant.)

Item 313 #3c

Health And Human Resources

Department Of Health

Language

Language:

Page 242, after line 30, insert:

"C. Out of the federal Temporary Assistance to Needy Families block grant, \$910,000 the first year and \$910,000 the second year shall be designated for the

operation of the teenage pregnancy prevention programs in the health districts of Richmond, Norfolk, Alexandria, Roanoke City, Crater, Portsmouth, and Eastern Shore."

Explanation:

(This amendment restores an earmark of \$910,000 each year from the federal Temporary Assistance to Needy Families (TANF) block grant for teenage pregnancy prevention programs operated by local health departments in areas with high teenage pregnancy rates. TANF funds earmarked for these programs are equal to the amount provided in fiscal year 2004.)

Item 314 #1c

Health And Human Resources

Department Of Health

Language

Language:

Page 242, line 53, strike each "\$180,000" and insert "\$200,000".

Page 243, after line 29, insert:

"3. Of this appropriation, \$200,000 the first year and \$200,000 the second year from federal Temporary Assistance to Needy Families/Social Services Block Grant funds shall be paid to the Virginia Health Care Foundation for programs that assist low-income persons in the acquisition of reduced cost medication from pharmaceutical manufacturers."

Explanation:

(This amendment restores an earmark of \$200,000 each year from the federal Temporary Assistance to Needy Families/Social Services Block Grant funds to the Virginia Health Care Foundation to operate programs that assist low-income persons in the acquisition of reduced cost medication from pharmaceutical manufacturers. This program currently operates in the Mt. Rogers Planning District.)

Item 314 #2c

Health And Human Resources

Department Of Health

FY 04-05

\$125,000

FY 05-06

\$125,000 GF

Language:

Page 242, line 31, strike "\$166,547,101" and insert "\$166,672,101".

Page 242, line 31, strike "\$166,547,101" and insert "\$166,672,101".

Page 242, line 51, strike "\$1,800,571" and insert "\$1,925,571".

Page 242, line 52, strike "\$1,800,571" and insert "\$1,925,571".

Page 243, after line 29, insert:

"3. Of this appropriation, \$125,000 the first year and \$125,000 the second year from the general fund shall be paid to the Virginia Health Care Foundation to expand the Pharmacy Connection software program to unserved or underserved regions of the Commonwealth."

Explanation:

(This amendment provides \$125,000 each year from the general fund to the Virginia Health Care Foundation to solicit proposals to expand the Pharmacy Connection software program to unserved or underserved regions of the Commonwealth in order to increase access to free or reduced price prescription drugs for low-income Virginians.)

Item 314 #3c

Health And Human Resources

FY 04-05

FY 05-06

Department Of Health

\$75,000

\$75,000 GF

Language:

Page 242, line 31, strike "\$166,547,101" and insert "\$166,622,101".

Page 242, line 31, strike "\$166,547,101" and insert "\$166,622,101".

Page 243, after line 29, insert:

"3. Out of this appropriation, \$75,000 the first year and \$75,000 the second year from the general fund shall be provided to the Virginia Health Care Foundation for the Rx Partnership to improve access to free medications for low-income Virginians."

Explanation:

(This amendment provides funding to support the establishment of the Rx Partnership, a public-private partnership to increase access to prescription medication for Virginia's low-income, uninsured population. These funds shall be matched with public and/or private resources through the Virginia Health Care Foundation. The Rx Partnership will operate as a virtual warehouse by soliciting free medications from pharmaceutical manufacturers to be dispensed through affiliated non-profit, licensed pharmacies that are credentialed and monitored by Rx Partnership. This is a recommendation of the Joint Commission on Health Care.)

Item 322 #1c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 248, after line 17, insert:

"G. The Department of Medical Assistance Services shall report on the degree to which hospital emergency rooms are being used by Medicaid fee-for-service clients for non-emergency care, and identify actions that could be taken to limit inappropriate use of this treatment setting. In conducting its review, the Department shall: (i) assess recent trends in emergency room use by Medicaid fee-for-service enrollees; (ii) estimate the incidence of Medicaid clients using the emergency room for non-emergency care; (iii) identify effective actions taken by the organizations participating in the Department's managed care program as well as other state Medicaid programs to limit inappropriate use of the emergency room; (iv) consult with physicians and hospitals in assessing and developing programs that direct patients to primary care settings; and (v) recommend actions that can be taken to ensure emergency room usage by Medicaid fee-for-service clients is appropriate and medically necessary. The Department shall report its findings and recommendations to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2004."

Explanation:

(This amendment requires the Department of Medical Assistance Services to assess the extent to which fee-for-service Medicaid clients are using emergency rooms for routine clinic services and recommend appropriate measures if necessary.)

Item 322 #2c

Health And Human Resources

Department Of Medical Assistance
Services

FY 04-05

\$300,000
\$300,000

FY 05-06

\$0 GF
\$0 NGF

Language:

Page 246, line 25, strike "\$75,013,771" and insert "\$75,613,771".

Page 248, after line 17, insert:

"G. The Department of Medical Assistance Services shall have the authority to amend the Medallion II waiver to allow the Department to carve out dental services

provided to children under the age of 21 from Medicaid managed care. In addition, the Department shall have the authority to amend the State Plans for Titles XIX (Medical Assistance) and XXI (Family Access to Medical Insurance Security) of the Social Security Act, as required by applicable statute and regulations to provide dental services to children enrolled in these programs on a fee-for-service basis. The Department of Medical Assistance Services shall have the authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act, to effect this provision. The Department of Medical Assistance Services may consider outsourcing such dental services to children under age 21 to an administrative services program."

Explanation:

(This amendment carves out dental services from Medicaid managed care and provides for reimbursement of these services on a fee-for-service basis. Currently, only 20 percent of children enrolled in the Medicaid or FAMIS program are receiving dental services they are eligible to receive and only 16 percent of licensed dentists in Virginia participate in the Medicaid program. This is one strategy to encourage more dentists to participate in Medicaid. Funding will be used to handle provider outreach, case management, help-line, and other provider enrollment functions currently handled by managed care organizations.)

Item 322 #3c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$150,000	\$100,000	GF
Services	\$150,000	\$100,000	NGF
	2.00	2.00	FTE

Language:

Page 246, line 25, strike "\$75,013,771" and insert "\$75,313,771".

Page 246, line 25, strike "\$75,013,728" and insert "\$75,213,728".

Page 248, after line 17, insert:

"G. Included in this appropriation is \$150,000 from the general fund and \$150,000 from nongeneral funds in the first year and \$100,000 from the general fund and \$100,000 from nongeneral funds in the second year for the Department of Medical Assistance Services (DMAS) to complete a baseline encounter data validation study to assess the accuracy, completeness, and quality of encounter data from contracted Medicaid and Family Access to Medical Insurance Services managed care plans and from the DMAS Medicaid Management Information System. The encounter data

validation analysis may include an assessment of encounter data used for managed care plan rate-setting and risk-adjustment, the development of necessary revisions to the recently implemented DMAS Medicaid Management Information System, and feedback to the health plans in the form of Data Quality Improvement Plans."

Explanation:

(This amendment provides \$150,000 general fund and \$150,000 nongeneral fund in fiscal year 2005 and \$100,000 general fund and \$100,000 nongeneral fund in fiscal year 2006 to hire a consultant to assess the compatibility of the department's information system and the encounter data collected by Medicaid managed care organizations to determine what system changes are necessary to permit the collection, transmission, and analysis of data on encounter claims. Funding will also be used to hire two positions to bolster the Department's ability to provide oversight for Medicaid managed care expenditures, which have grown as the program has transitioned from fee-for-service to a capitation-based approach to providing health care services. In fiscal year 2003, Medicaid managed care expenditures totaled almost \$769 million in state and federal funds.)

Item 326 #1c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to set the rate for durable medical equipment at the Durable Medical Equipment Regional Carrier (DMERC) reimbursement level for those items that have a national Healthcare Common Procedure Coding System (HCPCS) code. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act."

Explanation:

(This amendment modifies the reimbursement methodology for certain durable medical equipment.)

Item 326 #2c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 263, strike lines 53 through 59 and insert:

"WW.1. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to modify the reimbursement methodology used to reimburse for generic drug products. The new methodology shall reimburse for the product cost based on a Maximum Allowable Cost list to be established by the Department. Such amendments shall be effective within 280 days or less from the enactment of this act.

2. In developing the maximum allowable cost (MAC) reimbursement rate for generic pharmaceuticals, the Department shall: (i) publish the factors used to set state MAC rates, including the identity of the reference product used to set the MAC rate; the GCN number of the reference product; the factor by which the MAC rate exceeds the reference product price, which shall be not less than 110 percent of the lowest-published wholesale acquisition cost for products widely available for purchase in the state, and included in national pricing compendia; and the identity and date of the published compendia used to determine the reference product and set the MAC rate; (ii) identify three different suppliers that are able to supply the product and from whom pharmacies are able to purchase sufficient quantities of the drug. The drugs considered must be listed as therapeutically and pharmaceutically equivalent in the FDA's most recent version of the "Orange Book"; (iii) identify that the use of a MAC rate is lower than the Federal Upper Limit (FUL) for the drug, or the development of a MAC rate that does not have a FUL will not result in the use of higher-cost innovator brand name or single source drugs in the Medicaid program; and (iv) distribute the list of state MAC rates to pharmacy providers in a timely manner prior to the implementation of MAC rates and subsequent modifications.

3. The Department shall: (i) review and update the list of MAC rates at least quarterly; (ii) implement and maintain a procedure to eliminate products from the list, or modify MAC rates, consistent with changes in the marketplace; and (iii) provide an administrative appeals procedure to allow a dispensing provider to contest a listed MAC rate.

4. The Department shall report on savings achieved through the implementation of MAC rates in the Medicaid pharmacy program to the Chairmen of the House

Appropriations and Senate Finance Committees, and the Joint Commission on Health Care by January 1 of each year."
Page 264, strike line 1.

Explanation:

(This amendment sets forth criteria for the Department of Medical Assistance Services to use in developing a new methodology for reimbursing for generic drugs through the Medicaid program. Language requires the Department to adhere to set criteria in implementing the new reimbursement methodology and to report on savings achieved through the initiative by January 1 of each year.)

Item 326 #3c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 256, strike line 19 and insert "V."

Page 256, line 20, strike "Medicaid and Medicare Services" and insert:

"The Department of Medical Assistance Services shall discontinue efforts to seek approval".

Page 256, line 26, strike "As part of this initiative, the" and insert "The".

Page 256, line 28, strike "eliminate" and insert "restore".

Page 256, line 32, strike "implement these necessary", and insert:

"promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act."

Page 256, strike lines 33 through 34.

Explanation:

(This amendment directs the Department of Medical Assistance Services to restore the elderly case management services to the State Plan for Medical Assistance and abandon efforts to seek a Research and Demonstration 1115 Waiver for the management of chronic care conditions of elderly and disabled persons. No change in funding is required.)

Item 326 #4c

Health And Human Resources

Language:

Page 263, line 39, strike ", terminate".

Page 263, line 41, after "Waiver", insert:

", provided that individuals eligible for the waivers do not lose necessary services".

Explanation:

(This amendment modifies language in the introduced budget which would amend, terminate and/or combine the Medicaid Elderly and Disabled Waiver and the AIDS Waiver programs. It would ensure that eligible AIDS waiver recipients continue to receive necessary services, such as nutritional supplements and case management services, whether the AIDS Waiver remains as a separate program or is combined with the Elderly and Disabled Waiver program.)

Item 326 #5c

Health And Human Resources

Language:

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall ensure that in the process of developing the Preferred Drug List, the Pharmacy and Therapeutics Committee considers the value of including those prescription medications which improve drug regimen compliance, reduce medication errors, or decrease medication abuse through the use of medication delivery systems that include, but are not limited to, transdermal and injectable delivery systems."

Explanation:

(This amendment requires the Pharmacy and Therapeutics Committee to consider the value of prescription medications that improve compliance, reduce medication errors, and decrease prescription drug abuse.)

Item 326 #6c

Health And Human Resources

Language:

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services, in cooperation with the Department of Social Services' Division of Child Support Enforcement, shall identify and initiate third party recovery actions where there is a medical support order requiring a noncustodial parent to contribute to the medical cost of a child who is enrolled in the Medicaid or Family Access to Medical Insurance Security (FAMIS) Programs."

Explanation:

(This amendment requires the Department of Medical Assistance Services to work with the Department of Social Services' Division of Child Support Enforcement to identify and initiate third party recovery actions in cases in which there is a medical support order for a noncustodial parent whose child is enrolled in either the Medicaid or FAMIS programs.)

Item 326 #7c

Health And Human Resources

FY 04-05

FY 05-06

Department Of Medical Assistance
Services

(\$500,000)
(\$500,000)

(\$500,000) GF
(\$500,000) NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,056,098,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,427,632,619".

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall have the authority to amend its State Plan for Medical Assistance to implement and/or increase cost sharing requirements for eligible recipients as determined necessary to meet the savings targets included in this Act, consistent with federal law concerning Medicaid cost-sharing and in a manner which limits administrative complexities as deemed appropriate by the Department. The Department shall have the authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act to effect this provision. The Department shall report on the implementation of this provision to the Chairmen of the Senate Finance and House Appropriations Committees by October 1, 2004."

Explanation:

(This amendment requires the Medicaid program to implement and/or increase minimal cost sharing requirements for Medicaid recipients for services in order to achieve savings of \$500,000 general fund each year. Currently, the Virginia Medicaid program does not charge copayments for a number of services as allowed by federal law and regulations. Language is added requiring the Department to report on the imposition of new cost-sharing requirements by October 1, 2004.)

Item 326 #8c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 264, after line 47, insert:

"BBB. Effective June 30, 2006, the amount of federal financial participation for special education Medicaid and Family Access to Medical Insurance Security services for administrative and other services provided and billed for by school divisions that is retained by the Department of Medical Assistance Services will be no greater than the amount retained in fiscal year 2006."

Explanation:

(This amendment caps the amount of matching federal funds retained by the Department of Medical Assistance Services for administrative costs associated with the billing of school health services for Medicaid-eligible special education students who receive school health services at the end of the current biennium.)

Item 326 #9c

Health And Human Resources

Department Of Medical Assistance
Services

FY 04-05

\$2,666,667

\$2,666,667

FY 05-06

\$4,000,000

\$4,000,000

GF

NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,062,431,911".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,436,632,619".

Page 251, line 30, after "2.", insert "a."

Page 251, line 31, strike the first "133,071,896" and insert "135,738,563".

Page 251, line 31, strike the second "133,071,896" and insert "135,738,563".

Page 251, line 33, strike the first "140,338,679" and insert "144,338,679".

Page 251, line 31, strike the second "140,338,679" and insert "144,338,679".

Page 251, after line 45, insert:

"b. Of the amounts for the Mental Retardation Home- and Community-based Waiver Program included in paragraph 2.a., \$2,666,667 the first year and \$4,000,000 the second year from the general fund and \$2,666,667 the first year and \$4,000,000 the second year from nongeneral funds shall be provided for 160 new waiver slots for individuals currently residing in mental retardation training centers who have been determined to be ready for discharge and have chosen to be served in the community."

Explanation:

(This amendment provides funding for 160 new Mental Retardation Home and Community-based Waiver slots for individuals residing in mental retardation training centers who are waiting to be discharged. A companion amendment in Item 332 transfers the general fund dollars and language for the 160 additional slots from the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS). The introduced budget incorrectly provided funding for the waiver slots in the DMHMRSAS. Funding for Mental Retardation Waiver slots is provided through the Department of Medical Assistance Services. This is one of several amendments addressing Olmstead initiatives.)

Item 326 #10c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 255, line 31, strike "initial and ongoing" and insert "semi-annual".

Page 264, after line 47, insert:

"BBB. Effective July 1, 2005, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to include reimbursement for required tuition payments for children receiving Medicaid-eligible residential services, provided such educational services are part of the treatment plan. The Department, in cooperation with the Office of Comprehensive Services, shall report by January 1, 2005, on the regulatory changes necessary to effect the inclusion of these new services under Medicaid and the related fiscal savings to the Comprehensive Service Act for At-risk Children and Youth program."

Explanation:

(This amendment requires the Department of Medical Assistance Services to provide semi-annual training to local Comprehensive Services Act (CSA) teams to ensure that localities appropriately access Medicaid-funded CSA services for the treatment of at-risk children and youth through the Comprehensive Services Act, thereby decreasing Medicaid payment denials. Language also directs the Department to cover tuition payments in residential facilities for Medicaid-eligible CSA children, if the services are included in the treatment plans for those children. Federal law and regulations allow reimbursement for these expenditures. A companion amendment in Item 299 captures savings in the CSA program to account for these actions.)

Item 326 #11c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance Services	\$750,000	\$750,000	GF
	\$750,000	\$750,000	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,058,598,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,430,132,619".

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance governing Medicaid reimbursements for hospitals to provide enhanced reimbursements to provide an increase in Indirect Medical Education payments for non-state owned hospitals with base year 2002 Medicaid Neonatal Intensive Care Unit (NICU) utilization greater than 50 percent, as reported to the Department as of March 1, 2004. Out of this appropriation, \$750,000 from the general fund and \$750,000 from nongeneral funds the first year and \$750,000 from the general fund and \$750,000 from nongeneral funds the second year shall be provided for this purpose. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act."

Explanation:

(This amendment provides enhanced reimbursements to inpatient hospitals with Medicaid utilization rates greater than 50 percent of their Neonatal Intensive Care Unit (NICU) patient populations. The enhanced reimbursements would be proportionally distributed to the hospitals based on each hospital's share of NICU Medicaid patient days.)

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$500,000	\$4,700,000	GF
Services	\$500,000	\$4,700,000	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,058,098,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,438,032,619".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$500,000 from the general fund and \$500,000 from nongeneral funds the first year and \$4,700,000 from the general fund and \$4,700,000 from nongeneral funds the second year shall be used to increase the rates paid for the community-based Medicaid mental retardation waiver program."

Explanation:

(This amendment provides a modest rate increase on July 1, 2004, and a three percent increase on July 1, 2005, for the rates paid to providers of Medicaid mental retardation waiver services to allow providers to keep pace with the inflationary costs of providing services.)

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$1,133,333	\$1,700,000	GF
Services	\$1,133,333	\$1,700,000	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,059,365,243".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,432,032,619".

Page 264, line 35, strike "\$344,756" and insert "\$1,478,089".

Page 264, line 35, strike "\$459,675" and insert "\$2,159,675".

Page 264, line 36, strike "\$344,756" and insert "\$1,478,089".

Page 264, line 37, strike "\$459,675" and insert "\$2,159,675".

Page 264, line 39, strike "is" and insert ".".

Page 264, delete lines 40 through 43.

Explanation:

(This amendment provides funding to add 80 new community-based Medicaid developmental disabilities (DD) waiver slots for a total of 105 new DD waiver slots for

disabled individuals living in the community by the end of the 2004-06 biennium. Language that made this increase contingent upon passage of the Governor's tax proposal is eliminated in order to ensure that additional DD waivers will be provided.)

Item 326 #14c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$2,500,000	\$0	GF
Services	\$2,500,000	\$0	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,062,098,577".

Page 258, line 59, strike "\$18,000,000" and insert "\$15,500,000".

Page 258, line 60, before "from", insert:

"the first year and \$18,000,000 the second year."

Page 258, line 60, strike "in each fiscal year."

Page 259, after line 12, insert:

"7. If the Department of Medical Assistance Services does not exempt antidepressants and antianxiety medications used for the treatment of mental illness from the Medicaid Preferred Drug List (PDL) program, it should defer inclusion of such drug classes from the PDL until July 1, 2005. Prior to including these drug classes in the PDL Program, the Department shall provide a plan for inclusion, which stipulates mechanisms to minimize adverse impacts on consumers, to ensure appropriate provider education that will promote effective prescribing practices that are medically indicated, and to ensure that inclusion is evidence-based, clinically efficacious and cost-effective. The Department shall report the plan to the Governor and Chairman of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care by January 1, 2005."

Explanation:

(This amendment defers the inclusion of antidepressants and antianxiety medications used for the treatment of mental illness from the Preferred Drug List (PDL) program until fiscal year 2006, pending completion of a report on the impact of including these drug classes in the PDL program.)

Item 326 #15c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$13,500,000	\$18,200,000	GF

Services \$13,500,000 \$18,200,000 NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,084,098,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,465,032,619".

Page 251, line 30, after "2.", insert "a."

Page 251, line 31, strike the first "133,071,896" and insert "146,571,896".

Page 251, line 31, strike the second "133,071,896" and insert "146,571,896".

Page 251, line 33, strike the first "140,338,679" and insert "158,538,679".

Page 251, line 31, strike the second "140,338,679" and insert "158,538,679".

Page 251, after line 45, insert:

"b. Of the amounts for the Mental Retardation Home- and Community-based Waiver Program included in paragraph 2.a., \$13,500,000 the first year and \$18,200,000 the second year from the general fund and \$13,500,000 the first year and \$18,200,000 the second year from nongeneral funds shall be provided to add 700 new waiver slots by the end of the 2004-06 biennium for individuals living in the community. Any unexpended appropriations for this purpose shall be carried forward for use in the following fiscal year.

c. By July 1, 2005, the Department of Medical Assistance Services, in consultation with the Department of Mental Health, Mental Retardation, and Substance Abuse Services and Community Services Boards, shall determine whether sufficient capacity exists to expand the Mental Retardation (MR) Waiver Program to 880 slots in fiscal year 2006. In the event the agencies determine that insufficient capacity exists to absorb the additional 180 MR waiver slots, the Department shall develop a plan to meet the needs of 180 new individuals."

Explanation:

(This amendment provides funding for 700 new mental retardation (MR) waiver slots for individuals on the urgent care waiting list. Budget language is added requiring the Departments of Medical Assistance Services and Mental Health, Mental Retardation, and Substance Abuse Services to determine if sufficient capacity exists to absorb 180 additional MR waivers in the second year of the biennium. A separate amendment to this item provides funding for 160 MR waiver slots for individuals residing in state mental retardation training centers.)

Item 326 #16c

Health And Human Resources

FY 04-05

FY 05-06

Department Of Medical Assistance	\$140,302	\$148,719	GF
Services	\$140,302	\$148,719	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,057,379,181".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,428,930,057".

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall have the authority to amend the State Plan for Medical Assistance to increase reimbursements to physicians delivering services to recipients in hospital emergency rooms effective July 1, 2004. Out of this appropriation, the expenditure of \$140,302 the first year and \$148,719 the second year from the general fund and \$140,302 the first year and \$148,719 the second year from nongeneral funds shall be used to increase reimbursements by two percent above the fiscal year 2004 level. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act."

Explanation:

(This amendment increases the Medicaid reimbursement for emergency room physicians by two percent on July 1, 2004.)

Item 326 #17c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$3,000,000	GF
Services	\$0	\$3,000,000	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,434,632,619".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$3,000,000 from the general fund and \$3,000,000 from nongeneral funds the second year shall be used to increase personal care reimbursement rates provided under community-based Medicaid waiver programs by five percent."

Explanation:

(This amendment provides a total of \$6.0 million the second year to reimburse providers for the cost of services provided by increasing the statewide rate paid for personal care services under Medicaid community-based waiver programs from \$13.38/hour to \$14.05 in northern Virginia and \$11.36/hour to \$11.93/hour in the rest of the state.)

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$37,000,000	(\$54,800,000)	GF
Services	(\$37,000,000)	\$54,800,000	NGF

Language:

Page 264, line 46, strike "\$310,700,000" and insert "\$273,700,000".

Page 264, line 46, strike "\$276,300,000" and insert "\$331,100,000".

Explanation:

(This amendment provides an increase of \$37.0 million general fund the first year and a decrease of \$54.8 million general fund the second year for Medicaid utilization and inflation reflecting a change in nongeneral funds appropriated for the program from the Virginia Health Care Trust Fund. Funding is adjusted to reflect changes in revenues generated for the Trust Fund from House Bill 5018 and revised estimates of Medicaid recoveries. Revenues deposited in the Trust Fund from House Bill 5018 reflect an increase in cigarette taxes to 20 cents per pack on August 1, 2004 and 30 cents per pack on July 1 2005. The introduced budget assumed a cigarette tax of 25 cents in both years. Effective March 1, 2005, House Bill 5018 also imposes a 10 percent tax at the wholesale level on other tobacco products such as, cigars, pipe smoke, and smokeless tobacco.)

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$2,918,700	GF
Services	\$0	\$2,918,700	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,434,470,019".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$2,918,700 from the general fund and \$2,918,700 from nongeneral funds the second year shall be provided for 300 slots for a 1915(c) Medicaid waiver for day support services. Contingent upon approval by the Centers for Medicare and Medicaid Services (CMS), the Department of Medical Assistance Services (DMAS) is directed to develop such waiver in coordination with the Department of Mental Health, Mental Retardation, and Substance Abuse Services, and

affected constituents. The Department shall have the authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act to effect this provision."

Explanation:

(This amendment provides \$2.9 million from the general fund in the second year and matching federal Medicaid dollars to create a new Day Support Waiver program for 300 individuals with mental retardation who are living at home and are on the waiting list for mental retardation waiver services. Day support services include a variety of training, assistance, support, and specialized supervision provided in a nonresidential setting to increase self-help, socialization, and adaptive skills. As of January 2004, it was estimated that more than 2,000 individuals were waiting for a mental retardation waiver slot. This initiative, in addition to the expansion of the Mental Retardation waiver program by 700 slots, will provide services for almost 1,000 individuals with mental retardation who are living in the community.)

Item 326 #20c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$991,219	GF
Services	\$0	\$991,219	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,430,615,057".

Explanation:

(This amendment provides funding for 140 assisted living residents who are projected to become eligible for Medicaid as a result of implementing a rate increase for the Auxiliary Grant Program. A companion amendment to Item 359 provides an increase of \$28.00 each month from \$866 to \$894, which results in an increase in the number of individuals eligible for the Auxiliary Grant. Auxiliary Grant recipients are automatically eligible for the Medicaid program.)

Item 326 #21c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$869,249	GF
Services	\$0	\$869,249	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,430,371,117".

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to increase the dispensing fee paid to pharmacists for generic drug products from \$3.75 to \$4.00 per prescription per month. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act."

Explanation:

(This amendment increases the Medicaid reimbursement for pharmacy dispensing fees for generic drugs from \$3.75 to \$4.00 per prescription per month.)

Item 326 #22c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 264, after line 47, insert:

"BBB. In developing a long-term disease state management program, the Department of Medical Assistance Services shall consider including initiatives which positively impact health care costs in children and adults with asthma and other chronic diseases."

Explanation:

(This amendment adds language requiring the Department of Medical Assistance Services to consider including asthma and other chronic diseases in the development of a long-term disease management program.)

Item 326 #23c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 264, line 7, strike "the expenditure of".

Page 264, line 9, strike "for the adjustment" and insert:
"is provided for this purpose."
Page 264, strike lines 10 through 13.

Explanation:

(This amendment removes budget language from the introduced budget that made the increase in hospital reimbursement rates contingent upon passage of the Governor's tax proposal. Removal of this language guarantees that inpatient hospital reimbursement rates will be increased from 72 to 75 percent of allowable costs on July 1, 2005.)

Item 326 #24c

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 264, line 27, strike "the expenditure of".
Page 264, line 29, after "funds", insert "is provided".
Page 264, line 30, strike "is contingent up the passage into law" and insert "."
Page 264, strike lines 31 through 33.

Explanation:

(This amendment removes budget language from the introduced bill that made an increase of \$3.00 per patient per day for nursing homes contingent upon passage of the Governor's tax proposal. Eliminating the language ensures that nursing home providers will receive the increase on July 1, 2005.)

Item 330 #1c

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 268, after line 50, insert:
"L. The Department of Mental Health, Mental Retardation and Substance Abuse

Services, in cooperation with the Department of Criminal Justice Services, shall incorporate information about programs that divert individuals with mental illness, substance abuse and co-occurring disorders from jail or secure detention in the Department's web-based Internet site that is currently under development."

Explanation:

(This amendment is self-explanatory. It is a recommendation of the Joint Commission on Health Care.)

Item 330 #2c

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 268, after line 50, insert:

"L. Beginning October 1, 2005, the Commissioner of the Department of Mental Health, Mental Retardation, and Substance Abuse Services shall annually submit a report to the Chairmen of the Senate Finance and House Appropriations Committees regarding Community Service Board contracts with private service providers, to include contract amounts paid to each private provider, number of patients served, term of inpatient treatment, any savings realized by community-based treatment, and any fiscal impact on state hospitals."

Explanation:

(This amendment requires a report on the department's contracts with private mental health providers beginning October 1, 2005.)

Item 330 #3c

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 268, strike lines 31 through 50.

Explanation:

(This amendment removes language that created a community integration oversight advisory committee to monitor and report on progress toward implementation of Olmstead-related activities. Deleting the language does not inhibit the department from monitoring progress on the implementation of the Supreme Court's Olmstead decision in Virginia.)

Item 330 #4c

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 268, after line 50, insert:

"L. In the event the Department of Mental Health, Mental Retardation, and Substance Abuse Services pursues the utilization of a Preferred Drug List, the Commissioner shall ensure the consideration of the value of including those prescription medications which improve drug regimen compliance, reduce medication errors, or decrease medication abuse through the use of medication delivery systems that include, but are not limited to, transdermal and injectable delivery systems."

Explanation:

(This amendment requires the Department of Mental Health, Mental Retardation and Substance Abuse Services to consider the value of prescription medications that improve compliance with drug treatment, reducing medication errors, or decreasing medication abuse if it decides to pursue a preferred drug list for non-Medicaid clients.)

Item 330 #5c

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

FY 04-05

\$0

FY 05-06

(\$209,000) GF

Language:

Page 266, line 18, strike "\$18,107,290" and insert "\$17,898,290".

Explanation:

(This amendment reduces \$209,000 from the general fund in the second year for treatment services to be provided to sex offenders who are conditionally released to the community. Because enrollment in the newly created program is slower than anticipated, fiscal year 2006 funding is provided at the fiscal year 2005 amount of \$325,000.)

Item 330 #6c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Mental Health,	\$100,000	\$100,000	GF
Mental Retardation And Substance Abuse Services	2.00	2.00	FTE

Language:

Page 266, line 18, strike "\$18,433,014" and insert "\$18,533,014".

Page 266, line 18, strike "\$18,107,290" and insert "\$18,207,290".

Explanation:

(This amendment provides \$100,000 each year from the general fund and two licensing specialists to manage the increase in licensed providers and the expansion of community-based services. Staff will be able to license new applicants in a reasonable period of time, monitor services and investigate complaints as statutorily mandated to promote safety and assure that treatment and care are provided as required.)

Item 330 #7c

Health And Human Resources	
Department Of Mental Health,	Language
Mental Retardation And Substance Abuse Services	

Language:

Page 268, after line 50, insert:

"L. The Department of Mental Health, Mental Retardation and Substance Abuse

Services shall consider the feasibility of entering into a public-private partnership or contract with a vendor for the operation of clinical treatment services for the sexually violent predator program. If the Department determines that a public-private partnership or contract is feasible and cost-effective, selection criteria shall be developed by the Department. Such criteria may include a requirement that the vendor have ongoing experience operating sexually violent predator programs in other states. Such public-private partnership or contract, if entered into by the Department, shall enable the Department to contract for perimeter security, medical services, transportation, and dietary services for the program from other state agencies and facilities."

Explanation:

(This amendment directs the Department of Mental Health, Mental Retardation and Substance Abuse Services to examine the feasibility of contracting operations for the sexually violent predator program with a private entity.)

Item 332 #1c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Mental Health, Mental Retardation And Substance Abuse Services	(\$2,666,667)	(\$4,000,000)	GF

Language:

- Page 269, line 5, strike "\$24,269,206" and insert "\$21,602,539".
- Page 269, line 5, strike "\$27,608,206" and insert "\$23,608,206".
- Page 269, strike lines 26 through 33.
- Page 269, line 34, strike "D" and insert "C".
- Page 269, line 41, strike "E" and insert "D".

Explanation:

(This technical amendment eliminates funding and language for 160 new Mental Retardation Home and Community-based Waiver slots in the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS). A companion amendment in Item 326 adds the funding and language for the additional slots in the Department of Medical Assistance Services. The introduced budget incorrectly provides funding for the new waiver slots in the DMHMRSAS budget. Funding for Mental Retardation Waiver slots is provided through the Department of Medical Assistance Services.)

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 269, line 36, after "fund" insert "is"

Page 269, line 37, strike "is contingent upon the" and insert "."

Page 269, strike lines 38 through 40.

Explanation:

(This amendment eliminates language in the introduced budget that made additional funding to discharge 77 long-term mentally disabled patients from state facilities contingent upon the Governor's proposed tax plan. The introduced budget added \$9.0 million from the general fund to allow for the discharge of long-term rehabilitation patients who have been identified and are ready to be discharged from state mental health facilities. Funding, estimated at \$70,000 per individual, will be used to provide specialized services for individuals who face extraordinary barriers to placement in the community. This is one of several amendments that removes the contingency language from Olmstead initiatives in order to ensure funding for these services.)

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 269, line 43, after "fund" insert "is".

Page 269, line 44, strike "is" and insert "."

Page 269, strike lines 45 through 48.

Explanation:

(This amendment eliminates language in the introduced budget that made the additional funding to purchase private psychiatric inpatient treatment beds in community hospitals contingent upon passage of the Governor's proposed tax plan. The introduced budget added \$1.0 million from the general fund each year of the

biennium to expand the purchase of these services in order to reduce inpatient admissions and potentially long-term stays at state mental health facilities. This is one of several amendments that removes the contingency language from Olmstead initiatives in order to ensure funding for these services.)

Item 334 #1c

Health And Human Resources

Grants To Localities

Language

Language:

Page 272, line 11, strike the first "4,125,000" and insert "6,125,000".

Page 272, line 11, strike the second "4,125,000" and insert "6,125,000".

Page 272, strike lines 27 through 35.

Page 272, line 36, strike "P" and insert "O".

Explanation:

(This amendment eliminates language in the introduced budget that made the additional funding for community mental health services for children and adolescents contingent upon passage of the Governor's proposed tax plan. The introduced budget added \$2.0 million from the general fund each year of the biennium to expand mental health services for children and adolescents with serious emotional disturbances and related disorders. This is one of several amendments that removes the contingency language from Olmstead initiatives in order to ensure funding for these services.)

Item 334 #2c

Health And Human Resources

Grants To Localities

Language

Language:

Page 272, line 38, after "fund", insert "is".

Page 272, line 40, after "(PACT)", strike the remainder of the line and insert "."

Page 272, strike lines 41 through 43.

Explanation:

(This amendment eliminates language in the introduced budget that made the additional funding for three new programs of assertive community treatment (PACT)

to treat seriously mentally ill individuals contingent upon passage of the Governor's proposed tax plan. The introduced budget added \$2.0 million from the general fund in the first year and \$2.6 million from the general fund in the second year for three new PACT teams to provide crisis intervention and case management services to seriously mentally ill adults in order to avoid placement in state mental health facilities. This is one of several amendments that removes the contingency language from Olmstead initiatives in order to ensure funding for these services.)

Item 334 #3c

Health And Human Resources	FY 04-05	FY 05-06	
Grants To Localities	\$750,000	\$750,000	GF

Language:

Page 270, line 14, strike "\$227,576,495" and insert "\$228,326,495".

Page 270, line 14, strike "\$228,232,745" and insert "\$228,982,745".

Page 271, strike lines 36 through 55 and insert:

"K.1. Out of this appropriation, \$875,000 in the first year and \$875,000 the second year from the general fund is provided for Virginia's Part C Early Intervention System for infants and toddlers with disabilities.

2. The Department shall amend its fiscal year 2006 contracts with the Part C Local Interagency Coordinating Council (LICC) fiscal agents to require additional reporting on (a) total revenues used to support Part C services, (b) total expenses for all Part C services, (c) total numbers of infants and toddlers and families served using all Part C revenues, and (d) services provided to those infants and toddlers and families.

3. Beginning October 1, 2005 the Department shall annually report this information to the Chairmen of the House Appropriations and Senate Finance Committees."

Explanation:

(This amendment adds \$750,000 from the general fund each year to the current general fund appropriation of \$125,000 each year for the Part C Early Intervention System, which provides critical services, such as occupational, physical, and speech therapy, parental education, and other necessary supports, for infants and toddlers (ages 0 to 3 years) who have developmental disabilities or delays. Funding will be used to maintain current services and meet caseloads that are growing by eight percent annually. Language reflects the total amount of general fund dollars dedicated for Part C services, including these additional monies. Language is also added to require

annual reporting on Part C funding and services beginning in fiscal year 2006. Finally, a technical change deletes obsolete language contained in the introduced bill which required a study of the system by the Joint Subcommittee Studying Early Intervention for Infants and Toddlers with Disabilities. The study was completed in fiscal year 2000.)

Item 346 #1c

Health And Human Resources	FY 04-05	FY 05-06	
Virginia Center For Behavioral Rehabilitation	\$0 0.00	(\$1,991,000) -41.00	GF FTE

Language:

Page 276, line 4, strike "\$6,791,432" and insert "\$4,800,432".

Explanation:

(This amendment reduces general fund appropriations by \$1,991,000 in the second year and 41 positions by limiting the projected increase in staffing at the Center for Behavioral Rehabilitation to 63 new positions. At present, the number of civil commitments to the program at the Dinwiddie County facility is lower than anticipated.)

Item 349 #1c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Rehabilitative Services	\$160,000	\$160,000	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,099,471".

Page 276, line 37, strike "\$83,939,471" and insert "\$84,099,471".

Page 277, line 15, strike "\$3,611,786" and insert "\$3,914,538".

Page 277, line 16, strike "\$3,754,538" and insert "\$3,914,538".

Explanation:

(This amendment provides an increase of \$160,000 from the general fund each year for 16 Centers for Independent Living (CILs). The additional funding will enable those communities with funding levels below the recommended minimum of \$250,000

each year to enhance their core services. This amendment also includes a technical correction of budget language in the first year to accurately reflect the current level of funding.)

Item 349 #2c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Rehabilitative Services	\$750,000	\$1,000,000	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,689,471".

Page 276, line 37, strike "\$83,939,471" and insert "\$84,939,471".

Page 277, line 23, after "D." insert "1."

Page 277, line 24, strike "\$1,119,926" and insert "\$2,013,638".

Page 277, line 24, strike "\$1,263,638" and insert "\$2,263,638".

Page 277, after line 27, insert:

“2. Of this amount, \$750,000 the first year and \$1,000,000 the second year from the general fund shall be used to provide a continuum of brain injury services to individuals in unserved or underserved regions of the Commonwealth. Up to \$150,000 each year shall be awarded to successful program applicants. Programs currently receiving more than \$250,000 from the general fund each year are ineligible for additional assistance under this section. To be determined eligible for a grant under this section, program applicants shall submit plans to pursue non-state resources to complement the provision of general fund support.

3. Beginning August 1, 2005, the Department of Rehabilitative Services (DRS) shall submit an annual report to the Chairmen of the Senate Finance and House Appropriations Committees documenting the number of individuals served, services provided, and success in attracting non-state resources.”

Explanation:

(This amendment provides \$750,000 GF the first year and \$1.0 million GF the second year to ensure that access to brain injury services is provided statewide. Eligible applicants must document plans to attract non-state resources. DRS is required to submit annual updates on the services provided with these funds beginning August 1, 2005. This amendment also includes a technical correction of budget language in the first year to accurately reflect the current level of funding.)

Health And Human Resources

Department Of Rehabilitative
Services

Language

Language:

Page 277, after line 43, insert:

“H.1. For Commonwealth Neurotrauma Initiative Trust Fund grants awarded after July 1, 2004, the Commissioner shall require applicants to submit a plan to achieve self-sufficiency by the end of the grant award cycle in order to receive funding consideration.

2. Notwithstanding any other law to the contrary, the Commissioner may reallocate up to \$500,000 from unexpended balances in the Commonwealth Neurotrauma Initiative Trust Fund to fund new grant awards for research on traumatic brain and spinal cord injuries.”

Explanation:

(This amendment requires applicants for Commonwealth Neurotrauma Initiative Trust Fund grants to have a plan for self-sufficiency at the end of the two- or three-year grant award cycle. Also, it allows the Commissioner to redistribute unspent grant awards from prior years for new research activities.)

Health And Human Resources

Department Of Rehabilitative
Services

FY 04-05

\$150,000

FY 05-06

\$150,000 GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,089,471".

Page 276, line 37, strike "\$83,939,471" and insert "\$84,089,471".

Page 277, line 3, strike "\$3,385,210" and insert "\$3,826,210".

Page 277, line 4, strike "\$3,676,210" and insert "\$3,826,210".

Page 277, line 5, strike "sheltered workshop" and insert:
"community rehabilitation program".

Explanation:

(This amendment provides \$150,000 from the general fund each year to restore

funding for community rehabilitation programs, previously called sheltered workshops, that was reduced in the 2002-04 biennium. Funding is used to provide vocational activities to individuals with physical disabilities. This amendment also corrects budget language in the first year to accurately reflect the current level of funding. The latter change is technical. Finally, this amendment updates the terminology used for the provision of these services.)

Item 350 #1c

Health And Human Resources

Department Of Rehabilitative
Services

Language

Language:

Page 277, after line 49, insert:

"The Department of Rehabilitative Services, in cooperation with the Department of Social Services and local social services agencies, shall develop an expedited process for transitioning disabled persons in hospitals to rehabilitation facilities. As part of this expedited process, the Department of Rehabilitative Services shall make Medicaid disability determinations within seven business days of the receipt of referrals from local departments of social services."

Explanation:

(This amendment requires an expedited determination of Medicaid eligibility for disabled persons in hospitals waiting for placement in rehabilitation facilities.)

Item 354 #1c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

"I.1. The Commissioner of Social Services, in consultation with the Virginia League of Social Services Executives and local departments of social services, shall develop a plan to implement and finance federally required foster care services improvements in localities through a Child and Family Services Review Performance Improvement Plan.

2. The initial plan and subsequent status reports on its implementation shall be reported to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by January 1 of each year. "

Explanation:

(This amendment requires the Commissioner of Social Services to consult with the Virginia League of Social Services Executives and local departments of social services on the development of a plan to implement federally required foster care service improvements and report on the initial plan and status on January 1 of each year.)

Item 354 #2c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

"I. The Department of Social Services shall develop a multi-lingual outreach campaign to inform qualified aliens and their children, who are United States citizens, of their eligibility for federal food stamps and ensure that they have access to benefits under the food stamp program. To the extent permitted by federal law, the Department shall administer the food stamp program in a way that minimizes the procedural burden on qualified aliens and addresses concerns about the impact of food stamp receipt on their immigration sponsors and status."

Explanation:

(This amendment requires the Department to conduct a food stamp outreach campaign in multiple languages for qualified aliens and their children, who are U.S. citizens, to the extent permitted under federal law.)

Item 354 #3c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

"I. The Department of Social Services shall implement the guidance issued by the U.S. Department of Health and Human Services concerning the obligation of

recipients of federal financial assistance to comply with Title VI of the Civil Rights Act of 1964 by ensuring that meaningful access to federally-funded programs, activities and services administered by the Department is provided to limited English proficient (LEP) persons, 63 Fed. Reg. 47,311-47,323 (August 8, 2003). At a minimum, the Department shall (i) identify the need for language assistance by analyzing the following factors: (1) the number or proportion of LEP persons in the eligible service population, (2) the frequency of contact with such persons, (3) the nature and importance of the program, activity or service, and (4) the costs of providing language assistance and resources available; (ii) translate vital documents into the language of each frequently encountered LEP group eligible to be served; (iii) provide accurate and timely oral interpreter services; and (iv) develop an effective implementation plan to address the identified needs of the LEP populations served."

Explanation:

(This amendment requires the Department of Social Services to comply with federal guidance concerning the provision of services to limited English proficient (LEP) persons. Title IV of the Civil Rights Act of 1964 requires recipients of federal financial assistance to ensure meaningful access to federally-funded programs for persons whose primary language is other than English by providing appropriate translation and interpreter services. In its study of the Acclimation of Virginia's Foreign-Born Population, the Joint Legislative Audit and Review Commission identified serious deficiencies in this regard in the administration of human services programs in Virginia.)

Item 354 #4c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$50,000	\$50,000	GF

Language:

- Page 279, line 10, strike "\$46,868,606" and insert "\$46,918,606".
- Page 279, line 10, strike "\$46,873,490" and insert "\$46,923,490".
- Page 281, line 14, strike "\$100,000" and insert, "\$150,000".
- Page 281, line 15, strike "\$100,000" and insert, "\$150,000".

Explanation:

(This amendment adds \$50,000 each year from the general fund for the Caregivers Grant Program. This program provides up to \$500 each year for caregivers who have income under \$50,000 and who provide unreimbursed care of a person who is aged,

infirm, or disabled.)

Item 355 #1c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$500,000	\$500,000	GF

Language:

Page 281, line 18, strike "\$49,487,126" and insert "\$49,987,126".

Page 281, line 18, strike "\$47,445,246" and insert "\$47,945,246".

Explanation:

(This amendment provides \$500,000 each year from the general fund for 26 Community Action Agencies that serve approximately 114,000 Virginians each year. A companion amendment in Item 356 reduces federal Temporary Assistance to Needy Families (TANF) block grant funding for Community Action Agencies by \$377,540 each year in order to balance spending from the federal TANF grant.)

Item 356 #1c

Health And Human Resources	
Department Of Social Services	Language

Language:

Page 284, after line 4, insert:

"I. Out of this appropriation, \$4,910,128 the first year and \$4,910,128 the second year from the federal Temporary Assistance to Needy Families (TANF) grant shall be transferred to the Department of Housing and Community Development for a continuum of housing services for low-income families."

Explanation:

(This amendment provides funds from the federal Temporary Assistance to Needy Families grant for a continuum of housing services to low-income families. Services will be targeted to homeless families attempting to regain independence. Services will include assistance for emergency and transitional shelter; supportive services such as life skills, education, and job training; care for homeless children while parents look for work; and rental assistance.)

Item 356 #2c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 283, strike lines 43 through 59.

Page 284, strike lines 1 through 4.

Explanation:

(This amendment deletes language in the introduced bill establishing a new cash assistance program, the Virginia Kinship Care Program, with funding from the state general fund, for children living with non-parent, relative caretakers that currently receive cash assistance through the Temporary Assistance to Needy Families (TANF) program. The program proposed segregating funding for these cases for a state-only program and revising the focus of assistance to these families from solely cash assistance to provide additional services. However, additional funding was not provided in the introduced budget to add these services. Language in the introduced budget would have allowed for the development of a full range of services and granted authority for regulations implementing the program.)

Item 356 #3c

Health And Human Resources

Department Of Social Services

FY 04-05

FY 05-06

\$10,349,238	\$10,349,238	GF
(\$10,349,238)	(\$10,349,238)	NGF

Language:

Explanation:

(This amendment is a technical adjustment to funds appropriated in Item 356 Temporary Income Supplement Services, Temporary Assistance to Needy Families (TANF). The introduced budget incorrectly appropriated \$10.3 million general fund in Item 357 Protective Services, Foster Care, that should have been appropriated in this item as part of the state's required maintenance of effort funding for the TANF program. Companion amendments in Items 357 and 360 make technical adjustments to the general fund amounts and federal appropriations to accurately reflect funding levels for the Foster Care and TANF programs.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 283, line 8, strike "3,900,000" and insert "7,800,000".

Explanation:

(This amendment provides an increase of \$3.9 million from the Temporary Assistance to Needy Families (TANF) block grant for the TANF child support supplement. The introduced budget reduced the amount of TANF funds used for this purpose by one-half or \$3.9 million nongeneral funds each year from the fiscal year 2004 level of \$7.8 million. This amendment will fund 85 percent of the amount of child support expected to be collected on behalf of eligible TANF families, less any appropriate income disregards.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 288, after line 3, insert:

"D. Out of this appropriation, the Department of Social Services shall allocate a total of \$3,397,859 each year from the federal Temporary Assistance to Needy Families (TANF) block grant for community action agencies to promote self-sufficiency. This amount includes funding described in Item 355 A.2., which provides \$250,000 each year from the TANF grant for community action services in selected jurisdictions."

Explanation:

(This amendment reduces \$377,540 from the federal TANF block grant each year for community action agencies. This reduction, which is necessary to balance revenues and expenditures from the federal TANF block grant, is offset by \$500,000 each year from the general fund contained in a companion amendment in Item 355.)

Health And Human Resources

Language:

Page 284, after line 4, insert:

"I. No less than 30 days prior to submitting amendments to the federal government on the State Plan for the Temporary Assistance for Needy Families Program, the Commissioner of the Department of Social Services shall provide the Chairmen of the House Appropriations and Senate Finance Committees with written documentation of the proposed policy changes, including an estimate of the fiscal impact of the proposed changes and information summarizing public comment that was received on the proposed changes."

Explanation:

(This amendment requires the Department of Social Services to notify the Chairmen of the House Appropriations and Senate Finance Committees of proposed changes to the State Plan for the Temporary Assistance to Needy Families program prior to submitting proposed changes to the federal government for approval.)

Item 357 #1c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	(\$259,980)	(\$259,980)	GF

Language:

Page 284, line 5, strike "\$152,196,355" and insert "\$151,936,375".
 Page 284, line 5, strike "\$163,637,335" and insert "\$163,377,355".
 Page 285, line 18, strike "584,980" and insert "325,000".
 Page 285, line 21, strike "584,980" and insert "325,000".

Explanation:

(This amendment reduces general funds for Healthy Families Virginia by \$259,980 each year. The introduced budget had proposed additional general funds totaling \$459,980 each year for this program. This action results in an increase of \$200,000 each year over the fiscal year 2004 funding level for this program.)

Item 357 #2c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	(\$10,349,238)	(\$10,349,238)	GF

Language:

Page 284, line 5, strike "\$152,196,355" and insert "\$141,847,117".

Page 284, line 5, strike "\$163,637,335" and insert "\$153,288,097".

Explanation:

(This amendment is a technical adjustment to funds appropriated in Item 357 Protective Services, Foster Care. The introduced budget incorrectly appropriated \$10.3 million from the general fund to this item that should have been appropriated in Item 356 Temporary Income Supplement Services, Temporary Assistance to Needy Families. This amount represents a portion of the state's required maintenance of effort funding for the TANF program. Companion amendments in Items 356 and 360 make technical adjustments to the general fund amounts and federal appropriations for the TANF program to accurately reflect funding levels.)

Item 357 #3c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 285, after line 35, insert:

"J. From the federal Temporary Assistance to Needy Families block grant, \$50,000 each year shall be transferred to the Bristol-Washington County Children's Advocacy Center for services to TANF-eligible populations."

Explanation:

(This amendment provides \$50,000 each year from the federal TANF block grant to the Bristol-Washington County Children's Advocacy Center for services to TANF-eligible populations.)

Item 357 #4c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 285, after line 35, insert:

"J. From the federal Temporary Assistance to Needy Families block grant, \$50,000

each year shall be transferred to the Lenowisco Planning District Children's Advocacy Center for services to TANF-eligible populations."

Explanation:

(This amendment provides \$50,000 each year from the federal TANF block grant to the Lenowisco Children's Advocacy Center for services to TANF-eligible populations.)

Item 357 #5c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$25,000	\$25,000	GF
	\$25,000	\$25,000	NGF

Language:

Page 284, line 5, strike "\$152,196,355" and insert "\$152,246,355".

Page 284, line 5, strike "\$163,637,335" and insert "\$163,687,335".

Explanation:

(This amendment provides \$25,000 general fund and \$25,000 nongeneral fund each year to provide funding for additional child welfare services that are anticipated as a result of passage of legislation effective July 1, 2004. The legislation expands the definition of abuse or neglect to include children whose parents or caregivers allow the child to be present during the unlawful sale, manufacture, or attempted manufacture of a Schedule I or II controlled substance. Under current law, a child would be considered abused or neglected only if the child is in imminent danger.)

Item 359 #1c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$0	\$2,190,720	GF

Language:

Page 286, line 22, strike "\$20,098,755" and insert "\$22,289,475".

Page 286, line 33, strike "\$866" and insert "\$894".

Explanation:

(This amendment adds \$2.2 million from the general fund in the second year to increase the current monthly rate by 3.2 percent for approved assisted living facilities

from \$866 to \$894 per month. Similar to provider rate increases for nursing homes and personal care services, this increase reflects the rising cost of providing services for individuals receiving an auxiliary grant. Unlike nursing homes, rate increases under the Auxiliary Grant Program are provided only at the discretion of the General Assembly. A companion amendment in Item 326 provides funding for additional assisted living residents who will be eligible for Medicaid as a result of this rate increase.)

Item 360 #1c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 288, after line 3, insert:

"D. The Department of Social Services, in conjunction with the Department of Correctional Education, shall identify and apply for federal, private and faith-based grants for pre-release parenting programs for non-custodial incarcerated parent offenders committed to the Department of Corrections, including but not limited to the following grant programs: Promoting Responsible Fatherhood and Healthy Marriages, State Child Access and Visitation Block Grant, Serious and Violent Offender Reentry Initiative Collaboration, Special Improvement Projects, §1115 Social Security Demonstration Grants, and any new grant programs authorized under the federal Temporary Assistance for Needy Families (TANF) block grant program."

Explanation:

(This amendment requires the Department of Social Services, in conjunction with the Department of Correctional Education, to identify and apply for federal, private and faith-based grants for pre-release parenting programs for non-custodial incarcerated parent offenders committed to the Department of Corrections.)

Item 360 #2c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 288, after line 3, insert:

"D. Out of this appropriation, the Department of Social Services shall allocate

\$2,295,000 each year from the federal Temporary Assistance to Needy Families (TANF) block grant for employment and training and other services for hard-to-serve recipients to promote self-sufficiency."

Explanation:

(This amendment reduces \$255,000 from the federal TANF block grant each year for employment and training services for the hard to serve. This reduction is necessary to balance revenues and expenditures from the federal TANF block grant.)

Item 360 #3c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 288, after line 3, insert:

"D. Out of this appropriation, the Department of Social Services shall allocate \$637,500 each year from the federal Temporary Assistance to Needy Families (TANF) block grant for employment and training services through the Centers for Employment and Training."

Explanation:

(This amendment restores an earmark of federal TANF dollars for employment and training services provided through the Centers for Employment and Training. It provides TANF funding at the fiscal year 2004 level.)

Item 360 #4c

Health And Human Resources

Department Of Social Services

FY 04-05

\$10,349,238

FY 05-06

\$10,349,238 NGF

Language:

Page 287, line 5, strike "\$69,122,484" and insert "\$79,471,722".

Page 287, line 5, strike "\$68,122,484" and insert "\$78,471,722".

Explanation:

(This amendment is a technical adjustment to funds appropriated in Item 360 Employment Assistant Services, Financial Assistance for Employment Services. The introduced budget incorrectly appropriated \$10.3 million nongeneral funds in Item

356 Temporary Income Supplement Services, Temporary Assistance to Needy Families (TANF) that should have been appropriated in this item to reflect funding for employment services for TANF recipients. Companion amendments in Items 356 and 357 make technical adjustments to the general fund and federal appropriations to accurately reflect funding levels for the Foster Care and TANF programs.)

Item 361 #1c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 288, after line 51, insert:

"E. The Division of Child Support Enforcement, in cooperation with the Department of Medical Assistance Services, shall identify cases for which there is a medical support order requiring a noncustodial parent to contribute to the medical cost of caring for a child who is enrolled in the Medicaid or Family Access to Medical Insurance Security (FAMIS) Programs. Once identified, the Division shall work with the Department of Medical Assistance Services to take appropriate enforcement actions to obtain medical support or repayments for the Medicaid program."

Explanation:

(This amendment requires the Department of Social Services' Division of Child Support Enforcement to work with the Department of Medical Assistance Services to identify and enforce cases in which there is a medical support order for the noncustodial parent and the child is enrolled in either the Medicaid or FAMIS programs.)

Item 362 #1c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 291, line 5, after "fund", insert:

"and \$1,062,500 from the federal TANF grant".

Page 291, line 6, after "fund", insert:

"and \$1,062,500 from the federal TANF grant".

Explanation:

(This amendment restores Temporary Assistance to Needy Families (TANF) dollars for local domestic violence grants. TANF funds provided are equal to the amount provided in fiscal year 2004 for these grants.)

Item 362 #2c

Health And Human Resources

Department Of Social Services

Language

Language:

Page 291, after line 20, insert:

"O. Out of this appropriation, \$9,300,000 each year from the federal Temporary Assistance to Needy Families (TANF) block grant shall be allocated for foster care and adoption workers in local Department of Social Services offices."

Explanation:

(This amendment restores an earmark of \$9.3 million each year from the federal TANF block grant for local foster care and adoptions staff. The Governor's introduced budget included the funding but not the earmark.)

Item 362 #3c

Health And Human Resources

Department Of Social Services

FY 04-05

\$1,000,000

\$1,000,000

FY 05-06

\$1,000,000

\$1,000,000

GF

NGF

Language:

Page 288, line 53, strike "\$306,249,218" and insert "\$308,249,218".

Page 288, line 53, strike "\$306,249,218" and insert "\$308,249,218".

Page 289, line 21, strike "\$60,646,189" and insert:

"\$11,540,911 from the general fund and \$51,015,773".

Page 289, line 22, strike "\$1,436,375" and insert "\$11,540,911".

Page 289, line 22, strike "\$59,209,814" and insert "\$51,015,773".

Explanation:

(This amendment provides \$1.0 million from the general fund each year and matching federal child care development fund dollars in lieu of federal Temporary Assistance to Needy Families (TANF) block grant funds for child day care subsidies.

Use of general fund and matching federal child care funds will allow limited TANF funds to be used for alternative purposes such as homeless assistance, employment and training, and other programs for TANF-eligible individuals. This amendment also includes a technical language change to reflect the correct amount of child day care funding contained in the appropriation for this item.)

Item 362 #4c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$108,422	\$108,422	GF

Language:

- Page 288, line 53, strike "\$306,249,218" and insert "\$306,357,640".
- Page 288, line 53, strike "\$306,249,218" and insert "\$306,357,640".
- Page 290, line 57, strike "\$541,578" and insert "\$650,000."
- Page 291, line 1, strike "\$541,578" and insert "\$650,000".
- Page 291, line 2, after "violence" insert:
"pursuant to Chapter 375 of the Acts of the Assembly of 2004".

Explanation:

(This amendment increases the general fund appropriation for services to victims of domestic violence by \$108,422 each year consistent with legislation passed by the 2004 General Assembly.)

Item 362 #5c

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	(\$150,000)	(\$150,000)	NGF

Language:

- Page 288, line 53, strike "\$306,249,218" and insert "\$306,099,218".
- Page 288, line 53, strike "\$306,249,218" and insert "\$306,099,218".
- Page 291, line 12, strike "500,000" and insert "350,000".
- Page 291, line 13, strike "500,000" and insert "350,000".

Explanation:

(This amendment lowers the amount provided each year from the federal Child Care Development Fund block grant for child day care resource and referral services from \$500,000 each year to \$350,000 each year.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 292, after line 12, insert:

"F. Out of this appropriation, \$70,000 the first year and \$70,000 the second year from the general fund is provided for dementia-specific training of long-term care workers dealing with Alzheimer's disease and related disorders through the Virginia Alzheimer's Association Chapters."

Explanation:

(This amendment earmarks existing funding in the Department of Social Services to continue dementia-specific training of long-term care workers dealing with Alzheimer's disease and related disorders, in cooperation with the Virginia Alzheimer's Association Chapters.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 292, line 49, strike "4,838,528" and insert "1,981,018".

Page 292, line 50, strike "12,887" and insert "1,197,866".

Page 292, line 51, strike "18,500,000" and insert "1,500,000".

Page 292, line 53, strike "18,500,000" and insert "1,500,000".

Explanation:

(This amendment revises the TANF balance in fiscal years 2005 and 2006, based on changes to proposed TANF spending. In addition, language reduces the amount set aside in the introduced budget for a competitive grant program through the TANF program from \$18.5 million each year to \$1.5 million each year. Companion amendments in Items 299, 313, 314, 356, 357, 360 and 362 earmark portions of TANF funding for specific programs and services, thereby reducing the need for a large competitive grant program.)

Natural Resources

Secretary Of Natural Resources

Language

Language:

Page 297, line 8, before "The", insert "A."

Page 297, after line 25, insert:

"B.1. It is the intent of the General Assembly that an additional \$30,000,000 from the general fund be deposited into the Virginia Water Quality Improvement Fund, as specified in Items 382 and 388 of this Act, and shall be used solely for the purposes established by the General Assembly within Items 382 and 388 of this Act and the purposes delineated within the Virginia Water Quality Improvement Act of 1997 (§ 10.1-2117 et seq., Code of Virginia). In no instance, however, shall the proceeds of the Virginia Water Quality Improvement Fund be used for agency operating expenses or to either replace or reduce any general fund or nongeneral fund allocation or appropriation to any state agency.

B.2. It is the intent of the General Assembly that a reserve be created within the Virginia Water Quality Improvement Fund to support the purposes delineated within the Virginia Water Quality Improvement Act of 1997 (WQIA 1997) when year-end general fund surpluses are unavailable. Consequently, 15 percent of any amounts appropriated to the Virginia Water Quality Improvement Fund due to annual general fund revenue collections in excess of the official estimates contained in the general appropriation act shall be withheld from appropriation. When annual general fund revenue collections do not exceed the official revenue estimates contained in the general appropriation act, or when there are no additional annual appropriations provided by the General Assembly, the reserve fund shall be used for WQIA 1997 purposes as directed by the General Assembly within the general appropriation act."

Explanation:

(This amendment provides information about additional general fund appropriations to be made to the Virginia Water Quality Improvement Fund by the General Assembly in the 2004-06 biennium and establishes a reserve requirement for this fund. The total additional general fund appropriation to the fund in the biennial budget will be \$30.0 million, however, this sum is to be divided between the point source pollution activities of the Department of Environmental Quality and the nonpoint source pollution activities led by the Department of Conservation and Recreation. Appropriations made to these agencies shall state the purposes for which this sum may be used. The amendment also requires that 15 percent of any year-end general fund balance deposited to the fund be reserved to ensure continued funding

for the Virginia Water Quality Improvement Fund's activities in the event there is no general fund surplus for appropriation to the fund in subsequent fiscal years and the General Assembly does not choose to appropriate general fund dollars to the fund.)

Item 379 #1c

Natural Resources	FY 04-05	FY 05-06	
Chesapeake Bay Local Assistance	(\$1,449,221)	(\$1,451,098)	GF
Department	-20.00	-20.00	FTE

Language:

Page 297, line 31, strike "\$1,449,221" and insert "\$0".

Page 297, line 31, strike "\$1,451,098" and insert "\$0".

Page 297, strike lines 31 thru 47.

Page 298, strike lines 1 thru 3.

Page 297, after line 30, insert:

"Notwithstanding Title 10.1, Chapter 21, Code of Virginia, the Chesapeake Bay Local Assistance Department will be merged with the Department of Conservation and Recreation effective July 1, 2004. The powers and duties heretofore exercised by such agency shall hereafter be vested in the Department of Conservation and Recreation. The Chesapeake Bay Local Assistance Board shall remain a collegial body pursuant to Title 10.1, Chapter 21, Code of Virginia."

Explanation:

(This amendment removes funding and positions from the Chesapeake Bay Local Assistance Department (CBLAD) and preserves the Chesapeake Bay Local Assistance Board. An accompanying amendment in Item 382 appropriates the positions and resources of CBLAD to the Department of Conservation and Recreation. Both agencies are responsible for land use, open space and water quality programs and the combined agency will be better positioned to continue the planning support role of CBLAD and enforce the local planning ordinances already in place.)

Item 381 #1c

Natural Resources	
Department Of Conservation And Recreation	Language

Language:

Page 299, after line 57, insert:

"I.1. The Department shall conduct, or contract for, a marketing study of State Park user fees, including, but not limited to, the fees charged for cabin rental, campground use, parking and boat launch use. The study shall identify the factors determining demand for state park services, including demographics, locations, times of the year and other variables.

2. Based on the findings of the study, the Department shall (1) establish marketing goals for its facilities and existing services, (2) identify new recreational products with the potential to increase nongeneral fund park revenue and increase the exposure of Virginians to the park system, and (3) to the extent that it is practical, revise its fee schedule to maximize the revenue available to the Conservation Resources Fund while maintaining adequate public access to the parks.

3. The study shall include a review of the potential for extraordinary pricing opportunities associated with particular facilities, locations, times of the year, or unique nature and recreational experiences, including package opportunities not currently included in the Department's fee schedule. To the extent possible, the Department shall make use of marketing departments at Virginia universities or other pro bono services in producing the study. Copies of a final report from the review, the marketing goals, new product ideas, and potential fee increase options shall be delivered to the Chairmen of the House Appropriations and Senate Finance Committees by November 30, 2004."

Explanation:

(This amendment requires the Department of Conservation and Recreation to conduct a marketing study to identify the factors that influence demand for its services. The results of the study are to be used to identify the potential for additional revenue from existing or potentially new park recreational opportunities while maintaining broad public access to Virginia's state parks.)

Item 382 #1c

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$125,000	\$125,000	GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$22,863,678".

Page 298, line 25, strike "\$20,977,511" and insert "\$21,102,511".

Page 299, after line 57, insert:

"I. In conjunction with other reporting requirements included in this item, the Soil and Water Conservation Board shall prepare annual statistics, by District, that include the number of farmers, the number of acres in farms and in agricultural production (by product type), the number of farmers participating in District programs by program, the number of acres by product under each type of agricultural best management practice, the budgeted and expended funds for each agricultural best management practice, and other information needed by the Department of Conservation and Recreation to evaluate the quantitative impact of Soil and Water Conservation District practices and funding on Virginia's water quality and land conservation goals. This information shall be provided to the Director of the Department of Conservation and Recreation in a timely manner for the Department to complete its annual reporting requirements under this item."

Explanation:

(This amendment restores a portion of the fiscal year 2003 budget reductions to Virginia's Soil and Water Conservation Districts to implement nonpoint source water pollution programs. The amendment also requires the Soil and Water Conservation Board to provide statistics that will be used to evaluate the effectiveness of District operations.)

Item 382 #2c

Natural Resources	FY 04-05	FY 05-06
Department Of Conservation And Recreation	\$150,000	\$0 GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$22,888,678".

Page 298, line 45, strike "\$50,000" and insert "\$200,000".

Explanation:

(This amendment provides an additional \$150,000 in the first year from the general fund to rehabilitate flood control dams operated and maintained by Soil and Water Conservation Districts. These additional general fund dollars will be matched by federal funds.)

Item 382 #3c

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$1,400,121 17.00	\$1,212,684 17.00	GF FTE

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$24,138,799".

Page 298, line 25, strike "\$20,977,511" and insert "\$22,190,195".

Page 299, after line 57, insert:

"I.1. Out of the amounts for Land Management, \$1,400,121 the first year and \$1,212,684 the second year is appropriated from the general fund to effect the consolidation of the Chesapeake Bay Local Assistance Department and the Department of Conservation and Recreation. The Department of Conservation and Recreation shall continue to use these resources, including the former agency's staff, to provide technical and financial assistance to localities pursuant to the Chesapeake Bay Preservation Act (§ 10.1-2100, et seq., Code of Virginia). The Chesapeake Bay Local Assistance Board shall be continued as a collegial body.

2.a. The Secretary of Natural Resources shall prepare an agency reorganization plan for submission to the Chairmen of the House Appropriations and Senate Finance Committees by August 31, 2004. In developing this plan, the Secretary shall consult with Tidewater localities and Tidewater Soil and Water Conservation Districts.

2.b. The plan submitted by the Secretary of Natural Resources shall include any necessary steps to ensure that the purposes of the Chesapeake Bay Preservation Act are implemented by DCR, indicate whether former CBLAD resources and personnel will constitute a new division within DCR or a component of an existing division, and identify any positions that will be eliminated or other actions needed to achieve the policy goals and cost savings.

3. It is the intent of the General Assembly that legislation be introduced in the 2005 Session to effect this merger. This legislation shall ensure that the core operations of the Chesapeake Bay Local Assistance Department and Chesapeake Bay Local Assistance Board shall continue.

J.1. The amounts provided to localities and planning district commissions for financial assistance in implementing the Chesapeake Bay Preservation Act shall be distributed on a competitive basis. Consideration shall be given to the availability of local

resources, with more funding provided to localities with the greatest needs and where the greatest water quality benefits can be achieved.

2. Of the amounts in the Land Management program, the Department may expend a portion of its general fund appropriation for a water quality monitoring project in Caroline County."

Explanation:

(This amendment merges the functions and budget resources of the Chesapeake Bay Local Assistance Department into the Department of Conservation and Recreation (DCR). The amendment requires DCR to achieve cost savings through this reorganization. A companion amendment in Item 379 removes funding and positions from CBLAD.)

Item 382 #4c

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$7,500,000	\$7,500,000	GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$30,238,678".

Page 298, line 25, strike "\$20,977,511" and insert "\$28,477,511".

Page 299, line 20, after "D.", insert "1."

Page 299, line 21, strike "\$1,917,500 the first year" and insert:

"\$9,417,500 the first year and \$7,500,000 the second year".

Page 299, line 25, after "Virginia." insert :

"Of this amount, a minimum of \$5,000,000 each year shall be directed by the Director of the Department of Conservation and Recreation to agricultural best management practices programs.

2. The Department shall review Soil and Water Conservation District (SWCD) operations and identify potential improvements in water quality and soil erosion programs. The review shall consider the relative needs of the various Districts, practices that offer the most cost-effective use of nonpoint source funding, and practices that are most appropriate given the characteristics of the various districts. The review shall incorporate the most recent findings on best management practice effectiveness. Based on the findings of the review, the Department shall propose changes in SWCD practices, staffing and funding, including the potential for

performance-based funding, to improve the Commonwealth's nonpoint source programs. The Department shall coordinate this review with the requirements of House Joint Resolution 72 of the 2004 Session and any planned reviews of its nutrient management regulations. Copies of an interim report shall be provided to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance, and Agriculture, Conservation and Natural Resources by December 31, 2004. The final report including recommendations for SWCD practices and funding shall be provided by December 31, 2005."

Explanation:

(This amendment appropriates an additional \$7.5 million in general funds each year for nonpoint pollution prevention programs including a minimum of \$5,000,000 annually for agricultural best management practices. The amendment also mandates a review of Soil and Water Conservation District nonpoint source programs.)

Item 383 #1c

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$522,558 10.00	\$522,558 10.00	GF FTE

Language:

Page 300, line 1, strike "\$25,666,442" and insert "\$26,189,000".
 Page 300, line 1, strike "\$25,666,442" and insert "\$26,189,000".

Explanation:

(This amendment provides additional general fund support to the Department of Conservation and Recreation's Division of State Parks to offset previous budget reductions. Specifically, the amendment provides \$375,000 each year for the restoration of 10 park ranger positions. These positions are needed to address needs in Virginia's existing 34 state parks. An additional \$147,558 each year is provided to offset other reductions to the operating budget of the Division of State Parks.)

Item 383 #2c

Natural Resources	
Department Of Conservation And Recreation	Language

Recreation

Language:

Page 300, line 18, strike "the".

Page 300, line 19, strike "Commonwealth's matching share of support".

Page 300, line 20, after "Park,", insert "an amount".

Explanation:

(This amendment guarantees Breaks Interstate Park will receive the maximum amount appropriated by Virginia for park operations. This will improve the ability of the Park to set its annual budget by reducing the uncertainty over the amount of matching funds being provided by each state.)

Item 383 #3c

Natural Resources

Department Of Conservation And
Recreation

Language

Language:

Page 301, after line 50, insert:

"L. No funds shall be expended or authorized by the Department of Conservation and Recreation for the development of a state park on the property transferred from the Beaumont Juvenile Correctional Center until completion of the park master plan, which shall include adequate opportunity for public participation in the planning process. Nothing in this item shall preclude the Department from making necessary arrangements to secure the property in accordance with the terms of transfer from the Department of Juvenile Justice or from undertaking alterations necessary for public safety. The Department shall notify the Chairmen of the House Appropriations and Senate Finance Committees 60 days prior to any alterations to the property that are pursuant to development of a state park."

Explanation:

(This amendment expresses the intent of the General Assembly that, while the need for the park as identified in the Virginia Outdoor Plan is evident, the Department of Conservation and Recreation (DCR) is to follow the same planning and development guidelines as followed on all other state parks. The amendment also permits DCR to secure the property for public safety purposes until there is sufficient funding to bring the park into full-time operation.)

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$800,000	\$800,000	GF

Language:

Page 300, line 1, strike "\$25,666,442" and insert "\$26,466,442".

Page 300, line 1, strike "\$25,666,442" and insert "\$26,466,442".

Page 301, line 11, strike "\$500,000" and insert "\$1,300,000".

Page 301, line 12, strike "\$500,000" and insert "\$1,300,000".

Explanation:

(This amendment appropriates the new revenues generated from a \$1 fee imposed upon deed recordations in localities in which the Virginia Outdoors Foundation holds open space easements. The imposition of this fee was authorized by Chapter 990, 2004 Acts of Assembly.)

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$2,500,000	\$2,500,000	GF

Language:

Page 300, line 1, strike "\$25,666,442" and insert "\$28,166,442".

Page 300, line 1, strike "\$25,666,442" and insert "\$28,166,442".

Page 301, line 15, after "H.", and insert "1".

Page 301, line 22, after "funding;", insert:

"descriptions of projects that received funding;"

Page 301, after line 24, insert:

"2. Included in the amount for Preservation of Open Space Lands is \$2,500,000 in the first year and \$2,500,000 in the second year from the general fund to be deposited into the Virginia Land Conservation Fund, § 10.1-1012 Code of Virginia.

3. The Chairman of the Virginia Land Conservation Foundation, or his designee, shall review the criteria used to evaluate grant applications. Based on this review, the Foundation shall develop new review criteria that better quantify the relative merits of each prospective grant parcel. The measurable criteria shall include, but are not limited

to, the following: (1) the status of the parcel under a locality's master plan as a Chesapeake Bay Preservation Area, (2) the degree to which securing the parcel will protect local drinking water supplies, (3) the degree to which the parcel satisfies recreational needs of population centers, or other recreational needs as identified in the Virginia Outdoors Plan, (4) the extent to which the affected localities have identified the parcel as having important local water quality or recreational benefits, (5) other criteria that are relevant to the particular classes of open space preservation provided under Virginia law, and (6) the cost-effectiveness of the parcel in satisfying these criteria compared to alternatives. By November 19, 2004, copies of the proposed revisions to the grant review criteria shall be provided to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance, and Agriculture, Conservation and Natural Resources.

4. Beginning November 1, 2005, and annually thereafter, the Chairman of the Virginia Land Conservation Foundation shall submit a report to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance and Agriculture, Conservation and Natural Resources, and the Director of the Department of Planning and Budget on the activities of the Virginia Land Conservation Foundation including, but not limited to, implementation of the Foundation's strategic plan; projects under consideration for funding, with their scores on the new grant review criteria developed pursuant to paragraph H2. above; projects funded, with their scores on the new grant review criteria developed pursuant to paragraph H2. above; and expenditures from, interest earned by, and financial obligations of the Virginia Land Conservation Fund."

Explanation:

(This amendment appropriates \$2,500,000 in general funds each year for the preservation of open spaces, natural areas, agricultural lands, historic sites, and other significant natural and cultural assets of the Commonwealth, and will contribute to improved water quality by preventing pollution from polluted agricultural and urban runoff.)

Item 385 #1c

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$400,000	\$400,000	GF

Language:

Page 302, line 26, strike "\$35,095,230" and insert "\$35,495,230".

Page 302, line 26, strike "\$35,012,786" and insert "\$35,412,786".

Page 303, strike lines 32 to 47.

Explanation:

(This amendment provides general fund support for the environmental waste water pre-treatment program.)

Item 386 #1c

Natural Resources

Department Of Environmental
Quality

FY 04-05

(\$500,000)

FY 05-06

(\$500,000) GF

Language:

Page 303, line 48, strike "\$8,339,506" and insert "\$7,839,506".

Page 303, line 48, strike "\$8,371,076" and insert "\$7,871,076".

Explanation:

(This amendment eliminates the general fund increase for water supply planning included in the introduced budget.)

Item 388 #1c

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 305, after line 14, insert:

"F. The Director of the Department of Environmental Quality (DEQ) and the State Water Control Board shall give a high priority to securing funding for regional facility and capacity planning related to wastewater treatment and water quality in the Lenowisco, Cumberland Plateau, and Mount Rogers Planning District Commissions. Possible sources of funding which the Director shall pursue, in cooperation with the planning district commissions, include: State Tribal Assistance Grants (STAG) through US Environmental Protection Agency, Rural Utility Services funding through

the US Department of Agriculture, and funds available to the Virginia Department of Housing and Community Development. In considering financing through the wastewater treatment revolving loan fund, and the interest rate of the loan, the State Water Control Board shall consider the economic capacity of the localities in question, and the important environmental quality benefits to be gained from planning and development of adequate wastewater treatment capacity. There is hereby established a sum sufficient nongeneral fund appropriation in the Department of Environmental Quality, not to exceed the amount of grants received through these programs in which the Department is a grant recipient on behalf of the planning district commissions."

Explanation:

(This amendment directs the DEQ Director to seek federal funds for wastewater planning studies for localities in Southwest Virginia with inadequate wastewater treatment facilities. The communities involved face potential sanctions by the US. Environmental Protection Agency and these funds will facilitate the construction of more efficient regional treatment facilities.)

Item 388 #2c

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 304, line 54, strike "and Virginia Beach" and insert:
"Virginia Beach, and the Elizabeth River Restoration Trust".

Explanation:

(This amendment expands the list of participants in the Elizabeth River restoration project.)

Item 388 #3c

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 305, after line 14, insert:

"F. The Department of Accounts shall provide a treasury loan of \$1,272,705 to the Department of Environmental Quality in order to support the continued payment of formula-based Litter Prevention and Recycling Grants to local governments during fiscal year 2005. Such loan shall bear interest at a rate equal to the general fund composite investment rate and shall be repaid over a period of five years beginning in fiscal year 2006 from the proceeds of the Department of Environmental Quality's Litter Control and Recycling Program (Fund 0925). Repayment is to be made from that portion of the proceeds that is in excess of the annual amounts needed to continue the payment of these formula-based grant awards in subsequent fiscal years. During the period required to repay this treasury loan, the total annual value of Litter Prevention and Recycling Grants awarded to local governments shall not exceed the total amounts issued during fiscal year 2004."

Explanation:

(This amendment provides for the issuance of a one-time treasury loan to the Department of Environmental Quality to support the payment of Litter Control and Recycling Grants to localities in fiscal year 2005. The payment of these local grants was jeopardized by the transfer of the fiscal year 2003 and fiscal year 2004 proceeds from the agency's Litter Control and Recycling Program to the general fund. The treasury loan to be issued to the agency by the Department of Accounts shall be repaid from the revenue collected in the Litter Control and Recycling Program in excess of the amounts needed to provide future formula-based Litter Control and Recycling Grants to localities. The amendment also restricts these grant awards to no more than the total amount awarded to localities in fiscal year 2004 until the treasury loan has been repaid.)

Item 388 #4c

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$7,500,000	\$7,500,000	GF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$67,803,091".

Page 304, line 18, strike "\$54,419,021" and insert "\$61,919,021".

Page 305, line 2, after "D." insert "1."

Page 305, line 3, strike "\$5,752,500 the first year" and insert:

"\$13,252,500 the first year and \$7,500,000 the second year".

Page 305, after line 7, insert:

"2. Beginning in its January 2005 Annual Report on the Virginia Water Quality Improvement Fund, the Department shall provide the following additional information for approved projects: (1) annual projections of the nutrient reductions from the grant project from the time of project completion to either the year the facility will reach design capacity, or ten years, whichever is longer, (2) the impact the project will have on nutrient reduction goals for any associated tributary strategy, and (3) the discounted net present value of the grant award in terms of dollars per ton of nutrients removed based on the projections included in subsection (1) of this Paragraph."

Explanation:

(This amendment appropriates an additional \$7,500,000 annually for point source water pollution programs. These funds will be used to provide grants to localities to upgrade their wastewater treatment facilities. The amendment also requires the Department of Environmental Quality to report on the cost-effectiveness of projects that have received grants.)

Item 388 #5c

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 305, after line 14, insert:

"F. Under § 56-575.1, Code of Virginia, the definition for a recreational facility shall include improvements to or dredging of any waterway used for recreational purposes."

Explanation:

(This amendment modifies the definition of a qualifying project under the Public-Private Education and Infrastructure Act of 2002 to include dredging of waterways used for recreational purposes.)

Item 388 #6c

Natural Resources

Department Of Environmental
Quality

FY 04-05
(\$15,000,000)

FY 05-06
(\$15,000,000) NGF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$45,303,091".
Page 304, line 18, strike "\$54,419,021" and insert "\$39,419,021".
Page 305, strike lines 8 through 14.

Explanation:

(This amendment removes contingent nongeneral funds proposed in the Governor's tax proposal.)

Item 393 #1c

Natural Resources	FY 04-05	FY 05-06	
Department Of Game And Inland Fisheries	\$10,000	\$20,000	NGF

Language:

Page 307, line 9, strike "\$34,989,619" and insert "\$34,999,619".
Page 307, line 9, strike "\$34,989,619" and insert "\$35,009,619".
Page 307, after line 35, insert:
"C. The Department shall maintain operation of, and visitor access to, state-owned fish hatcheries, including the Montebello fish hatchery. To offset the cost of supervising visitors at the fish hatcheries, the Department may charge a fee of up to \$1.00 per visitor."

Explanation:

(This amendment requires the Department of Game and Inland Fisheries to continue public access at state-owned fish hatcheries. These hatcheries are an important tool for science education and tourism in addition to their primary role in stocking Virginia's waters. The amendment allows for a nominal fee to offset the costs of diverting Department personnel from their regularly scheduled duties. Large school groups require additional Department staff supervision for safety purposes.)

Item 393 #2c

Natural Resources	FY 04-05	FY 05-06	
Department Of Game And Inland Fisheries	(\$733,361)	(\$733,361)	GF

Language:

Page 307, line 9, strike "\$34,989,619" and insert "\$34,256,258".
Page 307, line 9, strike "\$34,989,619" and insert "\$34,256,258".
Page 307, strike lines 29 through 35.
Page 307, line 23, strike "A".

Explanation:

(This amendment maintains the nongeneral fund status of the Department of Game and Inland Fisheries as an agency that is supported by nongeneral fund user fees rather than general funds. House Bill 5001, as introduced, includes an 8.5 percent nongeneral fund increase for the Department.)

Item 399 #1c

Natural Resources	FY 04-05	FY 05-06	
Marine Resources Commission	\$600,000	\$600,000	NGF
	10.00	10.00	FTE

Language:

Page 310, line 19, strike "\$11,451,099" and insert "\$12,051,099".
Page 310, line 19, strike "\$11,451,099" and insert "\$12,051,099".
Page 311, after line 19, insert:
"H. Any additional revenue generated from increased fees pursuant to the authority provided by Chapter 860, 2004 Acts of Assembly, shall be used by the Marine Resources Commission for direct agency operations. Of this additional revenue, not less than \$300,000 annually shall be used to expand marine law enforcement operations. Any additional revenue beyond this minimum increase dedicated for law enforcement shall be directed to marine law enforcement, fisheries management, artificial reef construction, oyster habitat improvement, oyster propagation, or coastal land surveying and mapping."

Explanation:

(This amendment earmarks a minimum of \$300,000 of any additional saltwater fee revenue to marine police operations. The remainder of any fee increase may be used either for the marine police or for other agency operations.)

Item 402 #1c

Natural Resources	FY 04-05	FY 05-06
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Virginia Museum Of Natural History (\$84,973) (\$84,971) GF

Language:

Page 312, line 2, strike "\$2,149,333" and insert "\$2,064,360".

Page 312, line 2, strike "\$2,149,293" and insert "\$2,064,322".

Page 312, line 11, before "Out" insert "A."

Page 312, after line 17, insert:

"B. The Virginia Museum of Natural History shall review the feasibility of funding operating positions, including development activities, through increased grants and other voluntary contributions from the public and private sectors, or through cooperative arrangements with other organizations. The review shall address the operating needs of the new museum building in Martinsville. Copies of the review shall be provided to the Chairmen of the House Appropriations and Senate Finance Committees no later than November 30, 2004."

Explanation:

(This amendment requires the Virginia Museum of Natural History to study the feasibility of supporting more of its operating costs with grants and donations. As the new museum facility begins operations, there will be increased needs for funding from non-state sources.)

Item 404 #1c

Public Safety

Commonwealth's Attorneys'
Services Council

Language

Language:

Page 313, strike lines 28 through 34.

Explanation:

(This amendment eliminates language that makes the additional funding contained in the introduced budget for training for Commonwealth's Attorneys contingent upon passage of the Governor's tax proposal.)

Item 405 #1c

Public Safety

Department Of Alcoholic Beverage

Language

Control

Language:

Page 314, after line 17, insert:

"D. By September 1 of each year, the Alcoholic Beverage Control Board shall report for the prior fiscal year the dollar amount of total wine liter tax collections in Virginia; the portion, expressed in dollars, of such tax collections attributable to the sale of Virginia wine in both ABC stores and in private stores; and, the percentage of total wine liter tax collections attributable to the sale of Virginia wine. Such report shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees and the Virginia Wine Board."

Explanation:

(This amendment directs the Alcoholic Beverage Control Board to present an annual report on tax collections attributable to the sale of Virginia wine.)

Item 410 #1c

Public Safety

Department Of Corrections, Central
Activities

Language

Language:

Page 316, after line 57, insert:

"H. Any new mental health or substance abuse treatment program or initiative for adult offenders developed and implemented by the Department of Corrections shall be evaluated at least annually to ensure that program goals and objectives are being met. The department shall report the results of the evaluations to the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care."

Explanation:

(This amendment requires an evaluation and reporting component for any new mental health or substance abuse program implemented by the Department of Corrections.)

Item 410 #2c

Public Safety

Language:

Page 316, after line 57, insert:

"H. The Department of Corrections shall develop preliminary plans for construction of a medium security prison, in addition to those authorized in this act, and shall present such plans to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees no later than December 1, 2004. The plans may consider either or both construction and operation of such prison under this act, the Public Private Education and Infrastructure Act, the Corrections Private Management Act, or such other means as may be appropriate. The Department shall give first priority consideration to locating such prison within the Mount Rogers Planning District. The next priority for the location of a subsequent facility shall be given to a location within Charlotte County."

Explanation:

(This amendment authorizes the Department of Corrections to begin planning for a third new medium security prison in the Mount Rogers Planning District, as the first priority location. The next priority for locating a subsequent facility would be Charlotte County.)

Item 415 #1c

Public Safety

Division Of Community
Corrections

FY 04-05

\$463,276
25.00

FY 05-06

\$1,463,224
25.00

GF
FTE

Language:

Page 317, line 40, strike "\$58,809,844" and insert "\$59,273,120".

Page 317, line 40, strike "\$58,809,844" and insert "\$60,273,068".

Explanation:

(This amendment provides \$463,276 the first year and \$1,463,224 the second year and 25.0 positions each year from the general fund for additional probation officers. This amendment is intended to maintain probation officer caseloads at the current level, estimated at 72 cases per filled probation officer position, by the end of fiscal year 2005.)

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, after line 6, insert:

"3. Adjustments to previously approved project funding levels, which had been based on planning study estimates, to conform to the actual project costs as determined by competitive bid."

Page 319, line 7, strike "3" and insert "4".

Page 319, line 9, strike "up to 120 beds" and insert:

"the development of a new community corrections facility with approximately 204 beds, and a 120-bed expansion of the existing jail".

Page 319, after line 19, insert:

"C. The following projects are hereby exempted from the provisions of Paragraph B. in order to proceed in planning. Pursuant to the provisions of § 53.1-82.3, Code of Virginia, the governing bodies of these proposed facilities shall submit the required community-based corrections plans, facility specifications, and the expected financing costs to the Department of Corrections by March 1, 2005. Furthermore, the Governor may include a recommendation for funding such projects for consideration by the General Assembly at its 2006 Session. The review by the Board of Corrections of each of these projects shall be consistent with Paragraphs D. and E. below and with Item 420 D.

1. Appomatox, Amherst and Nelson Counties, in order to proceed with planning for a regional jail.
2. The Hampton Roads Regional Jail Authority, for a planning study. No funds shall be obligated for reimbursement of the proposed planning study or for reimbursement of the state share of construction costs without approval of the General Assembly.
3. The Gloucester County Jail.
4. The Roanoke County-Salem Jail.
5. The Pittsylvania County Jail.

6. The Riverside Regional Jail Authority.

7. The Rappahannock Regional Jail Authority.

D. The Board of Corrections shall not approve or commit additional funds for the state share of the cost of construction, enlargement, or renovation of a local or regional jail facility, except when such project is consistent with the projected number of local and state responsible offenders to be housed in such facility.

E. The Board of Corrections shall not approve or commit additional funds for the state share of the cost of construction, enlargement, or renovation of a local or regional jail facility, except when such project is proposed to be built using Community Custody Facilities Standards, as adopted by the Board, unless the use of more expensive construction standards is justified, based on a documented projection of offender populations that would require a higher level of security."

Explanation:

(This amendment provides for certain exemptions to the moratorium on the approval of jail construction projects, in order to permit certain projects, as specified, to move forward and be considered for approval by the Board of Corrections.)

Item 416 #2c

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, after line 19, insert:

"C. The Hampton Roads Regional Jail Authority, with the assistance of the Departments of Corrections and Mental Health, Mental Retardation and Substance Abuse Services, may prepare a preliminary report on the feasibility of developing a specialized facility at the regional jail complex for jail inmates referred by the criminal courts of the Commonwealth for evaluation and treatment, pursuant to the provisions of Chapter 11 of Title 19.2 of the Code of Virginia. Such facility would be owned by the Hampton Roads Regional Jail Authority, and operated under contract by the Department of Mental Health, Mental Retardation and Substance Abuse Services, with the goal of reducing waiting times for emergency treatment, evaluation of competency to stand trial and/or sanity, and restoration to competency to stand trial. The

Departments of Corrections and Mental Health, Mental Retardation and Substance Abuse Services shall provide all necessary technical assistance to support this study in cooperation with the Hampton Roads Regional Jail Authority. A report on this study shall be provided to the Secretaries of Public Safety and Health and Human Resources, the Chairmen of the Senate Finance and House Appropriations Committees, and the Chairman of the Joint Commission on Health Care, by October 15, 2004."

Explanation:

(This amendment provides for a study of the feasibility of constructing a specialized mental health treatment facility at the Hampton Roads Regional Jail.)

Item 419 #1c

Public Safety

Division Of Institutions

Language

Language:

Page 320, line 15, before "To", insert "A."

Page 320, after line 17, insert:

"B. The Governor may authorize or direct the transfer of prisoner labor, or of farm commodities produced, at any state agency to any other state agency. It is further provided that unit prices of foodstuffs or other commodities produced on farms shall be fixed on a basis no more frequently than semiannually by the Director, Department of Corrections. These unit prices shall be the basis for charging the value of foods produced by the farms and consumed by the producing agencies or sold to other state agencies of the Commonwealth under the provisions of § 2.2-1116, Code of Virginia."

Explanation:

(This amendment transfers language from the General Provisions of this act to this item. Moving this language to this item makes the policy more visible to other state agencies and to the public. A companion amendment deletes the language from the General Provisions.)

Item 419 #2c

Public Safety

Division Of Institutions

FY 04-05
(\$2,248,573)

FY 05-06
\$0 GF

Language:

Page 320, line 2, strike "\$258,670,016" and insert "\$256,421,443".

Explanation:

(This amendment phases in the amount recommended in the budget as introduced for direct inmate costs. This budget increase addresses the projected cost of medical care, food, and clothing for inmates in Department of Corrections facilities.)

Item 420 #1c

Public Safety

Division Of Institutions

FY 04-05

(\$800,000)

FY 05-06

\$0 GF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$404,286,042".

Explanation:

(This amendment phases in the implementation of the Department of Correction's transition bed program.)

Item 420 #2c

Public Safety

Division Of Institutions

Language

Language:

Page 321, line 31, after "D." insert "1."

Page 321, after line 36, insert:

"2. The Department of Corrections, in conjunction with the Secretary of Public Safety, shall provide a status report on the department's jail pre-release program that includes details on the participating sites, number of inmates participating in the program, services provided to participants at each site, the status of individuals who have completed the program, any factors impacting program utilization, and the impact of the program on the department's ability to address the backlog of state responsible inmates in local and regional jails. This report shall be provided to the Governor and the Chairmen of the House Appropriations and Senate Finance

Committees no later than October 1, 2004."

Explanation:

(This amendment requires the Department of Corrections to prepare a report on the jail pre-release program.)

Item 420 #3c

Public Safety

Division Of Institutions

FY 04-05

(\$635,408)

FY 05-06

(\$1,980,665) GF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$404,450,634".

Page 320, line 18, strike "\$407,600,523" and insert "\$405,619,858".

Explanation:

(This amendment eliminates funding proposed in the budget as introduced for the addition of 479 temporary emergency beds.)

Item 420 #4c

Public Safety

Division Of Institutions

FY 04-05

\$722,858

FY 05-06

\$1,445,715 GF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$405,808,900".

Page 320, line 18, strike "\$407,600,523" and insert "\$409,046,238".

Explanation:

(This amendment provides \$722,858 the first year and \$1,445,715 the second year from the general fund to cover the full biennial cost of the 100 correctional officers authorized by the 2003 General Assembly. The budget, as introduced, provided sufficient funds for only 67 officers. This amendment funds the remaining 33 officers to enhance security in state correctional facilities.)

Item 420 #5c

Public Safety	FY 04-05	FY 05-06	
Division Of Institutions	\$250,000	\$250,000	NGF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$405,336,042".

Page 320, line 18, strike "\$407,600,523" and insert "\$407,850,523".

Page 320, line 33, strike "100,000" and "100,000" and insert:
"150,000" and 150,000".

Page 320, line 34, strike "Prison Family Support Services" and insert:
"Assisting Families of Inmates".

Page 320, line 35, strike "100,000" and "100,000" and insert:
"300,000" and "300,000".

Explanation:

(This amendment provides \$250,000 each year in special funds to increase current allocations to the following two programs. First, the allocation for Assisting Families of Inmates, Inc., is increased by \$50,000 each year for bus transportation to help families visit family members in Virginia state correctional facilities. Second, the allocation for the Department of Corrections to contract with organizations that work to enhance faith-based services is increased by \$200,000 each year. The source of the special funds is profits from inmate commissary operations.)

Item 420 #6c

Public Safety

Division Of Institutions

Language

Language:

Page 321, line 31, after "D.", insert "1."

Page 321, after line 36, insert:

"2. The Department shall prepare a plan to house a total of 1,000 state-responsible offenders in such local and regional jails as it may deem appropriate, pursuant to the jail contract bed program, during the 2004-06 biennium. The plan shall include an analysis of potential impediments to the expansion of the contract bed program, including, but not limited to, the extent to which current arrangements for housing federal prisoners may be absorbing jail capacity which could otherwise be used for this program. As a companion to this plan, the Department shall submit a budget amendment to the Department of Planning and Budget requesting the anticipated funds required to implement this plan, either in full or in part. As approved by the Secretary

of Public Safety, the plan and associated request for funding shall be presented to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by September 15, 2004."

Explanation:

(This amendment directs the Department of Corrections to prepare a plan to expand the Jail Contract Bed program from its current utilization of approximately 200 beds to a total of 1,000 beds during the 2004-06 biennium. Under this program, the Commonwealth pays \$28 per diem for state-responsible offenders, compared to the usual rate of \$14 per diem.)

Item 420.10 #1c

Public Safety	FY 04-05	FY 05-06	
Division Of Institutions	\$32,589	\$0	GF

Language:

Page 321, after line 36, insert:

"420.10. Corrections Special Reserve Fund \$32,589 \$0
(35900)

Fund Sources: General \$32,589 \$0."

Authority: § 30-19.1:4, Code of Virginia

"Included in the appropriation is \$32,589 to cover the projected state prison bed space impact, as determined in accordance with § 30-19.1:4, Code of Virginia, of Chapter 980 (House Bill 1233) of the Acts of Assembly 2004."

Explanation:

(This amendment funds the state correctional bed space impact of Chapter 980 (House Bill 1233) approved by the 2004 Session of the General Assembly.)

Item 427 #1c

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice	\$125,000	\$250,000	GF
Services	6.00	6.00	FTE

Language:

Page 324, line 13, strike "\$27,463,414" and insert "\$27,588,414".

Page 324, line 13, strike "\$27,463,414" and insert "\$27,713,414".

Explanation:

(This amendment provides \$125,000 the first year, \$250,000 the second year, and six positions from the general fund for the Division of Forensic Science to reduce the current backlog of over 2,000 DNA cases and other case backlogs.)

Item 430 #1c

Public Safety

Department Of Criminal Justice
Services

Language

Language:

Page 327, after line 44, insert:

"K. The Department of Criminal Justice Services shall review the feasibility of allowing alternative training delivery methods, with a focus on distance learning and computer-based training, for entry level and in-service training for criminal justice officers. In determining the feasibility of alternative training delivery methods, the Department shall consider the quality of training provided, cost effectiveness, and the impact upon local units of government. The Department shall consult with affected local governments, state and local public safety agencies, training organizations, and higher education institutions, including the Virginia Community College System. The results, including details on potential cost savings and cost avoidance, shall be reported to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2004."

Explanation:

(This amendment directs the Department of Criminal Justice Services to review the feasibility and cost-effectiveness of distance learning and computer-based training for criminal justice officers.)

Item 430 #2c

Public Safety

Department Of Criminal Justice
Services

Language

Language:

Page 327, after line 44, insert:

"K. The Department of Criminal Justice Services shall prepare a report on fees assessed by all regional criminal justice training academies for training services provided to nongovernmental agencies or organizations. The report shall include an assessment of whether fees charged nongovernmental agencies or organizations fully recognize the total cost of training provided. The report shall also provide options for recovering the cost of the state-supported training services provided to nongovernmental agencies or organizations by regional criminal justice training academies. The Department shall consult with affected local governments and government and nongovernment public safety agencies or organizations that utilize the regional criminal justice training academies. The results shall be reported to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2004."

Explanation:

(This amendment directs the Department of Criminal Justice Services to review the fees charged by regional criminal justice training academies to nongovernmental agencies or organizations.)

Item 430 #3c

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice Services	\$220,000	\$220,000	GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,640,178".

Page 324, line 40, strike "\$65,420,178" and insert "\$65,640,178".

Explanation:

(This amendment restores \$220,000 each year from the general fund to support sexual assault crisis centers.)

Item 430 #4c

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice Services	\$100,000	\$146,250	GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,520,178".
Page 324, line 40, strike "\$65,420,178" and insert "\$65,566,428".
Page 325, line 40, strike "828,750" and "828,750" and insert:
"928,750" and "975,000".

Explanation:

(This amendment restores \$100,000 the first year and \$146,250 the second year from the general fund for the Court-Appointed Special Advocate (CASA) program.)

Item 430 #5c

Public Safety

FY 04-05

FY 05-06

Department Of Criminal Justice
Services

\$819,000

\$1,638,000 GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$66,239,178".
Page 324, line 40, strike "\$65,420,178" and insert "\$67,058,178".
Page 325, line 42, strike "18,620,828" and insert "19,439,828".
Page 325, line 43, strike "18,620,828" and insert "20,258,828".
Page 326, strike lines 22 through 40.

Explanation:

(This amendment provides \$819,000 the first year and \$1,638,000 the second year from the general fund for local community corrections and pre-trial release programs to increase the diversion of low-risk, non-violent offenders from local and regional jails, subject to the oversight of local community criminal justice boards. This level of funding is sufficient to provide for the addition of an estimated 39 local probation officers, thereby increasing caseloads by an estimated 1,500 offenders statewide by the second year. In addition, this amendment eliminates language authorizing a pilot program intended to divert offenders serving six months or less in jail, which has proven to be unsuccessful.)

Item 432 #1c

Public Safety

FY 04-05

FY 05-06

Department Of Criminal Justice

(\$2,869,172)

(\$5,549,992) GF

Services

Language:

Page 327, line 51, strike "\$180,420,342" and insert "\$177,551,170".

Page 327, line 51, strike "\$192,688,925" and insert "\$187,138,933".

Page 328, strike line 12 through line 18.

Page 328, line 19, strike "C." and insert "B."

Page 328, after line 25, insert:

"C. It is the intent of the General Assembly that state funding provided to localities operating police departments be used to fund local public safety services. Funds provided in this item shall not be used to supplant the funding provided by localities for public safety services as of June 30, 2004. "

Explanation:

(This amendment adjusts the level of the additional general fund support provided for state aid to localities with police departments (the HB 599 program) and includes language clarifying the General Assembly's intent regarding the use of the program funds.)

Item 436 #1c

Public Safety

Department Of Fire Programs

FY 04-05

(\$1,250,000)

FY 05-06

\$0 GF

Language:

Page 329, line 32, strike "\$18,373,574" and insert "\$17,123,574".

Explanation:

(This amendment eliminates \$1,250,000 the first year from the general fund for the SAFER program. The SAFER program is a new federal grant program which will provide assistance to localities to hire additional firefighters. The introduced budget included these funds for the purpose of paying the local match for this program for the first year only. The required local matching percentage would have increased to 100 percent over the next four years.)

Item 439 #1c

Public Safety

Language:

Page 330, after line 31, insert:

"Any new mental health or substance abuse treatment program or initiative for juvenile offenders developed and implemented by the Department of Juvenile Justice shall be evaluated at least annually to ensure that program goals and objectives are being met. The department shall report the results of the evaluations to the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care."

Explanation:

(This amendment requires an evaluation and reporting component for any new mental health or substance abuse program implemented by the Department of Juvenile Justice.)

Item 439 #2c

Public Safety

Department Of Juvenile Justice

FY 04-05

(\$536,450)

FY 05-06

\$0 GF

Language:

Page 330, line 19, strike "\$26,353,232" and insert "\$25,816,782".

Explanation:

(This amendment phases in the increased funding included in the budget, as introduced, for direct ward costs for secure facilities operated by the Department of Juvenile Justice.)

Item 441 #1c

Public Safety

Department Of Juvenile Justice

FY 04-05

\$394,145

FY 05-06

\$788,289 GF

Language:

Page 331, line 41, strike "\$51,878,246" and insert "\$52,272,391".

Page 331, line 41, strike "\$51,878,246" and insert "\$52,666,535".

Explanation:

(This amendment provides \$394,145 the first year and \$788,289 the second year from the general fund to enable the department to fill juvenile probation officer positions which have been left vacant intentionally to generate savings required by previous budget cuts.)

Item 445 #1c

Public Safety

Department Of Juvenile Justice

FY 04-05

\$0

FY 05-06

(\$775,000) GF

Language:

Page 333, line 56, strike "\$50,897,969" and insert "\$50,122,969".

Page 334, strike line 18 through line 25 and insert:

"C. The Department of Juvenile Justice shall provide a report on its plans for utilization of the state's juvenile correctional centers, including any projected alternative programs for housing juvenile offenders committed to the department. Such report shall first be based upon funding and staffing levels included in this act, and may include alternative plans based upon requests for additional resources in subsequent biennia. The Director of the Department shall provide the report to the Governor and to the Chairmen of the House Appropriations and Senate Finance Committees no later than October 1, 2004. "

Explanation:

(This amendment removes contingent language in the introduced budget and requires development of a plan for utilization of the state's juvenile correctional centers.)

Item 456 #1c

Public Safety

Department Of State Police

Language

Language:

Page 338, strike line 11 and insert "E. This appropriation includes".

Page 338, line 15, strike "is" and insert "."

Page 338, strike lines 16 through 19.

Explanation:

(This amendment eliminates language that makes the proposed increase in base pay for sworn State Police personnel contingent on passage of the Governor's tax proposal.)

Item 463 #1c

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, after line 56, insert:

"D. The provisions of Title 2.2, Chapter 20.1 of the Code of Virginia shall not apply to the Virginia Port Authority."

Explanation:

(This amendment exempts the Virginia Port Authority from oversight by the Virginia Information Technologies Agency.)

Item 463 #2c

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, after line 56, insert:

"D. The requirement that the Department of Mental Health, Mental Retardation, and Substance Abuse Services purchase information technology equipment or services from the Virginia Information Technologies Agency according to the provisions of Chapters 981 and 1021 of the Acts of Assembly of 2003 shall not adversely impact the provision of services to mentally disabled clients."

Explanation:

(This amendment prohibits the reduction of services to mentally disabled clients served through the Department of Mental Health, Mental Retardation, and Substance Abuse Services as a result of the consolidation of technology purchasing under VITA.)

Item 463 #2c

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, after line 56, insert:

"D. The Information Technology Investment Board, in addition to the responsibilities as set forth in the 9th Enactment clause of Chapter 981 of the Acts of Assembly of 2003, shall have the authority to postpone the implementation schedule of any state agency by a vote of the majority of members. The members may consider the following reasons for postponement: security and sensitivity of information, adverse economic affects on participants' benefits, unusual effects on the agency's budget, or other matters that could adversely effect the Commonwealth's operations in the opinion of the Chief Information Officer."

Explanation:

(This amendment allows the Information Technology Investment Board to postpone the implementation schedule of any state agency by a vote of the majority of members.)

Item 463 #4c

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, after line 56, insert:

"D. The Board shall not delegate any duties or responsibilities to the Chairman other than to preside over meetings or act as the Board's spokesperson in public meetings. The Chairman shall have no powers or duties greater than those given to any other Board member. The Board shall use the Chief Information Officer to arrange Board and committee meetings and agendas and solicit the Chief Information Officer's advice on Information Technology Investment Board meeting topics and the frequency of meetings."

Explanation:

(This amendment clarifies that authority given to the Secretary of Technology

during the period prior to the hiring of a Chief Information Officer now reverts to the Chief Information Officer as intended by the legislation approved by the 2003 General Assembly when it approved the creation of VITA.)

Item 463 #5c

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, after line 56, insert:

"D. Except as they relate to project management, oversight and assistance provided for implementation of the Statewide Agencies Radio System (STARS), the provisions of Title 2.2, Chapter 20.1 of the Code of Virginia shall not apply to the Department of State Police."

Explanation:

(This amendment exempts the Department of State Police from oversight by the Virginia Information Technologies Agency except for implementation of the Statewide Agencies Radio System (STARS).)

Item 463 #6c

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, after line 56, insert:

"D.1. The Department of Human Resource Management shall review all compensation actions for employees of the Virginia Information Technologies Agency for proper application of the Commonwealth's classification and compensation policies or procedures. Subject to a memorandum of agreement between these two agencies, such review shall be undertaken in a timely manner and the results reported back to the Virginia Information Technologies Agency within five business days of completion.

2. No later than November 1 of each year the Department shall report its findings of any material deviations from such policies or procedures and the corrective actions

that have been taken to the Virginia Information Technologies Investment Board, the Governor, the Chairmen of the House Appropriations and Senate Finance Committees, and the Joint Legislative Audit and Review Commission."

Explanation:

(This amendment requires the Department of Human Resource Management to review all compensation actions for employees of the Virginia Information Technologies Agency.)

Item 466 #1c

Technology	FY 04-05	FY 05-06	
Virginia Information Technologies Agency	(\$7,266,000)	(\$519,000)	GF

Language:

Page 343, line 30, strike "\$14,932,851" and insert "\$7,666,851".

Page 343, line 30, strike "\$8,185,999" and insert "\$7,666,999".

Explanation:

(This amendment removes general fund appropriations for VITA start-up equipment costs. Under the internal service fund model under which VITA operates, these types of expenses should be funded through the internal service fund charges assessed to the agencies benefiting from such services. If insufficient cash is available through the internal service funds for up-front purchases, the standard method is to utilize Treasury loans until costs are recouped through the internal service fund collections.)

Item 466 #2c

Technology		Language
Virginia Information Technologies Agency		

Language:

Page 344, line 46, strike "1708" and insert "2028".

Page 344, line 48, after "acquisition" insert:

"or for other purposes authorized in § 2.2-2028".

Explanation:

(This amendment makes a technical correction to the sections of the Code of Virginia cited in Item 466.)

Item 469 #1c

Transportation

Secretary Of Transportation

Language

Language:

Page 348, line 23, strike "funds." and insert "funds,".

Explanation:

(This amendment corrects a typographical error in House Bill 5001.)

Item 470 #1c

Transportation

Department Of Aviation

Language

Language:

Page 350, after line 12, insert:

"The Director, Department of Aviation, shall prepare general guidelines regarding aircraft acquisition and use that shall include a requirement for state agencies to develop written policies on usage, charge rates and record-keeping. The Director shall examine the aircraft needs of state agencies and determine the most efficient and effective method of organizing and managing the Commonwealth's aircraft operations. The Director shall implement the aircraft management system he determines to be most suitable and revise it periodically as the need arises."

Explanation:

(This amendment is based on language included in the General Provisions of the budget bill. Placing the language within the appropriations for the Department of Aviation makes the policy more accessible to other state agencies and to the public. A companion amendment deletes the language from the General Provisions.)

Item 474 #1c

Transportation

Department Of Aviation

Language

Language:

Page 351, strike lines 26 through 30.

Explanation:

(This amendment removes the proposed policy requiring the Secretaries of Transportation and Finance to approve the department's request to obligate unappropriated Aviation Special Fund revenues. Changes proposed in the General Provisions of the budget bill would require legislative rather than executive approval.)

Item 477 #1c

Transportation

Department Of Motor Vehicles

Language

Language:

Page 352, after line 48, insert:

"D. The Department of Motor Vehicles is directed to implement, wherever possible, the recommendations of the Auditor of Public Accounts included in the study conducted pursuant to Item 2, Chapter 1042 of the Acts of Assembly of 2003. The Department of Motor Vehicles, in conjunction with the Auditor of Public Accounts, shall report to the Governor, the Secretary of Transportation, the Chairmen of the House Committees on Transportation and Appropriations and the Chairmen of the Senate Finance and Transportation Committees on the progress of the Department of Motor Vehicles' efforts to implement the cost methodology and productivity measures recommended by the Auditor of Public in his November 13, 2003, report by December 1, 2004. Such report shall include the department's evaluation of the variable costs of providing customer services via the various service delivery methods, as well as additional recommendations from the Auditor on the changes to the Department of Motor Vehicles' budget processes that will ensure that it reflects sound financial policy.

E. The Department of Motor Vehicles shall work with the Secretary of Transportation to develop performance goals and strategies that shall be submitted in the form of budget amendments for review and approval by the 2005 Session of the General Assembly. The goals and strategies shall be based on constrained assumptions of revenues and appropriations and shall address the major activities of the agency,

including (1) driver licensing; (2) driver monitoring; (3) driver reinstatement; (4) vehicle titling and registration; (5) vehicle insurance monitoring; (6) dealer licensing and regulation; and (7) customer records and information."

Explanation:

(This amendment directs the Department of Motor Vehicles, where possible, to implement the recommendations of the Auditor of Public Accounts included in the report released November 2003 relating to cost accounting and the determination of the costs of services provided by DMV under different service delivery methods. Also required is a joint report to be developed by DMV and the Auditor of Public Accounts to the General Assembly by December 1, 2004, on the implementation of financial accountability of measures and additional recommended improvements. Finally, language requires DMV to develop performance measures to be submitted as budget amendments to the 2005 Session of the General Assembly.)

Item 482 #1c

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 353, line 35, after "A.", insert "1."

Page 353, after line 38, insert:

"2. Not included in this appropriation is an amount estimated at \$10,122,400 the first year and \$10,403,000 the second year allocated directly to transit agencies from federal sources for the Surface Transportation Program (STP) and the Minimum Guarantee program."

Explanation:

(This amendment clarifies the actual federal revenue estimate for the six percent Surface Transportation Program (STP) and the 10 percent Minimum Guarantee program that flows directly to transit agencies from federal sources. The department does not receive the funding, and thus this funding is not appropriated.)

Item 483 #1c

Transportation

Department Of Rail And Public

Language

Transportation

Language:

Page 355, line 6, before "Out", insert "A."

Page 355, after line 14, insert:

"B. The Department shall report to the Secretary of Transportation and to the Chairmen of the Senate Committees on Finance and Transportation and the House Committees on Appropriations and Transportation by January 10, 2005, on the status of the Trans Dominion Express. The report shall include updated operating and capital costs to establish the line and potential funding sources. In addition, the report shall identify nonfinancial issues requiring resolution before the line can be started."

Explanation:

(This amendment is self-explanatory.)

Item 484 #1c

Transportation

Department Of Transportation

Language

Language:

Page 356, strike lines 17 through 22 and insert:

"E. Each year, as part of the six-year financial planning process, the Commissioner shall implement a long-term business strategy that considers appropriate staffing levels for the department. In addition, the Commissioner shall identify services, programs, or projects that will be evaluated for devolution or outsourcing in the upcoming year. In undertaking such evaluations, the Commissioner is authorized to use the appropriate resources, both public and private, to competitively procure those identified services, programs, or projects and shall identify total costs for such activities. The Commissioner shall include annually in the update of the six-year plan a report on the department's evaluations of outsourcing and devolution opportunities, and the outcome of those evaluations. Such report shall include an analysis of the costs of the services provided by the Commonwealth compared to costs associated with outsourcing those same services."

Explanation:

(This amendment directs the Department of Transportation to include, as part of its annual six-year plan update process, a report of identified opportunities for outsourcing and devolution, and directs the Department to report on the outcomes of such evaluations annually in the six-year program.)

Transportation

Department Of Transportation

Language

Language:

Page 356, after line 26, insert:

"G. The Auditor of Public Accounts shall conduct a follow-up status review of his July 8, 2002, report entitled "Special Review of the Cash Management and Capital Budgeting Practices" for the Department of Transportation. The Auditor shall specifically review Transportation's implementation of the cash and expenditure forecasting model, project cost estimating system and the development of the Six Year Program as a financially constrained budget. The Auditor shall include Transportation's progress on implementing all other recommendations within the July 8, 2002, report. The Auditor shall report his findings to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and the Senate Committees on Transportation and Finance no later than December 1, 2004.

H. The Department of Transportation shall work with the Secretary of Transportation to develop performance goals and strategies in budget amendments to be submitted for review and approval by the 2005 Session. Goals and strategies shall be based on realistic assumptions of revenues and appropriations, and shall address the major activities of the agency, including: (1) highway system maintenance; (2) highway system construction; (3) financial planning, management, and accountability; (4) toll facilities operations and management; (5) environmental evaluation and planning; (6) traffic engineering; and (7) transportation research."

Explanation:

(This amendment directs the Auditor to conduct a follow-up review of the agency's efforts to implement the Auditor's recommendations from the 2002 report. The amendment also requires the agency to work with the Secretary of Transportation to support efforts promoting greater performance and accountability in the core programs of VDOT by developing performance goals and strategies for the 2005 Session.)

Transportation

Department Of Transportation

Language

Language:

Page 356, line 42, before "Included", insert "A."

Page 357, after line 12, insert:

"B. Out of the amounts provided for Ground Transportation System Planning and Research, the Department of Transportation, through the Virginia Transportation Research Council, shall allocate such amounts as may be required to study the use of soil stabilizers in highway shoulders at one or more selected locations. In conducting its evaluation, the Council shall include a cost/benefit analysis, with the objective of finding a method of substantially reducing the occurrence of pavement/shoulder drop-off at a reasonable cost. Findings of the evaluation shall be reported to the Chairmen of the House Appropriations and Senate Finance Committees no later than January 1, 2005."

Explanation:

(This amendment directs the Virginia Transportation Research Council to study the use of soil stabilizers for highway shoulder improvements.)

Item 487 #2c

Transportation

Department Of Transportation

Language

Language:

Page 356, at the beginning of line 42, insert "A."

Page 357, after line 12, insert:

"B. Out of the appropriation included for this item, \$75,000 in the first year shall be provided to fund the costs of engineering services required to continue efforts to select appropriate traffic calming methods for the Hunter Mill Road area in Fairfax County. VDOT shall transfer such funds to the Northern Virginia Transportation Authority which shall be responsible for ensuring the conduct of the traffic calming study. The Northern Virginia Transportation Authority shall present the findings and recommendations of the engineering review to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by December 15, 2004."

Explanation:

(This amendment directs the Department of Transportation to transfer \$75,000 of

planning funding in the first year to the Northern Virginia Transportation Authority to continue evaluation of traffic calming for the Hunter Mill Road area in Fairfax County.)

Item 492 #1c

Transportation

Department Of Transportation

Language

Language:

Page 358, after line 49, insert:

"C. Out of the amounts for Financial Assistance for Planning, Access Roads, and Special Projects, \$50,000 the first year and \$50,000 the second year from the Commonwealth Transportation Fund shall be provided to support the transportation planning activities of the Northern Virginia Transportation Authority. The Authority shall comply with all applicable federal and state regulations to receive the funds."

Explanation:

(This amendment provides \$100,000 from VDOT's federal funds to support transportation planning activities done by the Northern Virginia Transportation Authority.)

Item 493 #1c

Transportation

Department Of Transportation

FY 04-05

FY 05-06

(\$130,400,000)

(\$141,600,000)

GF

Language:

Page 359, line 2, strike "\$469,767,289" and insert "\$339,367,289".

Page 359, line 2, strike "\$512,134,870" and insert "\$370,534,870".

Page 363, strike lines 18 through 27.

Explanation:

(This amendment eliminates the general fund deposit to the Priority Transportation Fund proposed in House Bill 5001.)

Item 499 #1c

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations (\$2,463,542) (\$2,570,660) GF

Language:

- Page 367, line 3, strike "\$26,830,254" and insert "\$24,366,712".
- Page 367, line 3, strike "\$27,996,808" and insert "\$25,426,148".
- Page 367, line 43, strike "\$328,468" and insert "\$2,792,010".
- Page 367, line 43, strike "\$342,757" and insert "\$2,913,417".
- Page 367, line 49, strike "\$294,584" and insert "\$2,503,872".
- Page 367, line 50, strike "\$307,394" and insert "\$2,612,882".

Explanation:

(This amendment reflects savings from the adjustment to the employer contribution rate for the retiree health credit. The employer contribution rate in the introduced budget did not include investment earnings on fund balances.)

Item 499 #2c

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$0	(\$2,000,000)	GF

Language:

- Page 367, line 3, strike "\$27,996,808" and insert "\$25,996,808".
- Page 368, line 4, insert:
"E. The Director, Department of Planning and Budget, in consultation with the State Treasurer, shall withhold \$2,000,000 in fiscal year 2006 from the Treasury Board as the result of favorable interest rates and lower than anticipated debt service for previously issued bonds of the Virginia Public Building Authority and Virginia College Building Authority."

Explanation:

(This amendment reduces debt service for previously issued bonds of the Virginia Public Building Authority and Virginia College Building Authority due to projected refunding that will take advantage of lower interest rates.)

Item 502 #1c

Central Appropriations	
Central Appropriations	Language

Language:

Page 369, after line 57, insert:

"E. There is hereby appropriated to the Tobacco Indemnification and Community Revitalization Endowment all proceeds of any sale of the Commission Allocation pursuant to the provisions of Chapter 482 of the Acts of Assembly of 2002."

Explanation:

(This technical amendment clarifies that moneys realized from any securitization of the Tobacco Indemnification and Community Revitalization Endowment (TICRE) portion of the Master Settlement Agreement shall be appropriated to the TICRE.)

Item 503 #1c

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations

\$0 (\$277,000,000) GF

Language:

Page 370, line 1, strike "\$996,889,232" and insert "\$719,889,232".

Page 370, line 5, strike "996,889,232" and insert "719,889,232".

Page 370, strike lines 9 through 11 and insert,

"2. The amounts appropriated in this item provide for a local reimbursement level of 70 percent in tax years 2004 and 2005. The local reimbursement level for tax year 2006 is set at \$950.0 million pursuant to Senate Bill 5005 of the 2004 Special Session. Payments to localities with calendar year 2006 car tax payment due dates prior to July 1, 2006, shall not be reimbursed until after July 1, 2006."

Page 370, strike lines 20 through 24.

Explanation:

(This amendment reduces the proposed appropriation for the Car Tax Relief program by \$277.0 million in general funds in the second year pursuant to Senate Bill 5005 of the 2004 Special Session. Pursuant to the provisions of that legislation, payments for calendar year 2006 will total \$950.0 million, with reimbursements being made beginning July 1, 2006.)

Item 504 #1c

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations

(\$25,774,963) (\$130,796,357) GF

Language:

- Page 370, line 26, strike "\$25,774,963" and insert "\$0".
- Page 370, line 26, strike "\$130,796,357" and insert "\$0".
- Page 370, strike line 25 through line 49 and insert "Omitted."

Explanation:

(This amendment removes the contingent personal property tax reimbursement expenditures associated with the Governor's tax package.)

Item 505 #1c

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations

\$1,964,478

\$3,626,505 GF

Language:

- Page 370, line 50, strike "\$12,058,693" and insert "\$14,023,171".
- Page 370, line 50, strike "\$116,397,852" and insert "\$120,024,357".
- Page 372, after line 45, insert:
"F. In lieu of the salary increases authorized in paragraphs F to L of this item, each sworn officer of the Virginia Department of State Police shall receive an increase in base salary and related employee benefits of \$1,491 on November 25, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this act, to bring the starting salary for State Troopers to \$32,500 per year."
- Page 372, line 46, strike "F" and insert "G".
- Page 374, line 26, strike "G" and insert "H".
- Page 374, line 34, strike "H" and insert "I".
- Page 374, line 42, strike "I" and insert "J".
- Page 374, line 53, strike "J" and insert "K".
- Page 375, line 18, strike "K" and insert "L".
- Page 375, line 23, strike "L" and insert "M".
- Page 375, line 29, strike "M" and insert "N".
- Page 376, line 6, strike "N" and insert "O".
- Page 376, line 13, strike "O" and insert "P".

Explanation:

(This amendment provides \$2.0 million in general funds the first year and \$3.6 million in general funds the second year to bring the starting salary for State Police officers to \$32,500 annually.)

Item 505 #2a

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$752,935	\$1,390,036	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$12,811,628".

Page 370, line 50, strike "\$116,397,852" and insert "\$117,787,888".

Page 376, after line 39, insert:

"P. Out of the amount appropriated for this item, \$752,935 the first year and \$1,390,036 the second year is included for a 2.1 percent competitive salary adjustment effective November 25, 2004, for Justices of the Supreme Court of Virginia and Judges of the Court of Appeals of Virginia, Circuit Courts, General District Courts, Juvenile and Domestic Relations District Courts, Combined District Courts, Commissioners of the State Corporation Commission and Commissioners of the Workers Compensation Commission."

Explanation:

(This amendment provides \$752,935 the first year and \$1,390,036 the second year from the general fund for an additional 2.1 percent competitive salary adjustment effective November 25, 2004, for Justices of the Supreme Court of Virginia and Judges of the Court of Appeals of Virginia, Circuit Courts, General District Courts, Juvenile and Domestic Relations District Courts, Combined District Courts, Commissioners of the State Corporation Commission and Commissioners of the Workers Compensation Commission. It is the intent of the General Assembly such changes as are necessary to implement the purpose of this amendment shall be made to the salaries listed elsewhere in this act during enrolling of the bill.)

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$7,889,355	\$13,602,337	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$19,948,048".

Page 370, line 50, strike "\$116,397,852" and insert "\$130,000,189".

Page 372, after line 45, insert:

"F. In lieu of the salary increases authorized in paragraphs F to L of this Item, sheriffs, deputy sheriffs and regional jail officers shall receive an increase in base salary and

related employee benefits equal to 4.82 percent on December 1, 2004."

Page 372, line 46, strike "F" and insert "G".

Page 374, line 26, strike "G" and insert "H".

Page 374, line 34, strike "H" and insert "I".

Page 374, line 42, strike "I" and insert "J".

Page 374, line 53, strike "J" and insert "K".

Page 375, line 18, strike "K" and insert "L".

Page 375, line 23, strike "L" and insert "M".

Page 375, line 29, strike "M" and insert "N".

Page 376, line 6, strike "N" and insert "O".

Page 376, line 13, strike "O" and insert "P".

Explanation:

(This amendment provides \$7.9 million the first year and \$13.6 million the second year from the general fund to provide a salary increase for sheriffs and deputy sheriffs consistent with that provided for State Police officers. It is the intent of the General Assembly that such changes as are necessary to implement the purpose of this amendment shall be made to the salaries listed elsewhere in this Act during enrolling of the bill.)

Item 505 #4c

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations

\$27,895,160

\$51,498,743 GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$39,953,853".

Page 370, line 50, strike "\$116,397,852" and insert "\$167,896,595".

Page 372, strike lines 46 through 56.

Page 373, strike lines 1 through 44.

Page 374 strike lines 1 through 55.

Page 375 strike lines 1 through 49.

Page 376, strike lines 1 through 39.

Page 372, line 46, insert:

"F.1. The base salary of employees listed in this paragraph shall be increased by three percent on November 25, 2004, for those employees set out in subparagraphs 2.a. through 2.d. of this paragraph. The base salary of employees set out in subparagraph 2.e. of this paragraph shall be increased by three percent on December 1, 2004. This appropriation includes the following estimated amounts for these purposes:

Employee Group	FY 2005	FY 2006
State Employees	\$27,895,160	\$51,498,743

2. Transfers from this item shall be used to effect this increase and related increases in employee benefits for:

a. Executive Department

1. Full-time employees of the Executive Department subject to the Virginia Personnel Act;
2. Full-time employees of the Executive Department not subject to the Virginia Personnel Act, except officials elected by popular vote;
3. Any official whose salary is listed in § 4-6.01 c and d of this act, subject to the ranges specified in the agency head salary levels in § 4-6.01 c; and
4. Full-time professional staff of the Governor's Office, the Lieutenant Governor's Office, the Attorney General's Office, Cabinet Secretaries Offices, including the Deputy Secretaries, the Virginia Liaison Office, and the Secretary of the Commonwealth's Office.

b. Legislative Department

1. Heads of agencies in the Legislative Department;
2. Full-time employees in the Legislative Department, other than officials elected by popular vote; and
3. Secretaries and administrative assistants as provided for in Item 1 of this act.

c. Judicial Department

1. Judges and Justices in the Judicial Department;
2. Heads of agencies in the Judicial Department; and,
3. Full-time employees in the Judicial Department.

d. Independent Agencies

1. Commissioners of the State Corporation Commission and the Virginia Workers' Compensation Commission, the Executive Directors of the Virginia College Savings Plan and the Virginia Office for Protection and Advocacy, and the Directors of the State Lottery Department, and the Virginia Retirement System;
2. Full-time employees of the State Corporation Commission, the Virginia College

Savings Plan, the State Lottery Department, Virginia Workers' Compensation Commission, the Virginia Retirement System, and Virginia Office for Protection and Advocacy.

e. State-Supported Local Employees

1. Locally elected constitutional officers, except as provided in paragraph G, of this item;

2. General Registrars and members of local electoral boards;

3. Full-time employees of locally elected constitutional officers, except as provided in paragraph G of this item; and,

4. Full-time employees of Community Services Boards, Centers for Independent Living, secure detention centers supported by Juvenile Block Grants, juvenile delinquency prevention and local court service units, local social services boards, and local health departments where a memorandum of understanding exists with the Virginia Department of Health.

3.a. Employees in the Executive Department subject to the Virginia Personnel Act shall receive the three percent base salary increase authorized in this paragraph only if they attained at least a rating of "Contributor" on their latest performance evaluation.

b. Salary increases for employees listed in paragraphs F.2.a.2. through F.2.a.4. and paragraphs F.2.c. through F.2.d. shall be consistent with the provisions of this paragraph, as determined by the appointing or governing authority. The appointing or governing authority shall certify that employees receiving the awards are performing at levels at least comparable to the eligible employees as set out in the preceding paragraph 3 a.

G.1. To ensure fair and equitable performance reviews, the Department of Human Resource Management is directed to provide performance management training to agencies and institutions of higher education with classified employees.

2. Agency heads in the Executive Department are directed to require appropriate performance management training for all agency supervisors and managers.

H. The Department of Human Resource Management shall increase the minimum and maximum salary for each band within the Commonwealth's Classified Compensation Plan by three percent on November 25, 2004. No salary increase shall be granted to any employee as a result of this action. The Department shall develop policies and procedures to be used in instances where employees fall below the entry level for a job classification due to poor performance. Movement through the revised pay band

shall be based on employee performance.

I. The agency heads listed in this paragraph may, at their discretion, utilize the funds provided pursuant to paragraph F of this item to implement the provisions of existing pay plans.

1. The heads of agencies in the Legislative and Judicial Departments;
2. The Commissioners of the State Corporation Commission and the Virginia Workers' Compensation Commission;
3. The Attorney General;
4. The Director of the Virginia Retirement System;
5. The Director of the State Lottery Department;
6. The Director of the University of Virginia Medical Center;
7. The Executive Director of the Virginia College Savings Plan;
8. The Executive Director of the Virginia Port Authority; and
9. The Executive Director of the Virginia Office for Protection and Advocacy.

J. The base rates of pay, and related employee benefits, for wage employees may be increased by up to three percent on November 25, 2004. The cost of such increases for wage employees shall be borne by funds appropriated to each agency.

K. Agencies supported in whole or in part by nongeneral funds shall pay the proportionate share of costs, from nongeneral fund revenues, of wages, salaries, and employee benefits as stated in this item, subject to rules and regulations prescribed by the Governing Authority."

Explanation:

(This amendment provides a 3.0 percent salary increase for state classified employees on November 25, 2004. It is the intent of the General Assembly that such changes as are necessary to implement the purpose of this amendment shall be made to the salaries listed elsewhere in this Act during enrolling of the bill.)

Item 505 #5c

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$12,248,415	\$20,997,283	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$24,307,108".

Page 370, line 50, strike "\$116,397,852" and insert "\$137,395,135".

Page 372, line 52, strike "2005" and insert "2004".

Page 372 line 56, strike " \$12,408,550" and insert "\$12,248,415" and "\$20,997,283".

Explanation:

(This amendment provides a 3.0 percent salary increase for state-supported local employees on December 1, 2004. It is the intent of the General Assembly that such changes as are necessary to implement the purpose of this amendment shall be made to the salaries listed elsewhere in this act during enrolling of the bill.)

Item 505 #6c

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations

\$0 (\$105,309,298) GF

Language:

Page 370, line 50, strike "\$116,397,852" and insert "\$11,088,554".

Page 372, strike lines 46 to 56.

Page 373, strike lines 1 to 44.

page 374, strike lines 1 to 55.

Page 375, strike lines 1 to 49.

Page 376, strike lines 1 to 12.

Page 376, line 13, strike "O" and insert "7".

Explanation:

(This amendment eliminates the proposed fiscal year 2006 three percent salary increase for all public employees. Separate amendments to item 505 and the various institutions of higher education provided a 3% salary increase for state employees, state-supported local employees and faculty in the first year of the biennium.)

Item 505 #7c

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations

(\$28,502,631) (\$29,741,876) GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "(\$16,443,938)".

Page 370, line 50, strike "\$116,397,852" and insert "\$86,655,976".
Page 376, strike lines 13 to 39.

Explanation:

(This amendment is one of three that reverse the pooling of state employee and teacher retirement groups. Companion amendments to Item 505 and Item 145 capture the savings from use of a lower teacher retirement rate than that recommended by the Governor for teacher retirement.)

Item 505 #8c

Central Appropriations

Central Appropriations

FY 04-05

\$3,183,148

FY 05-06

\$4,538,250 GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$15,241,841".

Page 370, line 50, strike "\$116,397,852" and insert "\$120,936,102".

Page 372, after line 45, insert:

"F. Included in the amounts for Compensation Supplements is \$3,183,148 the first year and \$4,538,250 the second year to address salary compression issues for sworn officers of the Virginia Department of State Police effective October 1, 2004."

Page 372, line 46, strike "F" and insert "G".

Page 374, line 26, strike "G" and insert "H".

Page 374, line 34, strike "H" and insert "I".

Page 374, line 42, strike "I" and insert "J".

Page 374, line 53, strike "J" and insert "K".

Page 375, line 18, strike "K" and insert "L".

Page 375, line 23, strike "L" and insert "M".

Page 375, line 29, strike "M" and insert "N".

Page 376, line 6, strike "N" and insert "O".

Page 376, line 13, strike "O" and insert "P".

Explanation:

(This amendment provides \$3.2 million the first year and \$4.5 million the second year from the general fund to address salary compression issues for sworn officers of the Virginia Department of State Police, effective October 1, 2004.)

Item 505 #9c

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	(\$1,423,001)	(\$2,627,079)	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$10,635,692".

Page 370, line 50, strike "\$116,397,852" and insert "\$113,770,773".

Explanation:

(This amendment reduces the amount required to fund the three percent salary increase for state employees by \$1.4 million the first year and \$2.7 million the second year from the general fund to reflect special salary actions provided for certain job classes. It is the intent of the General Assembly that such changes as are necessary to implement the purpose of this amendment shall be made to the salaries listed elsewhere in this Act.)

Item 505 #10c

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	(\$4,938,607)	(\$8,466,184)	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$7,120,086".

Page 370, line 50, strike "\$116,397,852" and insert "\$107,931,668".

Explanation:

(This amendment reduces the amount required to fund the three percent salary increase for state employees by \$4.9 million the first year and \$8.5 million the second year from the general fund to reflect special salary actions provided for certain state-supported local job classes. It is the intent of the General Assembly that such changes as are necessary to implement the purpose of this amendment shall be made to the salaries listed elsewhere in this act.)

Item 505 #11c

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$24,909,601	\$27,487,057	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$36,968,294".
Page 370, line 50, strike "\$116,397,852" and insert "\$143,884,909".
Page 376, strike lines 13 through 39.

Explanation:

(This amendment is one of three that reverse the pooling of state employee and teacher retirement groups. Companion amendments to Item 505 and Item 145 capture the savings from use of a lower teacher retirement rate than that recommended by the Governor for teacher retirement.)

Item 505 #12c

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$215,520	\$397,883	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$12,274,213".
Page 370, line 50, strike "\$116,397,852" and insert "\$116,795,735".
Page 376, after line 39, insert:

"P. Included in the amounts for Compensation Supplements is \$215,520 the first year and \$397,883 the second year to address salary compression issues for sworn officers and communications operators of the Division of Capitol Police, effective November 25, 2004. The Chief of the Capitol Police shall report to the Committee on Joint Rules prior to November 25, 2004, regarding the Division's plan to address salary compression and entry level salary issues for sworn officers and communications operators."

Explanation:

(This amendment provides \$215,520 the first year and \$397,883 the second year from the general fund for the Division of Capitol Police to address salary compression issues among sworn officers and to increase the starting salary for entry level officers to be more commensurate with campus police at state institutions of higher education. It is the intent of the General Assembly that such changes as are necessary to implement the purpose of this amendment shall be made to the salaries listed elsewhere in this Act during the enrolling of this Act.)

Item 505 #13c

Central Appropriations
Central Appropriations

FY 04-05
\$0

FY 05-06
\$26,628,568 GF

Language:

Page 370, line 50, strike "\$116,397,852" and insert "\$143,026,420".

Page 376, after line 39, insert:

"P. Included in the amounts for Compensation supplements is \$26,628,568 which shall be used to provide a salary increase for public employees in the 2005-2006 fiscal year."

Explanation:

(This amendment sets side \$26.6 million to provide a salary increase for public employees in fiscal year 2006.)

Item 506 #1c

Central Appropriations
Central Appropriations

Language

Language:

Page 378, line 9, after "law.", insert:

"In accordance with Chapters 1019 and 1044 of the Acts of Assembly of 2000, the project list is amended to include state road improvements for the APM terminal to address costs beyond the funding capability of existing programs."

Explanation:

(This amendment alters the project list of the Virginia Transportation Act to include the APM terminal to address the need for expedited improvements to roadways as part of the Maersk project in Portsmouth.)

Item 506 #2c

Central Appropriations
Central Appropriations

FY 04-05
\$0

FY 05-06
(\$1,000,000) GF

Language:

Page 376, line 40, strike "\$25,784,869" and insert "\$24,784,869".

Page 377, line 31, strike "\$10,000,000" and insert "\$9,000,000".

Explanation:

(This amendment redirects \$1,000,000 the second year from the general fund appropriation for the Governor's Development Opportunity Fund to the Department of Housing and Community Development for a grant program geared toward attracting new and expanding businesses to economically distressed localities in the Commonwealth. A companion amendment to Item 112 increases funding for the Department of Housing and Community Development to implement the program.)

Item 506 #3c

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	(\$1,000,000)	\$0	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$27,999,720".
Page 377, line 30, strike "\$13,000,000" and insert "\$12,000,000".

Explanation:

(This amendment eliminates \$1.0 million of the \$3.0 million appropriation increase for the Governor's Opportunity Fund that had been proposed in the introduced budget. The remaining appropriation for the Opportunity Fund in fiscal year 2005 totals \$12.0 million.)

Item 506 #4c

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	(\$6,392,319)	(\$6,392,319)	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$22,607,401".
Page 376, line 40, strike "\$25,784,869" and insert "\$19,392,550".
Page 378, strike lines 24 through 32.
Page 378, line 33, strike "G" and insert "F".
Page 378, line 40, strike "H" and insert "G".
Page 378, line 45, strike "I" and insert "H".
Page 379, line 26, strike "J" and insert "I".

Explanation:

(This amendment eliminates funding for the Technology Research Fund.)

Central Appropriations

Central Appropriations

Language

Language:

Page 377, line 4, strike "4-1.03 a 3" and insert "4-1.03 c 5".

Explanation:

(This amendment corrects the site reference in the general provisions, which lists the six conditions whereby the Governor may access emergency funds.)

Central Appropriations

Central Appropriations

FY 04-05

\$1,877,758

FY 05-06

\$0 GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$30,877,478".

Page 377, line 30, strike "\$13,000,000" and insert "\$14,877,758".

Page 378, after line 23, insert:

"6. Out of the first year appropriation for the Governor's Development Opportunity Fund, \$1,877,758 shall be unallotted and reserved for the solar photovoltaic manufacturing incentive grant program in accordance with § 45.1-392, Code of Virginia. These funds shall not be released by the Department of Planning and Budget until the Secretary of Commerce and Trade and the Auditor of Public Accounts certify to the Governor and to the Chairmen of the Senate Finance and House Appropriations Committees that the applicant for the funds met the program's statutory requirements. If the Secretary and Auditor certify that the applicant did not meet the requirements, then the funds shall be allotted for the purposes set out in § 2.2-115, Code of Virginia."

Explanation:

(This amendment appropriates and reserves \$1.9 million for a solar photovoltaic manufacturing incentive grant provided that the applicant meets the statutory requirements. If the Secretary of Commerce and Trade and the Auditor of Public Accounts certify that the applicant failed to meet the requirements, then the funds shall be available for use under the Governor's Opportunity Fund.)

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$238,500	\$281,200	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$29,238,220".

Page 376, line 40, strike "\$25,784,869" and insert "\$26,066,069".

Page 379, after line 39, insert:

"L. Out of this appropriation, \$238,500 the first year and \$281,200 the second year from the general fund is provided for the Department of General Services rent plan for unanticipated utility cost increases at the seat of government."

Explanation:

(This amendment provides funding to state agencies at the seat of government for the rent plan managed by the Department of General Services. Funding is to be used for unanticipated utility cost increases experienced in the Capitol Complex and for inflationary increases on custodial and maintenance contracts. A companion amendment is included in Item 79.)

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$252,599	(\$252,599)	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$29,252,319".

Page 376, line 40, strike "\$25,784,869" and insert "\$25,532,270".

Page 378, line 41, strike "\$637,401" and insert "\$890,000".

Page 378, line 42, strike "\$422,550" and insert "\$169,651".

Explanation:

(This amendment transfers a portion of the state support for the debt service costs of the debt originally issued to construct the Virginia Horse Center from the second year to the first year.)

Central Appropriations

Central Appropriations

Language

Language:

Page 379, line 50, strike "the expenditure of".

Page 379, line 52, after "fund", insert "is provided".

Page 380, line 2, strike "is contingent upon the passage into law of the".

Page 380, strike line 3 through line 5 and insert ".".

Explanation:

(This amendment removes language stating that funding for the Department of Forestry's radio system replacement is contingent upon passage of the Governor's tax proposal. FCC rules on the use of radio frequencies have changed, and as a result DOF will lose use of radios in one-third of the state by 2005 if the system is not replaced. This funding, to be provided through the master equipment lease program, is provided to ensure that required system changes are funded.)

Item 507 #2c

Central Appropriations

Central Appropriations

FY 04-05

\$0

FY 05-06

(\$250,000) GF

Language:

Page 379, line 41, strike "\$2,754,359" and insert "\$2,504,359".

Page 379, strike lines 43 through 49 and insert:

"A.1. This appropriation includes \$2,510,000 the first year and \$2,260,000 the second year from the general fund for implementing the Statewide Agencies Radio System (STARS) project.

2. The Secretary of Public Safety, in conjunction with the STARS Management Group and the Superintendent of State Police, shall provide a report on (1) the scope of the STARS contract; (2) projected total costs for the system, including project management costs and expected annual operating costs; (3) proposed communications technologies and system capabilities; (4) the status of site acquisition to support the system; (5) the role of project management and a description of the project management plan; (6) an outline of the project timelines for implementing the system; and (7) other matters as the Secretary may deem appropriate. This report shall be provided to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than October 1, 2004."

Explanation:

(This amendment reduces the appropriation for STARS project management by \$250,000 from the general fund the second year, and requires the submission of a status report on project implementation, including anticipated project management costs, by October 1, 2004. This amendment also removes contingent language included in the budget as introduced.)

Item 510 #1c

Independent Agencies

State Corporation Commission

FY 04-05

(\$700,000)

FY 05-06

(\$1,400,000) NGF

Language:

Page 382, line 35, strike "\$11,300,000" and insert "\$10,600,000".

Page 382, line 35, strike "\$12,000,000" and insert "\$10,600,000".

Explanation:

(This amendment directs anticipated increases in revenues generated by the uninsured motorists fee to the general fund. A companion amendment to Part 3 increases transfers to the general fund by \$700,000 in the first year and \$1.4 million in the second year.)

Item 513 #1c

Independent Agencies

State Corporation Commission

FY 04-05

\$10,000

FY 05-06

\$10,000 NGF

Language:

Page 383, line 5, strike "\$24,214,998" and insert "\$24,224,998".

Page 383, line 5, strike "\$24,009,640" and insert "\$24,019,640".

Page 383, after line 10, insert:

"Out of the amounts appropriated to this item, the Commission is authorized to expend an amount not to exceed \$10,000 the first year and \$10,000 the second year for the payment of annual membership dues to the National Conference of Insurance Legislators."

Explanation:

(This amendment provides for the payment of annual membership dues to the

National Conference of Insurance Legislators. This organization exists to educate state legislators about the insurance industry, insurance regulation, and developing insurance issues in both Congress and other states.)

Item 522 #1c

Independent Agencies	FY 04-05	FY 05-06
Virginia Retirement System	\$200,000	\$0 NGF

Language:

Page 386, line 2, strike "\$22,651,837" and insert "\$22,851,837".

Explanation:

(This amendment provides funding for actuarial and legal support services for the retirement system study required in House Joint Resolution 34 of the 2004 Session.)

Item 522 #2c

Independent Agencies	FY 04-05	FY 05-06
Virginia Retirement System	(\$172,000)	(\$172,000) GF

Language:

Page 386, line 2, strike "\$22,651,837" and insert "\$22,479,837".

Page 386, line 2, strike "\$23,943,701" and insert "\$23,771,701".

Page 386, line 25, strike "\$250,000" and insert "\$78,000".

Explanation:

(This amendment retains funding to reimburse the Virginia Retirement System for costs associated with administering the Volunteer Service Award Program (VOLSAP).)

Item 522 #3c

Independent Agencies	Language
Virginia Retirement System	

Language:

Page 386, after line 34, insert:

"E. Any person included in the membership of a retirement system provided by Chapter 1 (§ 51.1-124.1 et seq.), 2 (§ 51.1-200 et seq.), 2.1 (§ 51.1-211 et seq.), or 3 (§ 51.1-300 et seq.) of Title 51.1, Code of Virginia, who (i) rendered at least 15 years of total creditable service as a local officer as defined in § 51.1-124.3 or as an employee of a local social services board and (ii) after terminating service as a local officer or employee of a local social service board, was employed by a local government that does not elect to provide a health insurance credit under § 51.1-1402, shall be eligible for the credit provided by § 51.1-1403, provided that the retired employee is participating in a health insurance plan. The Commonwealth shall be charged with the credit as provided for in subsection A of § 51.1-1403. In such case, the health insurance credit shall be determined based upon the amount of state service or service as a local officer or employee of a local social service board, whichever is greater."

Explanation:

(This amendment makes eligibility for the retiree health care credit for certain local employees consistent with requirements for retired state employees and teachers.)

Item C-0 #1c

General Conditions

General Conditions

Language

Language:

Page 393, after line 14, insert:

"L. Conditions Applicable to Alternative Financing

1. Any agency or institution of the Commonwealth that would construct, purchase, lease, or exchange a capital asset by means of an alternative financing mechanism, such as the Public Private Education Infrastructure Act, or similar statutory authority, shall provide a report to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees no less than 30 days prior to entering into such alternative financing agreement. This report shall provide:

- a. a description of the purpose to be achieved by the proposal;
- b. a description of the financing options available, including the alternative financing, which will delineate the revenue streams or client populations pledged or encumbered by the alternative financing;
- c. an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the Commonwealth;
- d. an analysis of the alternatives clearly setting out the advantages and disadvantages

of each for the clients of the agency or institution; and
e. a recommendation and planned course of action based on this analysis."

Explanation:

(This amendment requires that agencies submit a report to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees prior to entering into alternative financing agreements for capital projects.)

Item C-0 #2c

General Conditions

General Conditions

Language

Language:

Page 393, after line 14, insert:

"L. Conditions Applicable to Alternative Financing

1. The following authorizations to construct, purchase, lease or exchange a capital asset by means of an alternative financing mechanism, such as the Public Private Education Infrastructure Act, or similar statutory authority, are continued until revoked:

	Agency	Item	Appropriations Act
a.	James Madison University	Item C-24.30	Chapter 1042
b.	Longwood University	Item C-25.05	Chapter 1042
c.	Norfolk State University	Item C-28.30	Chapter 1042
d.	Norfolk State University	Item C-28.35	Chapter 1042
e.	Old Dominion University	Item C-30.10	Chapter 1042
f.	Science Museum of Virginia	Item C-96.10	Chapter 1042
g.	Department of Social Services	Item C-102	Chapter 1042".

Explanation:

(This amendment continues previous authorizations for public-private capital projects.)

Item C-0 #3c

General Conditions

General Conditions

Language

Language:

Page 393, after line 14, insert:

"L. Conditions Applicable to Alternative Financing

1. The following individuals, and members of their immediate family, may not engage in an alternative financing arrangement with any agency or institution of the Commonwealth, where the potential for financial gain, or other factors may cause a conflict of interest:

- a. A member of the agency or institution's governing body;
- b. Any elected or appointed official of the Commonwealth or its agencies and institutions who has, or reasonably can be assumed to have, a direct influence on the approval of the alternative financing arrangement; or
- c. Any elected or appointed official of a participating political subdivision, or authority who has, or reasonably can be assumed to have, a direct influence on the approval of the alternative financing arrangement."

Explanation:

(This amendment prohibits conflicts of interest in alternative financing arrangements.)

		Item	C-3.10 #1c
Administration	FY 04-05	FY 05-06	
Department Of General Services	\$0	\$2,497,000	NGF

Language:

Page 393, after line 25, insert:

"C-3.10. New Construction: Phase I: \$2,497,000
Replacement of the 8th and 9th Street
Office Buildings
Fund Sources: Bond Proceeds \$2,497,000".

Explanation:

(This amendment authorizes \$2.5 million the second year in VPBA bonds for Phase I of the replacement of the 8th and 9th Street Office Buildings as authorized in Item C-1.45 of Chapter 943, of the Acts of Assembly of 2004. This first phase consists of demolition of the 8th Street Office Building.)

		Item	C-5 #1c
Commerce And Trade	FY 04-05	FY 05-06	

Department Of Agriculture And Consumer Services (\$264,000) (\$463,000) NGF

Language:

Page 393, line 40, strike "\$264,000" and insert "\$0".

Page 393, line 40, strike "\$463,000" and insert "\$0".

Page 393, after line 41, insert:

"The Department of Agriculture and Consumer Services may examine the financial feasibility of using revenue supported bonds issued by the Virginia Public Building Authority to construct a marketing office on the Eastern Shore."

Explanation:

(This amendment removes general fund supported debt for a marketing office on the Eastern Shore in the introduced budget and allows the Department of Agriculture and Consumer Services to examine the financial feasibility of using revenue bonds.)

Item C-6.10 #1c

Commerce And Trade	FY 04-05	FY 05-06
Department Of Forestry	\$546,000	\$0 NGF

Language:

Page 394, after line 6, insert:

"C-6.10. New Construction: Abingdon Shop and Cold Storage \$546,000

Shop and Cold Storage

Fund Sources: Bond Proceeds \$546,000".

Explanation:

(This amendment authorizes \$0.5 million in VPBA bonds the first year for construction of the Abingdon Shop and Cold Storage facility.)

Item C-6.10 #2c

Commerce And Trade	FY 04-05	FY 05-06
Department Of Forestry	\$1,076,000	\$0 NGF

Language:

Page 394, after line 6, insert:

"C-6.10. New Construction: Area Offices in Grayson and Carroll Counties \$1,076,000

Fund Sources: Bond Proceeds \$1,076,000".

Explanation:

(This amendment authorizes \$1.1 million in VPBA bonds the first year for construction of area offices in Grayson and Carroll Counties.)

	Item	C-11.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
Christopher Newport University	\$3,400,000	\$0 NGF

Language:

Page 394, after line 36, insert:

"C-11.10. New Construction: Construct Student Center

Fund Sources: Bond Proceeds \$3,400,000".

"This project provides supplemental funding for the construction of a new student center at Christopher Newport University due to higher than anticipated construction bids. The project was originally authorized in Item C-5, Chapter 943, of the Acts of Assembly of 2004."

Explanation:

(This amendment provides additional 9(d) debt authorization for the student center project at Christopher Newport University. Debt service for these bonds will be paid for through nongeneral funds.)

	Item	C-15.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
The College Of William And Mary In Virginia	\$40,000,000	\$0 NGF

Language:

Page 395, after line 13, insert:

"C-15.10. New Construction: School of Business Building (16648)

Fund Sources: Debt Service Bond Proceeds \$40,000,000". \$0".

"1. Subject to Section 4-4.01x of this act and approval of a Final Project Proposal by the Secretaries of Finance and Administration, the General Assembly authorizes the

College of William and Mary with the approval of the Governor, to explore and evaluate an alternative financing scenario to support construction of a new school of business facility on the main campus of the College.

2. The General Assembly authorizes the College of William and Mary to enter into a written agreement with the School of Business Foundation or other private entity to design, construct and finance a facility to provide classroom, faculty office, and other operational related academic and support space for the College's School of Business. The facility may be located on property owned by the Commonwealth of Virginia. The College of William and Mary is also authorized to enter into a written agreement with the School of Business Foundation or other private entity to lease a suitable site to the Foundation or private entity and to lease the facility from the Foundation or private entity once constructed.

3. The General Assembly further authorizes the College of William and Mary to enter into a written agreement with the School of Business Foundation or other private entity for the support of the facility by including the facility in the College's facility inventory and managing its operation and maintenance, and by otherwise supporting the facility consistent with law, provided that the College shall not be required to take any action that would constitute a breach of the College's obligations under any documents or other instruments constituting or securing bonds or other indebtedness of the College or the Commonwealth of Virginia.

4. The General Assembly further states its intent to permit construction of this project in accordance with state law, the College's nongeneral fund decentralization Memorandum of Understanding with the Secretaries of Administration and Finance, and with agreement by the School of Business Foundation or other private entity to provide from private funds a substantial majority of the cost of the project and the funds necessary to retire any related debt service.

5. The College shall be responsible for ensuring all debt service payments on this project from private funds and student fees."

Explanation:

(This amendment authorizes the College to issue up to \$40 million in 9(d) debt for the construction of a new School of Business. With this debt authorization, the College anticipates reducing the need for previously authorized NGF cash by \$15.0 million. With these adjustments, in total, the project is expected to cost \$60 million to be paid for with \$20 million in NGF cash and \$40 million in 9(d) Bonds. Debt service

on the bonds will be paid from private funds and student fees.)

Item C-15.10 #2c

Education: Higher Education

FY 04-05

FY 05-06

The College Of William And Mary
In Virginia

\$2,821,000

\$0 NGF

Language:

Page 395, after line 13, insert:

"C-15.10. New Construction: Parking Deck
Supplement

\$2,821,000

Fund Sources: Bond Proceeds

\$2,821,000".

Explanation:

(This amendment provides a supplement to the \$7,343,000 in 9(d) debt authorization provided in Chapter 1073, of the Acts of Assembly of 2000, for a 550-space parking deck at the College. This supplement will increase the total 9(d) revenue bond authorization for this project to \$10,164,000.)

Item C-15.10 #3c

Education: Higher Education

FY 04-05

FY 05-06

The College Of William And Mary
In Virginia

\$1,600,000

\$0 NGF

Language:

Page 395, after line 13, insert:

"C-15.10. Acquisition: Emergency
Generators

\$1,600,000

Fund Sources: Bond Proceeds

\$1,600,000".

Explanation:

(This amendment provides \$1.6 million in VCBA debt authorization for acquisition of emergency generators by the College of William and Mary.)

Item C-16.10 #1c

Education: Higher Education

Language:

Page 395, after line 21, insert:
"C-16.10.

The General Assembly authorizes Richard Bland College to enter into a written agreement with its affiliated foundation to construct one or more facilities to provide on-campus housing on College land to be leased to said foundation for such purposes. Richard Bland College is also authorized to enter into a written agreement with said foundation for the support of such student housing facilities and management of the operation and maintenance of the same."

Explanation:

(This amendment is self-explanatory.)

	Item	C-17.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
Virginia Institute Of Marine Science	\$0	\$0 GF
	\$2,000,000	\$0 NGF

Language:

Page 395, after line 27, insert:		
"C-17.10. New Construction: Field Support Center	\$2,000,000	\$0
Fund Sources: Higher Education Operating	\$280,000	\$0".
Bond Proceeds	\$1,720,000".	

Explanation:

(This amendment provides funds to replace the field support facility destroyed during Hurricane Isabel and consolidate instrument repair shops and fleet management offices. The source of the nongeneral funds will be the State Insurance Reserve Trust Funds.)

	Item	C-17.10 #2c
Education: Higher Education	FY 04-05	FY 05-06
Virginia Institute Of Marine Science	\$2,000,000	\$0 NGF

Language:

Page 395, after line 27, insert:

"C-17.10. Improvements: Maury Hall Renovation	\$2,000,000
Fund Sources: Higher Education Operating	\$2,000,000".

Explanation:

(This amendment provides \$2.0 million from private funds for renovation of Maury Hall at the Virginia Institute of Marine Science.)

Item C-18 #1c

Education: Higher Education

George Mason University

Language

Language:

Page 395, after line 33, insert:

"1. The General Assembly authorizes George Mason University, with approval of the Governor, to explore and evaluate an alternative financing scenario to provide an addition to the existing Krasnow Institute. This project must be consistent with the Virginia Uniform Statewide Building Code 7 of October 1, 2003, and comply with Treasury Board Guidelines pursuant to § 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

2. The General Assembly authorizes George Mason University to enter into written agreement with a public or private entity to design, construct and finance an addition to the existing Krasnow Institute. The addition may be located on property owned by the Commonwealth. All project proposals and approvals shall be in accordance with the guidelines cited in paragraph 1 of this item.

3. In the event the Krasnow Institute project is financed through alternative financing and is constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project shall continue to be exempt from all requirements of any county or city zoning ordinances, and such project may be administered in accordance with a Memorandum of Understanding with the Secretaries of Administration and Finance.

4. Authority provided for this project is not intended to provide blanket delegation of authority for all nongeneral fund projects. Delegation of authority for nongeneral fund projects may be granted on a pilot basis by the Secretary of Administration as

specified in § 4-5.08, Delegation of Authority, of this act".

Explanation:

(This amendment is self-explanatory.)

	Item	C-29.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
George Mason University	\$1,750,000	\$0 NGF

Language:

Page 397, after line 3, insert:

"C-29.10. New Construction: Prince William IIIA Supplement

Fund Sources: Bond Proceeds

\$1,750,000

\$1,750,000".

Explanation:

(This amendment authorizes \$1.8 million in VCBA bonds to supplement funding for the Prince William IIIA project to provide additional IT security, furnishings, and equipment.)

	Item	C-29.10 #2c
Education: Higher Education		
George Mason University		Language

Language:

Page 397, after line 3, insert:

"C-29.10.

1. The General Assembly authorizes George Mason University, with approval of the Governor, to explore and evaluate an alternative financing scenario to provide a Conference Center for the Institute for Conflict Analysis and Resolution. This project must be consistent with the Virginia Uniform Statewide Building Code 7 of October 1, 2003, and comply with Treasury Board Guidelines pursuant to § 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

2. The General Assembly authorizes George Mason University to enter into written agreement with a public or private entity to design, construct and finance a Conference Center for the Institute for Conflict Analysis and Resolution. The Conference Center may be located on property owned by the Commonwealth. All

project proposals and approvals shall be in accordance with the guidelines cited in paragraph 1 of this item.

3. In the event the Conference Center for the Institute for Conflict Analysis and Resolution financed through alternative financing and is constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project shall continue to be exempt from all requirements of any county or city zoning ordinances, and such project may be administered in accordance with a Memorandum of Understanding with the Secretaries of Administration and Finance.

4. Authority provided for this project is not intended to provide blanket delegation of authority for all nongeneral fund projects. Delegation of authority for nongeneral fund projects may be granted on a pilot basis by the Secretary of Administration as specified in § 4-5.08, Delegation of Authority, of this act."

Explanation:

(This amendment is self-explanatory.)

	Item	C-29.10 #3c
Education: Higher Education	FY 04-05	FY 05-06
George Mason University	\$2,050,000	\$0 NGF

Language:

Page 397, after line 3, insert:
 "C-29.10. New Construction: Patriot Center Supplement
 Fund Sources: Higher Education Operating \$2,050,000".

Explanation:

(This amendment provides \$2.1 million in nongeneral funds the first year to supplement funding for the renovation of the Patriot Center at George Mason University. This brings the total project authorization to \$9.1 million)

	Item	C-29.10 #4c
Education: Higher Education	FY 04-05	FY 05-06
George Mason University	\$1,500,000	\$0 NGF

Language:

Page 397, after line 3, insert:
 "C-29.10. New Construction: Center for the Arts \$1,500,000
 Fund Sources: Higher Education Operating \$1,500,000".

Explanation:

(This amendment provides \$1.5 million in nongeneral funds for an addition to the Center for the Arts at George Mason University.)

	Item	C-29.10 #5c
Education: Higher Education	FY 04-05	FY 05-06
George Mason University	\$3,325,000	\$0 NGF

Language:

Page 397, after line 3, insert:
 "C-29.10. Improvements: North Loop \$3,325,000
 Utility Infrastructure Supplement
 Fund Sources: Bond Proceeds \$3,325,000".

Explanation:

(This amendment authorizes \$3.3 million in VCBA bonds to supplement funding for the North Loop Utility Infrastructure project. This project will provide sufficient hot and chilled water utility tunnels to serve the north sector of the Fairfax campus.)

	Item	C-34.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
James Madison University	\$8,000,000	\$0 NGF

Language:

Page 397, after line 26, insert:
 "C-34.10. New Construction: Multipurpose \$8,000,000 \$0
 Recreational Fields
 Fund Sources: Bond Proceeds \$8,000,000". \$0".

Explanation:

(This amendment provides 9(d) revenue bond authority to construct additional

student recreation fields.)

Item C-34.10 #2c

Education: Higher Education

James Madison University

FY 04-05

\$13,600,000

FY 05-06

\$0 NGF

Language:

Page 397, after line 26, insert:

"C-34.10. New Construction: Parking Deck

\$13,600,000

\$0

Fund Sources: Higher Education Operating

\$5,000,000

\$0".

Bond Proceeds

\$8,600,000".

Explanation:

(This amendment provides nongeneral fund and 9(d) revenue bond authority to construct a new parking deck.)

Item C-39 #1c

Education: Higher Education

Mary Washington College

FY 04-05

\$5,000,000

FY 05-06

\$0 NGF

Language:

Page 398, line 9, strike "\$20,000,000" and insert "\$25,000,000".

Explanation:

(This amendment provides \$5.0 million in 9(d) revenue bond authority to supplement the \$20.0 million 9(d) authorization provided in the introduced budget for construction of a new Convocation Center at the University of Mary Washington.)

Item C-39 #2c

Education: Higher Education

Mary Washington College

Language

Language:

Page 398, line 7, strike "MARY WASHINGTON COLLEGE" and insert:
"UNIVERSITY OF MARY WASHINGTON".

Page 398, line 16, strike "Mary Washington College" and insert:

"University of Mary Washington".

Explanation:

(This amendment changes the agency name pursuant to Chapters 176 and 195 of the Acts of Assembly of 2004.)

Item C-40 #1c

Education: Higher Education

Mary Washington College

FY 04-05

\$1,000,000

FY 05-06

\$0 NGF

Language:

Page 398, line 11, strike "\$5,000,000" and insert "\$6,000,000".

Explanation:

(This amendment authorizes \$1.0 million in 9(d) revenue bonds to supplement \$5.0 million in 9(d) debt authorization provided in the budget, as introduced, for construction of a new parking deck at the University of Mary Washington. Total project cost is estimated at \$6.0 million.)

Item C-41.10 #1c

Education: Higher Education

Mary Washington College

FY 04-05

\$1,500,000

FY 05-06

\$0 NGF

Language:

Page 398, after line 15, insert:

"C-41.10. Improvements: Dodd Hall
Auditorium Renovation

\$1,500,000

Fund Sources: Bond Proceeds

\$1,500,000".

Explanation:

(This amendment authorizes \$1.5 million in VCBA bonds the first year for renovation of the Dodd Hall Auditorium at the University of Mary Washington.)

Item C-41.10 #2c

Education: Higher Education

Mary Washington College

FY 04-05

\$1,100,000

FY 05-06

\$0 NGF

Language:

Page 398, after line 15, insert:

"C-41.10. Acquisition: Property Acquisition \$1,100,000
Fund Sources: Higher Education Operating \$1,100,000".

Explanation:

(This amendment provides \$1.1 million in nongeneral funds the first year for the acquisition of property within the boundaries of the University of Mary Washington's master plan when it becomes available.)

Item C-41.10 #3c

Education: Higher Education

FY 04-05

FY 05-06

Mary Washington College

\$1,500,000

\$1,500,000 NGF

Language:

Page 398, after line 15, insert:

"C-41.10. New Construction: Bell Tower \$1,500,000 \$1,500,000
Fund Sources: Higher Education Operating \$1,500,000". \$1,500,000".

Explanation:

(This amendment provides \$1.5 million each year from private gifts for construction of a bell tower at the University of Mary Washington.)

Item C-43.10 #1c

Education: Higher Education

FY 04-05

FY 05-06

Norfolk State University

\$0

\$3,850,000 NGF

Language:

Page 398, after line 25, insert:

"C-43.10. New Construction: Police and Public Safety Building \$3,850,000
Fund Sources: Bond Proceeds \$3,850,000".

Explanation:

(This amendment authorizes \$3.9 million in VCBA bonds to construct a new

police and public safety building at Norfolk State University.)

Item C-46 #1c

Education: Higher Education

Old Dominion University

FY 04-05
(\$2,287,000)

FY 05-06
\$0 NGF

Language:

Page 399, line 2, strike "\$6,860,000" and insert "\$4,573,000".

Explanation:

(This amendment reduces authorization for expansion of Old Dominion University's Teletechnet Facilities at community colleges by \$2.3 million in VCBA bonds. A total of \$4.6 million from VCBA bonds will remain for this project.)

Item C-52.10 #1c

Education: Higher Education

Old Dominion University

Language

Language:

Page 399, after line 26, insert:

"C-52.10. New Construction: Recreational Facilities and Infrastructure

The General Assembly authorizes Old Dominion University to enter into a written agreement with the City of Norfolk for the development of recreational facilities, off-street parking, and associated infrastructure adjacent to the University where the City plans to develop a public golf course and a stadium for the joint usage for several public high schools as well as the University. The University is authorized to convey parcels of land to the City of Norfolk and/or the Norfolk Redevelopment & Housing Authority for the purpose of constructing these recreational facilities, including necessary off-street parking, street improvements, and associated infrastructure consistent with the City's and University's master plans. In addition, the University is further authorized to convey to the City and/or Norfolk Redevelopment & Housing Authority residual parcels of land south of 43rd Street for the purpose of constructing market rate housing. Any and all such conveyances shall be upon terms satisfactory to the University."

Explanation:

(This amendment authorizes Old Dominion University to develop land adjacent to the University in conjunction with the City of Norfolk.)

Item C-52.10 #2c

Education: Higher Education

Old Dominion University

FY 04-05

\$1,020,869

FY 05-06

\$0 NGF

Language:

Page 399, after line 26, insert:

"C-52.10. Improvements: 43rd Street
Improvements

\$1,020,869

\$0

Fund Sources: Higher Education Operating

\$1,020,869".

\$0".

Explanation:

(This amendment would provide funding for an improved four-lane median-divided, landscaped thoroughfare along the southern edge of the campus--43rd Street from Hampton Boulevard to Powhatan Avenue.)

Item C-52.10 #3c

Education: Higher Education

Old Dominion University

FY 04-05

\$16,500,000

FY 05-06

\$0 NGF

Language:

Page 399, after line 26, insert:

"C-52.10. Improvements: Health and
Physical Education Building Renovation and
Addition

\$16,500,000

\$0

Fund Sources: Bond Proceeds

\$16,500,000".

\$0".

Explanation:

(This amendment provides \$3.5 million in VCBA authorization and \$13.0 million in 9(d) revenue bond authorization to renovate the existing physical education facility to support the academic needs of the Department of Exercise Science and to serve as a Recreational Center.)

Item C-55.10 #1c

Education: Higher Education

Radford University

FY 04-05

\$670,000

FY 05-06

\$0 NGF

Language:

Page 399, after line 39, insert:

"C-55.10. Planning: Heth Hall Renovation \$670,000
Fund Sources: Higher Education Operating \$670,000".

Explanation:

(This amendment provides \$670,000 nongeneral fund the first year to begin planning for the renovation of Heth Hall at Radford University.)

Item C-58 #1c

Education: Higher Education

University Of Virginia

Language

Language:

Page 400, after line 12, insert:

"Notwithstanding any other provision of law, the University is hereby authorized to enter into a contract to upgrade the main heating plant for environmental compliance. It is anticipated that sufficient appropriation will be provided in future fiscal years to cover all phases of the project as specified in the final contract."

Explanation:

(This amendment allows the University of Virginia to sign a contract for the full heating plant upgrade. Funding provided in the budget, as introduced, is sufficient to cover the project costs in the 2004-2006 biennium. Additional funds will be needed in the 2006-2008 biennium to address the final contract amount.)

Item C-67 #1c

Education: Higher Education

University Of Virginia

Language

Language:

Page 400, strike lines 37 through 39 and insert "Omitted".
Page 401, strike lines 1 through 6.

Explanation:

(This amendment deletes authorization to issue short-term debt.)

Item C-67.10 #1c

Education: Higher Education	FY 04-05	FY 05-06
University Of Virginia	\$3,500,000	\$0 NGF

Language:

Page 401, after line 6, insert:

"C-67.10. New Construction: Campbell Hall Addition Supplement	\$3,500,000	\$0
Fund Sources: Higher Education Operating	\$3,500,000".	\$0".

Explanation:

(This amendment would provide supplemental nongeneral fund authorization for the Campbell Hall Addition project to reflect current cost estimates. The source of the nongeneral funds is private gifts and grants.)

Item C-67.10 #2c

Education: Higher Education	FY 04-05	FY 05-06
University Of Virginia	\$2,200,000	\$0 NGF

Language:

Page 401, after line 6, insert:

"C-67.10. Improvements: Renovate Varsity Hall	\$2,200,000	\$0
Fund Sources: Higher Education Operating	\$2,200,000".	\$0".

Explanation:

(This amendment would provide nongeneral fund authorization to fund the renovation of Varsity Hall which is being relocated as part of the Rouss Hall project. The source of the nongeneral funds is private gifts and grants.)

Item C-67.10 #3c

Education: Higher Education	FY 04-05	FY 05-06
University Of Virginia	\$15,000,000	\$0 NGF

Language:

Page 401, after line 6, insert:

"C-67.10. Acquisition: Advanced Research	\$15,000,000	\$0
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Technology Facility
Fund Sources: Bond Proceeds \$15,000,000". \$0".

Explanation:

(This amendment provides 9(d) revenue bond authorization to fund the acquisition of the renovation of the Advanced Research Technology Facility. The facility will be built by the UVA Foundation at its Fontaine Research Park and will house multi-disciplinary research centers and labs. The source of the debt service will be indirect cost recoveries on research grants.)

	Item	C-67.10 #4c
Education: Higher Education	FY 04-05	FY 05-06
University Of Virginia	\$0	\$6,000,000 NGF

Language:

Page 401, after line 6, insert:
"C-67.10. Improvements: McLeod Hall Addition
Fund Sources: Bond Proceeds \$0". \$6,000,000".

Explanation:

(This amendment would provide bond authorization to fund the renovation and addition to McLeod Hall which supports the School of Nursing programs.)

	Item	C-71.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
University Of Virginia Medical Center	\$24,000,000	\$0 NGF

Language:

Page 401, after line 23, insert:
"C-71.10. Improvements: Hospital Expansion
Fund Sources: Bond Proceeds \$24,000,000". \$0".

Explanation:

(This amendment provides additional 9(d) revenue bond authorization for the existing project to expand the UVA Hospital. The increased authorization would provide for the purchase of two additional operating rooms and hospital equipment. The source of the nongeneral funds will be patient revenues.)

Item C-74 #1c

Education: Higher Education

University Of Virginia's College At
Wise

Language

Language:

Page 401, line 36, strike "Bond Proceeds" and insert:
"Higher Education Operating".

Page 401, after line 36, insert:

"This project shall be funded from \$799,000 in Higher Education Operating Funds."

Explanation:

(This amendment changes the fund source for the acquisition of buffer properties at UVA-Wise from \$0.8 million from VCBA bonds to \$0.8 million Higher Education Operating Funds.)

Item C-80.10 #1c

Education: Higher Education

Virginia Commonwealth University

FY 04-05

\$15,300,000

FY 05-06

\$0 NGF

Language:

Page 402, after line 23, insert:

"C-80.10. New Construction: New School
of Business

\$15,300,000

\$0

Fund Sources: Bond Proceeds

\$15,300,000".

\$0".

Explanation:

(This amendment provides VCBA bond authorization to plan and construct the new School of Business on the Monroe Campus of Virginia Commonwealth University. This project is part of the state's investment in the development of the new campus which is supported by \$102 million in private donations.)

Item C-80.30 #1c

Education: Higher Education	FY 04-05	FY 05-06
Virginia Commonwealth University	\$0	\$14,000,000 NGF

Language:

Page 402, after line 23, insert:

"C-80.30. New Construction: Monroe Campus Parking Deck Fund Sources: Bond Proceeds	\$0	\$14,000,000
	\$0".	\$14,000,000".

Explanation:

(This amendment would provide 9(d) nongeneral fund bond authorization for a new 800-car parking deck to serve students and programs on the Monroe Campus.)

Item C-80.40 #1c

Education: Higher Education	FY 04-05	FY 05-06
Virginia Commonwealth University	\$5,000,000	\$0 NGF

Language:

Page 402, after line 23, insert:

"C-80.40. Improvements: Renovate Hunton Hall Fund Sources: Bond Proceeds	\$5,000,000	\$0
	\$5,000,000".	\$0".

Explanation:

(This amendment requests 9(d) nongeneral fund bond authority to renovate Hunton Hall as a student center on the MCV Campus. Debt service will be paid from auxiliary enterprise revenues.)

Item C-82 #1c

Education: Higher Education	FY 04-05	FY 05-06
Virginia Commonwealth University	\$3,000,000	\$0 NGF

Language:

Page 402, line 29, strike "\$11,308,000" and insert "\$14,308,000".

Explanation:

(This amendment would provide 9(d) nongeneral fund bond authorization for the new School of Nursing project in the introduced budget. Debt service will be paid from private funds.)

Item C-84 #1c

Education: Higher Education

Virginia Commonwealth University

Language

Language:

Page 402, line 34, strike "\$2,500,000" and insert "\$5,000,000".
Page 402, strike line 35.

Explanation:

(This amendment changes the fund source for the acquisition of buffer properties at VCU from VCBA bonds to Higher Education Operating Funds.)

Item C-98 #1c

Education: Higher Education

Virginia Community College
System

FY 04-05
(\$725,000)

FY 05-06
\$0 NGF

Language:

Page 404, line 25, strike "\$725,000" and insert "\$0".
Page 404, strike lines 24 through 27 and insert "Omitted."

Explanation:

(This amendment eliminates \$0.7 million from VCBA bonds for repair of mechanical systems at the Fauquier Campus of Lord Fairfax Community College. This project can be accomplished through the \$9.1 million umbrella project provided through a separate amendment.)

Item C-106.10 #1c

Education: Higher Education

Virginia Community College
System

FY 04-05
\$492,000

FY 05-06
\$0 NGF

Language:

Page 405, after line 14, insert:

"C-106.10. New Construction: Ernst Community Cultural Center Loading Dock, Northern Virginia (Annandale)	\$492,000
Fund Sources: Trust and Agency	\$492,000".

Explanation:

(This amendment appropriates nongeneral funds for the construction of a new loading dock at the Ernst Community Cultural Center on the Annandale campus of Northern Virginia Community College.)

	Item	C-106.10 #2c
Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$540,000	\$0 NGF

Language:

Page 405, after line 14, insert:

"C-106.10. New Construction: New Police Station, Northern Virginia (Annandale)	\$540,000
Fund Sources: Trust and Agency	\$540,000".

Explanation:

(This amendment appropriates nongeneral funds for the construction of a new police station on the Annandale campus of Northern Virginia Community College.)

	Item	C-108.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$400,000	\$0 NGF

Language:

Page 405, after line 33, insert:

"C-108.10. Improvements: Bookstore, Blue Ridge Community College	\$400,000
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Fund Sources: Higher Education Operating \$400,000".

Explanation:

(This amendment provides nongeneral fund authorization to renovate the bookstore at Blue Ridge Community College.)

Education: Higher Education

Virginia Community College System

FY 04-05

\$1,834,000

FY 05-06

\$0 NGF

Item

C-108.10 #2c

Language:

Page 405, after line 33, insert:

"C-108.10. New Construction: Construct Science Building Addition, Blue Ridge Community College

\$1,834,000

Fund Sources: Bond Proceeds

\$1,834,000".

Explanation:

(This amendment authorizes \$1.8 million in VCBA bonds for an addition to the Science Building at Blue Ridge Community College.)

Education: Higher Education

Virginia Community College System

FY 04-05

\$750,000

FY 05-06

\$0 NGF

Item

C-108.10 #3c

Language:

Page 405, after line 33, insert:

"C-108.10. Improvements: Lab Renovations, Central Virginia

\$750,000

\$0

Fund Sources: Bond Proceeds

\$750,000".

\$0".

Explanation:

(This amendment provides VCBA funding to renovate four science labs at Central Virginia Community College.)

Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$0	\$9,149,475 NGF

Language:
 Page 405, after line 33, insert:
 "C-108.10. Improvements: Major Building Systems Repair and Replacement Fund Sources: Bond Proceeds \$9,149,475 \$9,149,475".

Explanation:
 (This amendment authorizes \$9.1 million in VCBA bonds for replacement and repair of major building systems such as roofs and mechanical systems at various community colleges.)

Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$0	\$4,160,000 NGF

Language:
 Page 405, after line 33, insert:
 "C-108.10. New Construction: Blackwater Building, Tidewater Community College Fund Sources: Bond Proceeds \$4,160,000 \$4,160,000".

Explanation:
 (This amendment authorizes \$4.2 million in VCBA bonds for the Blackwater Building at Tidewater Community College.)

Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$1,465,290	\$0 NGF

Language:

Page 405, after line 33, insert:

"C-108.10. Improvements: Renovate the Top Floor of Galax Hall, Wytheville Community College

Fund Sources: Bond Proceeds \$1,465,290
\$1,465,290".

Explanation:

(This amendment authorizes \$1.5 million in VCBA bonds for the renovation of the top floor of Galax Hall at Wytheville Community College.)

	Item	C-119.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
Virginia Military Institute	\$18,200,000	\$0 NGF

Language:

Page 408, after line 30, insert:

"C-119.10. Improvements: Renovate Kilbourne Hall Complex

Fund Sources: Higher Education Operating Bond Proceeds \$18,200,000 \$9,100,000 \$9,100,000". \$0".

Explanation:

(This amendment authorizes \$9.1 million in VCBA bonds and \$9.1 million in nongeneral funds to renovate the Kilbourne Hall Complex. The source of the nongeneral funds will be federal funds.)

	Item	C-122.10 #1c
Education: Higher Education	FY 04-05	FY 05-06
Virginia Polytechnic Institute And State University	\$2,750,000	\$0 NGF

Language:

Page 408, after line 45, insert:

"C-122.10. Planning: Renovation of Campus Heating Plant

\$2,750,000

Fund Sources: Higher Education Operating \$2,750,000".

Explanation:

(This amendment provides \$2.8 million nongeneral fund the first year for planning the renovation of the campus heating plant at Virginia Tech.)

Item C-125 #1c

Education: Higher Education

Virginia State University

Language

Language:

Page 409, line 21, strike "Bond Proceeds" and insert: "Higher Education Operating".

Explanation:

(This amendment changes the fund source for renovation of Gandy Hall at Virginia State University from \$0.5 million from VCBA bonds to \$0.5 million nongeneral fund.)

Item C-125.10 #1c

Education: Higher Education

Frontier Culture Museum Of Virginia

FY 04-05

\$0

FY 05-06

\$375,000 NGF

Language:

Page 409, after line 24, insert:

"C-125.10. New Construction: Site

\$375,000

Improvements Wetlands Mill and Bowman

House Sites

Fund Sources: Bond Proceeds

\$375,000".

Explanation:

(This amendment authorizes \$0.4 million the second year in VPBA bonds to the Frontier Culture Museum of Virginia for site improvements at the Wetlands Mill and Bowman House sites.)

Item C-131.10 #1c

Education: Other	FY 04-05	FY 05-06
Jamestown-Yorktown Foundation	\$950,000	\$0 NGF

Language:

Page 410, after line 4, insert:

"C-131.10. New Construction: Jamestown Ships	\$950,000	\$0
Fund Sources: Bond Proceeds	\$950,000".	\$0".

Explanation:

(This amendment authorizes the use of VPBA bonds to increase the size of the Godspeed and Discovery in anticipation of the increased visitation in 2007.)

Item C-131.10 #2c

Education: Other	FY 04-05	FY 05-06
Jamestown-Yorktown Foundation	\$585,000	\$0 NGF

Language:

Page 410, after line 4, insert:

"C-131.10. Improvements: Mathews Gallery Lighting	\$585,000	\$0
Fund Sources: Bond Proceeds	\$585,000".	\$0".

Explanation:

(This amendment authorizes the use of VPBA bonds to replace technology and lighting in the Mathews Gallery. The new systems will support programming tied to the 225th commemoration of the siege at Yorktown and marketing strategies related to 2007.)

Item C-133.10 #1c

Education: Other	FY 04-05	FY 05-06
The Science Museum Of Virginia	\$0	\$500,000 NGF

Language:

Page 410, after line 22, insert:

"C-133.10. Improvements: Replace Exhibits	\$500,000
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Fund Sources: Bond Proceeds

\$500,000".

Explanation:

(This amendment authorizes \$0.5 million the second year in VPBA bonds to the Science Museum of Virginia for replacement of exhibits.)

Education: Other

Virginia Museum Of Fine Arts

FY 04-05

\$1,792,000

FY 05-06

\$0 NGF

Item

C-135.10 #1c

Language:

Page 410, after line 22, insert:

"C-135.10. Improvements: Upgrade
Security System

\$1,792,000

Fund Sources: Bond Proceeds

\$1,792,000".

Explanation:

(This amendment authorizes \$1.8 million in VPBA bonds the first year to the Virginia Museum of Fine Arts to upgrade the security system.)

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

FY 04-05

(\$9,500,000)

FY 05-06

(\$22,300,000) NGF

Item

C-137 #1c

Language:

Page 411, line 11, strike "\$9,500,000" and insert "\$0".

Page 411, line 11, strike "\$22,300,000" and insert "\$0".

Page 411, strike lines 10 through 12 and insert "Omitted."

Explanation:

(This amendment eliminates funding for the new Sexually Violent Predator Facility. The existing facility will cover the Commonwealth's requirements for the foreseeable future.)

Item

C-154.10 #1c

Natural Resources	FY 04-05	FY 05-06
Virginia Museum Of Natural History	\$0	\$2,000,000 NGF

Language:

Page 410, after line 22, insert:

"C-154.10. Acquisition: Exhibits for the \$2,000,000
New Museum Building

Fund Sources: Bond Proceeds \$2,000,000".

The funds appropriated in this item shall be matched by an equal amount of nongeneral funds raised locally."

Explanation:

(This amendment authorizes \$2.0 million the second year in VPBA bonds to the Virginia Museum of Natural History to acquire exhibits for the new museum building.)

Item C-161 #1c

Public Safety	FY 04-05	FY 05-06
Department Of Corrections, Central Activities	\$6,261,000	\$0 NGF

Language:

Page 415, line 2, strike "\$62,384,000" and insert "\$68,645,000".

Page 415, line 1, strike "prison" and insert:

"Correctional Facility in Tazewell County".

Explanation:

(This amendment adjusts the capital cost estimate for the new medium security correctional facility to be constructed at the Pocahontas site in Tazewell County. The facility is expected to open in October 2006. The revised cost estimate is \$68,645,000, an increase of \$6,261,000 over the original cost estimate as reflected in the budget, as introduced. A companion amendment to the Treasury Board in Item 296 provides funding to recognize the corresponding increase in the debt service for this project.)

Item C-161.10 #1c

Public Safety	FY 04-05	FY 05-06
Department Of Corrections, Central Activities	\$73,553,000	\$0 NGF

Language:

Page 415, after line 3, insert:

"C-161.10. New Construction: Construct \$73,553,000
Medium Security Correctional Facility in
Pittsylvania County
Fund Sources: Bond Proceeds \$73,553,000".

"Prior to beginning this project, the Secretary of Public Safety shall certify to the Chairman of the House Appropriations and Senate Finance Committees the need for the medium security correctional facility in Pittsylvania County. The Secretary's certification shall be based on the forecast of state-responsible inmates from the Offender Population Report."

Explanation:

(This amendment authorizes \$73.6 million in VPBA bonds to construct a second medium security correctional facility at the Chatham Correctional Field Unit in Pittsylvania County. The new facility is expected to open in October 2006. A companion amendment to the Treasury Board in Item 296 provides funding for the debt service for this project.)

Item C-163 #1c

Public Safety

Department Of Corrections, Central
Activities

Language

Language:

Page 415, after line 9, insert:

"It is the intent of the General Assembly that the Department of Corrections' dairy barn operation shall not expand its client base for any dairy product line other than milk production. This expanded milk production client base shall be limited to public safety governmental entities."

Explanation:

(This amendment is self-explanatory.)

Item C-169.10 #1c

Transportation

Department Of Motor Vehicles

FY 04-05
\$2,500,000

FY 05-06
\$0 NGF

Language:

Page 416, after line 44, insert:

"C-169.10. New Construction: Truck Inspection Station

Fund Sources: Bond Proceeds \$2,500,000 \$0".

"Prior to beginning this project, the Department of Motor Vehicles shall certify to the Secretaries of Transportation and Finance that the project is financially feasible and that the Department can support the debt service on the revenue bonds from its own unobligated resources. The Chairmen of the House Appropriations and Senate Finance Committees shall be provided copies of such certification."

Explanation:

(This amendment provides nongeneral fund bond authority to construct a truck inspection station on the Route 234 corridor.)

Item C-184 #1c

Transportation

Department Of Transportation

Language

Language:

Page 418, line 42, after "30", delete the rest of the line.

Page 418, strike lines 43 through 45 and insert "site."

Explanation:

(This amendment removes contingency language included in the introduced budget for a joint VDOT-Fairfax County transportation and public safety development.)

Item C-194 #1c

Central Appropriations

Central Capital Outlay

FY 04-05
(\$5,000,000)

FY 05-06
(\$5,000,000) GF

Language:

Page 420, line 6, strike "\$25,000,000" and insert "\$20,000,000".

Page 420, line 6, strike "\$25,000,000" and insert "\$20,000,000".

Page 420, line 8, strike "\$25,000,000" and insert "\$20,000,000".

Page 420, strike lines 14 through 55 and insert:

"2004-2006 Appropriations

Agency

Project

Code	Agency Name	Code	FY 2005	FY 2006
123	Department of Military Affairs	10893	\$160,000	\$160,000
127	Department of Emergency Management	15989	\$25,000	\$25,000
140	Department of Criminal Justice Services	16320	\$25,000	\$25,000
146	The Science Museum of Virginia	13634	\$260,000	\$260,000
156	Department of State Police	10886	\$75,000	\$75,000
161	Department of Taxation	15994	\$69,000	\$69,000
194	Department of General Services	14260	\$775,000	\$775,000
199	Department of Conservation And Recreation	16646	\$200,000	\$200,000
203	Woodrow Wilson Rehabilitation Center	10885	\$350,000	\$350,000
204	The College of William And Mary In Virginia	12713	\$800,000	\$800,000
207	University of Virginia	12704	\$2,485,000	\$2,485,000
208	Virginia Polytechnic Institute and State University	12707	\$2,486,000	\$2,486,000
211	Virginia Military Institute	12732	\$420,000	\$420,000
214	Longwood University	12722	\$460,000	\$460,000
215	University of Mary Washington	12723	\$200,000	\$200,000
216	James Madison University	12718	\$750,000	\$750,000
217	Radford University	12731	\$310,000	\$310,000
221	Old Dominion University	12710	\$500,000	\$500,000
236	Virginia Commonwealth University	12708	\$1,600,000	\$1,600,000
238	Virginia Museum of Fine Arts	13633	\$240,000	\$240,000
239	Frontier Culture Museum of Virginia	15045	\$40,000	\$40,000
241	Richard Bland College	12716	\$25,000	\$25,000
242	Christopher Newport University	12719	\$170,000	\$170,000
246	University of Virginia's College at Wise	12706	\$130,000	\$130,000
247	George Mason University	12712	\$900,000	\$900,000
260	Virginia Community College System	12611	\$1,900,000	\$1,900,000
268	Virginia Institute of Marine Science	12331	\$150,000	\$150,000
301	Department of Agriculture and Consumer Services	12253	\$75,000	\$75,000
402	Marine Resources Commission	16498	\$25,000	\$25,000
409	Department of Mines, Minerals and Energy	13096	\$25,000	\$25,000
411	Department of Forestry	13986	\$75,000	\$75,000
417	Gunston Hall	12382	\$30,000	\$30,000
425	Jamestown- Yorktown Foundation	13605	\$200,000	\$200,000
702	Department for the Blind and Vision Impaired	13942	\$75,000	\$75,000
720	Department of Mental Health, Mental Retardation and Substance Abuse Services	10880	\$2,015,000	\$2,015,000

777	Department of Juvenile Justice	15081	\$600,000	\$600,000
799	Department of Corrections	10887	\$1,325,000	\$1,325,000
942	Virginia Museum of Natural History	14439	\$25,000	\$25,000
948	Southwest Virginia Higher Education Center	16499	\$25,000	\$25,000
	Total		\$20,000,000	\$20,000,000"

Explanation:

(This amendment reduces the amount appropriated for the Central Maintenance Reserve Account by \$5 million general fund each year.)

	Item	C-194.10 #1c
Central Appropriations	FY 04-05	FY 05-06
Central Capital Outlay	\$300,000	\$0 GF

Language:

Page 421, after line 36, insert:

"C-194.10. Maintenance Reserve: \$300,000

Fund Sources: General \$300,000".

"A.1. Out of the amounts for Maintenance Reserve shall be paid \$300,000 the first year for the costs of an audit of the Commonwealth's deferred maintenance needs.

2. The Auditor of Public Accounts shall perform an audit to determine the amount of deferred maintenance costs in the Commonwealth. The Auditor shall conduct the audit in phases with a preliminary report of the audit scope to be presented to the Chairmen of the Senate Finance and House Appropriation Committees in May of 2004, an interim progress report to the General Assembly by December of 2004, and the final report by December 2005. The first phase of the audit shall give consideration to including not only large agencies and institutions with facilities, but agencies and institutions that have public safety and health facilities.

3. To assist the Auditor of Public Accounts, the following agencies and institutions shall designate and assign at least one individual from each entity to assist in the audit: Department of General Services, the Department of Corrections, the Virginia Community College System, George Mason University, Department of Transportation and the State Council of Higher Education for Virginia. These individuals should have sufficient experience and knowledge to assist the Auditor of Public Accounts in developing procedures for collecting information and assisting agency and institutional

personnel with advice and guidance in implementing, collecting and summarizing information for this audit. These individuals shall work with agencies and institutions to ensure that they are properly accumulating information.

4. The Auditor of Public Accounts shall oversee the collection, analysis, and prioritization of the data needed to audit deferred maintenance costs. All state agencies and institutions shall work with and assist the Auditor of Public Accounts to collect this data in relation to their agency.

5. As part of this audit, the Auditor of Public Accounts shall establish procedures and acquire software to develop and implement a Capital Outlay Deferred Maintenance System throughout all state agencies and institutions to gather information on the maintenance needs of all Commonwealth owned buildings. In addition to acquiring the software, the Auditor of Public Accounts will acquire the necessary training for the state agencies and institutions.

B. In conjunction with the audit of deferred maintenance costs required by paragraph A of this item, the Auditor of Public Accounts shall 1) evaluate the funding options and best management practices used by the federal, state or local government to address the backlog of and ongoing need for major maintenance projects for state buildings, and 2) recommend options to address the on-going need for major maintenance of state buildings which may include a) cash, b) debt, and c) setting aside funds in anticipation of future maintenance needs. The auditor shall report his findings and recommendations to the Governor and the General Assembly no later than January 1, 2005."

Explanation:

(This amendment requires the Auditor of Public Accounts to conduct an audit of the Commonwealth's deferred maintenance on capital facilities.)

		Item C-195 #1c
Central Appropriations	FY 04-05	FY 05-06
Central Capital Outlay	(\$7,500,000)	\$0 GF

Language:

Page 421, line 38, strike "\$7,500,000" and insert "\$0".

Explanation:

(This amendment eliminates the separate appropriation of \$7.5 million the first year for the Central Necessary Repairs and Improvements Account.)

Item C-196 #1c

Central Appropriations	FY 04-05	FY 05-06
Central Capital Outlay	(\$10,000,000)	\$0 NGF

Language:

Page 421, line 45, strike "\$10,000,000" and insert "\$0".

Page 421, after line 45, insert:

"The Biotech Research Park Authority may examine the financial feasibility of using revenue supported bonds of the Virginia Public Building Authority to construct a commercial biotechnology facility."

Page 421, strike lines 46 through 55.

Page 422, strike lines 1 through 7.

Explanation:

(This amendment removes general fund supported debt for a commercial biotechnology facility in the introduced budget and allows the Biotech Research Park Authority to examine the financial feasibility of using revenue bonds.)

Item C-199 #1c

Central Appropriations

9(D) Revenue Bonds

Language

Language:

Page 423, line 41, strike "\$275,240,000" and insert "\$420,543,000".

Page 423, line 41, strike "\$37,000,000" and insert "\$42,000,000".

Page 423, strike lines 43 through 54 and insert:

"Agency Name/Project Title	Item #	Project Code	Section 9(d) Bonds	Higher Education Operating	Total
University of Virginia					
Upgrade main heating plant for environmental compliance	C-58	16872	\$19,800,000	\$0	\$19,800,000
Acquire Advanced Research Technology Facility	C-67.10		\$15,000,000	\$0	\$15,000,000
University of Virginia Medical Center					

Construct Children's Medical Center	C-69	17011	\$11,000,000	\$37,000,000	\$48,000,000
Expand Hospital	C-71.10		\$24,000,000	\$0	\$24,000,000
College of William and Mary					
Construct New School of Business Building	C-15.10		\$40,000,000	\$0	\$40,000,000
Construct Parking Deck Supplement	C-15.10		\$2,821,000	\$0	\$2,821,000
James Madison University					
Construct Recreation Fields	C-34.10		\$8,000,000	\$0	\$8,000,000
Renovate Parking Deck	C-34.10		\$8,600,000	\$5,000,000	\$13,600,000
Longwood University					
Construct Lacrosse/Field Hockey Complex	C-36	17018	\$3,306,000	\$0	\$3,306,000
Renovate Blackwell Hall and Bookstore	C-37	17019	\$3,850,000	\$0	\$3,850,000
Modernize Heating Plant, Phase II	C-35	17017	\$4,805,000	\$0	\$4,805,000
University of Mary Washington					
Construct Convocation Center	C-39	17021	\$25,000,000	\$0	\$25,000,000
Construct Parking Deck	C-40	17022	\$6,000,000	\$0	\$6,000,000
Old Dominion University					
Construct Indoor Tennis Center	C-47	17031	\$4,000,000	\$0	\$4,000,000
Relocate and Expand Athletic Facilities	C-49	17033	\$5,736,000	\$0	\$5,736,000
Construct Village Parking Garage	C-50	17034	\$8,168,000	\$0	\$8,168,000
Construct 49th Street Parking Garage	C-51	17035	\$6,441,000	\$0	\$6,441,000
Renovate Health and Physical Education Building	C-52.10		\$12,982,000	\$0	\$12,982,000
Virginia Commonwealth University					
Construct Academic Campus Housing	C-78	17038	\$20,713,000	\$0	\$20,713,000
Construct Monroe Campus Parking Deck	C-80.30		\$14,000,000	\$0	\$14,000,000
Renovate Hunton Hall	C-80.40		\$5,000,000	\$0	\$5,000,000
Construct Game and Inland Fisheries Regional Headquarters at the Rice Center	C-81	17042	\$1,600,000	\$0	\$1,600,000
Construct New School of Nursing	C-82	17083	\$3,000,000	\$0	\$3,000,000
Christopher Newport University					
Construct Parking Deck II	C-10	17046	\$9,200,000	\$0	\$9,200,000
Construct Student Center	C-11.10		\$3,400,000	\$0	\$3,400,000

Supplement						
George Mason University						
Construct an Addition to the						
Krasnow Institute	C-18	16665	\$6,000,000	\$0	\$6,000,000	
Construct Prince William						
Performing Arts Center	C-20	16745	\$35,000,000	\$0	\$35,000,000	
Construct Institute for Conflict						
Analysis and Resolution	C-21	16835	\$9,000,000	\$0	\$9,000,000	
Conference Center						
Construct Parking Deck III	C-22	17049	\$21,668,000	\$0	\$21,668,000	
Construct Student Union III	C-24	17051	\$10,021,000	\$0	\$10,021,000	
Renovate and Expand the Physical						
Education Building	C-26	17054	\$14,503,000	\$0	\$14,503,000	
Virginia Polytechnic Institute and State University						
Improve Boiler Pollution Controls	C-122	17009	\$2,000,000	\$0	\$2,000,000	
Virginia Community College System						
Construct Parking Garage,						
Portsmouth Campus, Tidewater	C-104	17066	\$18,849,000	\$0	\$18,849,000	
Construct Student Center, Virginia						
Beach Campus, Tidewater	C-105	17067	\$20,810,000	\$0	\$20,810,000	
Construct Student Center, Norfolk						
Campus, Tidewater	C-106	17068	\$13,770,000	\$0	\$13,770,000	
Department of Motor Vehicles						
Construct Truck Inspection						
Station	C-169.10		\$2,500,000	\$0	\$2,500,000	
Total for Nongeneral Fund						
Obligation Bonds 9(d)			\$420,543,000	\$42,000,000	\$462,543,000"	
Page 424, strike lines 1 through 63.						
Page 425, strike lines 1 through 18.						

Explanation:

(This amendment is self-explanatory.)

Item C-202 #1c

Central Appropriations

9(D) Revenue Bonds

Language

Language:

Page 426, line 40, strike "\$133,237,000" and insert "\$191,460,765".

Page 426, strike lines 48 though 56 and insert:

"Agency Name/Project Title	Item #	Project Code	Section 9(d) Bonds
Univeristy of Mary Washington			
Replace Belmont Roof and Repair Caretaker's House (at Melchers-Monroe)	C-41	17028	\$250,000
Renovate Dodd Hall	C-41.10		\$1,500,000
The College of William and Mary in Virginia			
Replace Underground Utilities #1	C-14	16998	\$5,801,000
Acquire Emergency Generators	C-15.10		\$1,600,000
University of Virginia			
Upgrade Main Heating Plant for Environmental Compliance	C-58	16872	\$17,500,000
Renovate McLeod Hall	C-67.10		\$6,000,000
Virginia Polytechnic Institute and State University			
Construct Bioinformatics Facility, Phase II	C-120	16766	\$3,958,000
Improve Boiler Pollution Controls	C-122	17009	\$3,850,000
Virginia Military Institute			
Renovate Old Barracks for Emergency Repairs	C-118	17014	\$4,136,000
Improve Storm Sewer Drainage	C-119	17015	\$953,000
Renovate Kilbourne Hall Complex	C-119.10		\$9,100,000
Norfolk State University			
Increase Student Access to Technology	C-43	16590	\$3,000,000
Construct Police and Public Safety Building	C-43.10		\$3,850,000
James Madison University			
Construct College of Integrated Science and Technology	C-30	16297	\$4,369,000
Renovate Harrison Hall and Annex	C-31	16525	\$2,894,000
Improve Storm and Surface Water Infrastructure-Phase I	C-32	17023	\$3,836,000
Old Dominion University			
Renovate Technology Building	C-44	16819	\$1,741,000
Install Sprinkler System in Chemistry, Life Science and Visual Arts Building	C-45	17029	\$1,475,000
Expand Teletechnet Classroom Facilities at Community Colleges	C-46	17030	\$4,573,000
Renovate Health and Physical Education Building	C-52.10		\$3,518,000
Radford University			
Renovate Russell Hall	C-55	16815	\$4,941,000
VPI Cooperative Extension and Agriculture Experiment Station			
Construct Agriculture/National Resources			

Research Laboratory	C-123	16080	\$1,188,000
Virginia Commonwealth University			
Renovate Business Building	C-76	16289	\$127,000
Construct Massey Cancer Center Addition	C-77	16344	\$2,901,000
Improve Life and Fire Safety Compliance in Various Buildings on Both University Campuses	C-80		\$2,000,000
Construct New School of Business	C-80.10		\$15,300,000
Construct New School of Nursing	C-82	17083	\$11,308,000
Renovate West Hospital	C-83	17084	\$3,000,000
Renovate Student Dental Simulation Laboratory	C-85	17040	\$2,160,000
Virginia Institute of Marine Science			
Improve Information Technology Infrastructure	C-17	17085	\$1,200,000
Construct New Field Support Center	C-17.10		\$1,720,000
Richard Bland College			
Renovate Art Building, Equipment	C-16	16826	\$50,000
Christopher Newport University			
Renovate Performing Arts Building	C-8	15915	\$1,840,000
Construct Library/Info Tech Center	C-11	16774	\$5,000,000
Improve Storm Water Management	C-9	17045	\$1,709,000
University of Virginia's College at Wise			
Replace Water and Sewer Lines and Install Meters	C-72	17047	\$1,645,000
George Mason University			
Construct Fairfax I	C-19	16744	\$2,000,000
Upgrade Old Arlington Building Infrastructure	C-25	17052	\$1,650,000
Renovate King Hall, Science and Technology I and Science and Technology II Buildings	C-28	17053	\$1,942,000
Upgrade North Loop Infrastructure	C-29.10		\$3,325,000
Construct Prince William III A	C-29.20		\$1,750,000
Virginia Community College System			
Construct Science Laboratory Building, Lord Fairfax	C-87	16610	\$2,845,000
Renovate South Campus, Virginia Western	C-88	16612	\$208,000
Renovate Instructional Buildings, Wytheville	C-89	16613	\$221,000
Construct Advanced Technology and Workforce Development Center, Germanna	C-90	16840	\$1,500,000
Renovate Nursing and TV Technology Buildings, Annandale Campus, Northern Virginia	C-91	16845	\$600,000
Renovate and Expand Webber Hall, Virginia Western	C-92	16847	\$419,000
Construct Regional Automotive Technology/Workforce Development Center, Chesapeake Campus, Tidewater	C-93	16848	\$1,200,000

Construct HVAC Training Program Building, Woodbridge Campus, Northern Virginia	C-94	16853	\$500,000
Renovate Classroom and Laboratory, Christanna Campus, Southside Virginia	C-95	16854	\$33,000
Renovate Classroom and Laboratory, Daniel Campus, Southside Virginia	C-96	16855	\$206,000
Renovate Academic and Administrative Building, Thomas Nelson	C-97	16862	\$520,000
Replace Hastings Hall Heating, Ventilation and Air Conditioning System, Thomas Nelson	C-99	17058	\$1,932,000
Replace Heating and Cooling Systems, Wytheville	C-100	17059	\$2,676,000
Repair Major Mechanical and Electrical Systems, Annandale and Woodbridge Campuses, Northern Virginia	C-101	17060	\$7,243,000
Renovate Science Laboratory, Central Virginia	C-108.10		\$750,000
Construct Science Building Addition, Blue Ridge	C-108.10		\$1,834,000
Major Mechanical Systems, Systemwide	C-108.10		\$9,149,475
Construct Blackwater Building, Tidewater	C-108.10		\$4,160,000
Renovate Galax Hall, Wytheville	C-108.10		\$1,465,290
Longwood University			
Modernize Heating Plant, Phase II	C-35	17017	\$3,339,000
Total VCBA Projects			\$191,460,765"

Page 427, strike lines 1 through 64.
Page 428, strike lines 1 through 64.
Page 429, strike lines 1 through 20.

Explanation:

(This amendment is self-explanatory.)

Item C-203 #1c

Central Appropriations

9(D) Revenue Bonds

Language

Language:

Page 429, line 36, strike "\$214,106,000" and insert "\$261,714,000".
Page 429, strike lines 37 through 59 and insert:

"Agency Name/Project Title	Item #	Project Code	Section 9(d) Bonds
Department of General Services			
Phase I Improvements at the Seat of Government	C-1	16780	\$4,433,000

Modify Ninth Street Office Building for New Tenants	C-3	17082	\$1,632,000
Modify Ninth Street Office Building for New Tenants	C-3.10		\$2,497,000
Department of Forestry			
Construct Cold Storage Facility	C-5.10		\$546,000
Construct Area Offices	C-5.10		\$1,076,000
Frontier Culture Museum			
Renovate Wetlands Mill Site	C-125.10		\$375,000
The Science Museum of Virginia			
Renovate East Terrace and East Stairway	C-133	16153	\$900,000
Renovate Exhibit Area	C-133.10		\$500,000
Virginia Museum of Fine Arts			
Replace Cooling Tower	C-135	17043	\$827,000
Upgrade Security System	C-135.10		\$1,792,000
Jamestown-Yorktown Foundation			
Replace James City Service Authority Sewer Pump Station	C-127	16977	\$377,000
Renovate Yorktown Exhibits	C-128	16978	\$1,395,000
Construct Central Support Complex	C-129	16472	\$139,000
Construct Powhatan Indian Village	C-126	16474	\$265,000
Construct Jamestown Maintenance Building	C-131	16473	\$46,000
Renovate Jamestown Ships	C-131.10		\$950,000
Renovate Yorktown Gallery	C-131.10		\$585,000
Woodrow Wilson Rehabilitation Center			
Replace Roofs of Watson Dining and Activities Building and Carter Ashley Hall	C-140	16968	\$1,360,000
Abate Asbestos in Kitchen and Dining Facilities	C-141	16969	\$1,762,000
Abate Asbestos, Phase 3 and 4	C-142	16970	\$1,910,000
Replace Water and Sewer Main Distribution System	C-143	15825	\$1,791,000
Department for the Blind and Vision Impaired			
Ensure Life Safety and Environmental Compliance	C-145	16971	\$1,736,000
Department of Mental Health, Mental Retardation and Substance Abuse Services			
Ensure Life Safety and Environmental Compliance at Various Facilities	C-138	16974	\$5,254,000
Abate Asbestos/Environmental Hazards at Southwest Virginia Mental Health Institute	C-139	16975	\$2,334,000
Department of Conservation and Recreation			
Construct facility at Oconeechee State Park	C-147	17088	\$2,000,000
Virginia Museum of Natural History			
Construct New Museum Facility	C-154	16154	\$4,230,000
Renovate Exhibit Area	C-154.10		\$2,000,000
Department of Emergency Management			
Equip Emergency Operations Center (EOC)	C-165	16976	\$1,713,000

Department of Juvenile Justice

Repair Fire Safety Systems at Various Juvenile Correctional Centers	C-166	15206	\$900.00
Repair Life Safety Systems at Various Juvenile Correctional Centers	C-167	16979	\$2,000,000

Department of Corrections, Central Activities

Replace St. Brides	C-155	15755	\$32,475,000
Powhatan Electrical System Upgrade	C-156	16105	\$750,000
Coffeewood Water Treatment Plant Upgrade	C-157	16111	\$2,209,000
Roof Repairs System Wide	C-158	16732	\$3,000,000
Construct New Bridge and Entrance Road at Bland	C-159	16990	\$1,962,000
Upgrade Haynesville Wastewater Treatment Plant	C-160	16991	\$1,987,000
Construct Medium Security Prison - Tazewell	C-161	16992	\$68,645,000
Construct Medium Security Prison - Pittsylvania	C-161.10		\$73,553,000
Expand Deerfield Correctional Center	C-162	16993	\$21,908,000
Construct New Dairy and Dairy Processing Center	C-163	16994	\$7,900,000
Total VPBA Projects			\$261,714,000"

Page 430, strike lines 1 through 64.

Page 431, strike lines 1 through 5.

Explanation:

(This amendment is self-explanatory.)

Item 3-1.01 #1c

Transfers

Interfund Transfers Language

Language:

Page 435, line 41, strike "\$54,922" and insert, "\$109,845".

Page 435, line 41, strike "\$27,461" and insert, "\$109,845".

Explanation:

(This amendment sets the Part 3 transfer from the Virginia Employment Commission at the level proposed by the Governor if his tax package were not adopted.)

Item 3-1.01 #2c

Transfers

Interfund Transfers Language

Language:

Page 438, after line 28, insert:

"FF. On or before June 30, 2005, and June 30, 2006, the State Comptroller shall transfer \$890,000 the first year and \$890,000 the second year to the general fund from the \$2.00 increase in the vital records fee contained in Item 309 of this act."

Explanation:

(This amendment transfers nongeneral funds from an increase in the vital records fee of \$2.00 -- from \$10.00 to \$12.00 -- contained in a companion amendment in Item 309 to the general fund to offset state health care expenditures.)

Item 3-1.01 #3c

Transfers

Interfund Transfers

Language

Language:

Page 432, line 20, strike "Winegrowers Advisory" and insert "Wine".

Explanation:

(This amendment implements the changes made in Chapters 89 and 319 of the Acts of Assembly of 2004, creating the Virginia Wine Board.)

Item 3-1.01 #4c

Transfers

Interfund Transfers

Language

Language:

Page 434, line 3, strike "0477" and insert "0410".

Explanation:

(This amendment corrects the fund detail code for the transfer of funds from DRPT to the general fund for central services charges.)

Item 3-1.01 #5c

Transfers

Interfund Transfers

Language

Language:

Page 438, line 6, strike "\$294,584" and insert "\$2,503,872".

Page 438, line 8, strike "\$307,394" and insert "2,612,882".

Explanation:

(This amendment reflects nongeneral fund savings from the adjustment to the employer contribution rate for the retiree health credit. The employer contribution rate in the introduced budget does not account for investment earnings on fund balances.)

Item 3-1.01 #6c

Transfers

Interfund Transfers

Language

Language:

Page 437, line 35, strike the first "\$5,000,000" and insert "\$5,700,000".

Page 437, line 35, strike the second "\$5,000,000" and insert "\$6,400,000".

Page 437, line 36, strike "Of that amount in each year, \$5,000,000" and insert:
"These amounts".

Explanation:

(This amendment increases the transfer to the general fund from the uninsured motorist fund by \$700,000 in the first year, and \$1,400,000 in the second year. The increased transfer represents projected increases in revenues generated by the current fee over the fiscal year 2004 level.)

Item 3-1.01 #7c

Transfers

Interfund Transfers

Language

Language:

Page 435, line 28, after "indicated.", strike the remainder of the line.

Page 435, strike line 29 through line 31.

Page 436, strike line 21 through line 61.

Page 437, strike line 1 through line 6.

Page 437, line 7, strike "3" and insert "2".

Explanation:

(This amendment strikes language that had been included in House Bill 5001 making certain transfers to the general fund contingent upon the passage of the Governor's tax package and strikes additional transfers proposed if the tax package were not approved.)

Item 3-1.01 #8c

Transfers

Interfund Transfers

Language

Language:

- Page 437, strike lines 23 through 26.
- Page 437, line 27, strike "U" and insert "T".
- Page 437, line 35, strike "V" and insert "U".
- Page 437, line 38, strike "W" and insert "V".
- Page 437, line 41, strike "X" and insert "W".
- Page 437, line 44, strike "Y" and insert "X".
- Page 437, line 50, strike "Z" and insert "Y".
- Page 438, line 5, strike "AA" and insert "Z".
- Page 438, line 11, strike "BB" and insert "AA".
- Page 438, line 16, strike "CC" and insert "BB".
- Page 438, line 20, strike "DD" and insert "CC".
- Page 438, line 24, strike "EE" and insert "DD".

Explanation:

(This amendment removes the requirement that the State Comptroller transfer to the general fund up to \$2 million in interest income earned by the investment of the University of Virginia Medical Center's nongeneral operating cash balances.)

Item 3-1.01 #9c

Transfers

Interfund Transfers

Language

Language:

- Page 432, line 18, strike the first "\$48,214,022" and insert "\$49,838,471".
- Page 432, line 18, strike the second "\$48,214,022" and insert "\$49,838,471".

Explanation:

(This amendment increases the amounts transferred to the general fund from the Alcoholic Beverage Control Enterprise Fund for the expenses incurred for care, treatment, study and rehabilitation of alcoholics. This increase in funds is based on Sunday sales, pursuant to Chapter 1002 (House Bill 1314) of the 2004 Session of the General Assembly.)

Item 3-1.01 #10c

Transfers

Interfund Transfers

Language

Language:

Page 438, after line 28, insert:

"FF. On or before June 30, the State Comptroller shall transfer from the State Racing Operations Fund \$90,000 the first year and \$240,000 the second year to the general fund."

Explanation:

(This amendment transfers \$330,000 from the State Racing Operations Fund to the general fund.)

Item 3-1.01 #11c

Transfers

Interfund Transfers

Language

Language:

Page 438, after line 28, insert:

"FF. The Department of Alcoholic Beverage Control shall sell the building in which the Alexandria Regional Office is currently located. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, all the proceeds from the sale of such property, estimated to be \$3,000,000, shall be deposited into the general fund no later than June 30, 2006."

Explanation:

(This amendment directs the Department of Alcoholic Beverage Control to sell property it owns in Alexandria and to deposit the proceeds from the sale into the general fund. A companion amendment is included to transfer the funds received to the

general fund.)

Item 3-1.01 #12c

Transfers

Interfund Transfers

Language

Language:

Page 432, line 18, strike the first "\$48,214,022" and insert "\$58,714,022".

Page 432, line 18, strike the second "\$48,214,022" and insert "\$58,714,022".

Explanation:

(This amendment increases the amounts transferred to the general fund from the Alcoholic Beverage Control Enterprise Fund for the expenses incurred for care, treatment, study and rehabilitation of alcoholics. This increase in funds is based on an additional three percent increase in the purchase price of alcoholic beverages.)

Item 3-1.01 #13c

Transfers

Interfund Transfers

Language

Language:

Page 432, line 18, strike the first "\$48,214,022" and insert "\$50,607,320".

Page 432, line 18, strike the second "\$48,214,022" and insert "\$50,607,320".

Explanation:

(This amendment increases the amounts transferred to the general fund from the Alcoholic Beverage Control Enterprise Fund for the expenses incurred for care, treatment, study and rehabilitation of alcoholics. This increase is based upon an increase in ABC license and permit fees.)

Item 3-1.01 #14c

Transfers

Interfund Transfers

Language

Language:

Page 438, line 2, after "transfer.", strike the remainder of the line.
Page 438, strike line 3 and line 4.

Explanation:

(This amendment removes a contingent transfer of nongeneral fund savings due to the 30-year amortization of VRS rates in the introduced budget.)

Item 3-1.01 #15c

Transfers

Interfund Transfers

Language

Language:

Page 432, line 61, after "quarter.", insert:

"Distributions of net profits from the sale of alcoholic beverages to localities shall not exceed \$4,150,000 the first year and \$4,150,000 the second year."

Explanation:

(This amendment requires no more than \$4,150,000 each year be distributed to localities from the net profits produced from the sale of alcoholic beverages by the Department of Alcoholic Beverage Control.)

Item 3-5.05 #1c

Implementation of House Bill 5018

Language

Language:

Page 440, after line 38, insert:

"A. All additional state sales and use tax revenue generated by the amendments to § 58.1-609.3 of the Code of Virginia pursuant to enactments of the 2004 Special Session of the General Assembly shall be deposited into the general fund and distributed to localities pursuant to subsections B, C, and D of § 58.1-638 of the Code of Virginia (and in the percentage required thereunder) with the remaining additional revenue distributed as provided in this act.

B. Revenues deposited into the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1 of the Code of Virginia pursuant to enactments of the 2004 Special Session of the General Assembly shall be

transferred to the general fund and used to meet the Commonwealth's responsibilities for the Standards of Quality prescribed pursuant to Article VIII, Section 2, of the Constitution of Virginia. The Comptroller shall take all actions necessary to effect such transfers monthly, no later than 10 days following the deposit to the Fund. The amounts transferred shall be distributed to localities as specified in Items 146 and 147 of this Act."

Explanation:

(This amendment contains language required to implement the tax provisions of House Bill 5018. The amendment clarifies that proceeds from the elimination of the sales tax exemptions for certain public service entities shall be directed to the general fund. As it relates to additional sales tax revenues generated by House Bill 5018, language creates a mechanism to allow for the distribution of the one-quarter percent increase in sales tax dedicated to elementary and secondary education under House Bill 5018. Language in Item 145.1 specifies that one-eighth percent of the proceeds will be distributed according to the composite index, and one-eighth percent according to school age population.)

Item 3-5.05 #2c

IMPLEMENTATION OF HOUSE BILL 5018

Language

Language:

Page 440, after line 38, insert:

"In the event the implementation of House Bill 5018, passed by the 2004 Special Session, does not occur until on or after September 1, 2004, the funds appropriated in Item C-194 shall be unallotted, unless (1) such funds are available from revenue collections for the fiscal year ending June 30, 2004, that exceed the official revenue estimate contained in Chapter 943 of the Acts of Assembly of 2004, after meeting all Constitutional and statutory requirements for the use of revenues that exceed the official forecast, including the amount required by the ninth enactment of House Bill 5018, or (2) such funds are available from an official reforecast of the revenue estimate occurring after May 1, 2004."

Explanation:

(This amendment relates to the implementation date of House Bill 5018.)

Item 3-6.01 #1c

Adjustments and Modifications to Fees

Recordation Tax Fee

Language

Language:

Page 440, line 41, strike "A."

Page 440, line 43, after "Virginia.", strike the remainder of the line and insert:

"The revenue generated from such fee shall be deposited to the general fund."

Page 440, strike lines 44 through 47.

Page 441, strike lines 1 through 3.

Explanation:

(This amendment deletes language authorizing the deposit of revenues collected from a 10 dollar fee assessed on all deeds for which recordation taxes are collected and the admission of certificates of satisfaction to the proposed Virginia Natural and Historic Resources Fund. The purpose of this fund was to provide support to the Virginia Land Conservation Trust Fund and the Water Quality Improvement Fund. The amendment, however, ensures that the proceeds of this fee will continue to be deposited to the general fund as originally intended by the 2002 Session of the General Assembly.)

Item 3-6.02 #1c

Adjustments and Modifications to Fees

Motor Vehicle Fees

Language

Language:

Page 441, line 6, after "fund" insert:

"\$3,450,000 the first year and \$3,450,000 the second year of".

Page 441, line 6, after "revenue" insert "which shall be distributed".

Page 441, line 7, after "2002.", strike remainder of line.

Page 441, strike line 8.

Page 441, strike line 11 through line 13.

Explanation:

(This amendment strikes obsolete references inadvertently carried over from Chapter 1042 of the Acts of Assembly of 2003 and removes language making transfers contingent upon passage of the Governor's tax package. This language also reduces the proposed transfer of "\$4-for-Life" funds by \$3.5 million each year. A companion

amendment to Item 307 limits the increase in funding for emergency medical services from "\$4-for-Life" funds from \$12.8 million to \$9.3 million each year.)

Item 4-0.00 #1c

General Provisions

Language

Language:

Page 442, after line 2, insert:

"§ 4-0.01 OPERATING POLICIES

a. Each appropriating act of the General Assembly shall be subject to the following provisions and conditions, unless specifically exempt elsewhere in this act.

b. All appropriations contained in this act, or in any other appropriating act of the General Assembly, are declared to be maximum appropriations and conditional on receipt of revenue.

c. The Governor, as chief budget officer of the state, shall ensure that the provisions and conditions as set forth in this section are strictly observed."

Page 442, strike lines 3 through 51.

Page 443, strike lines 1 through 49.

Page 444, strike lines 1 through 50.

Page 445, strike lines 1 through 53.

Page 446, strike lines 1 through 43.

Page 447, strike lines 1 through 52.

Page 448, strike lines 1 through 49.

Page 449, strike lines 1 through 51.

Page 450, strike lines 1 through 43.

Page 451, strike lines 1 through 48.

Page 452, strike lines 1 through 50.

Page 453, strike lines 1 through 50.

Page 454, strike lines 1 through 6 and insert:

"§ 4-1.00 APPROPRIATIONS

§ 4-1.01 PREREQUISITES FOR PAYMENT

a. The State Comptroller shall not pay any money out of the state treasury except pursuant to appropriations in this act or in any other act of the General Assembly making an appropriation during the current biennium.

b. Moneys shall be spent solely for the purposes for which they were appropriated by the General Assembly, except as specifically provided otherwise by § 4-1.03 Appropriation Transfers, § 4-4.01 Capital Projects, or § 4-5.01 a. Settlement of Claims with Individuals. Should the Governor find that moneys are not being spent in accordance with provisions of the act appropriating them, he shall restrain the State Comptroller from making further disbursements, in whole or in part, from said appropriations. Further, should the Auditor of Public Accounts determine that a state or other agency is not spending moneys in accordance with provisions of the act appropriating them, he shall so advise the Governor or other governing authority, the State Comptroller, the Chairman of the Joint Legislative Audit and Review Commission, and Chairmen of the Senate Finance and House Appropriations Committees.

§ 4-1.02 WITHHOLDING OF SPENDING AUTHORITY

a. For purposes of this subsection, withholding of spending authority is defined as any action that impedes or limits the ability to spend the appropriated moneys, regardless of the mechanism used to effect such withholding.

b.1. Changed Expenditure Factors: The Governor is authorized to reduce spending authority, by withholding allotments of appropriations, when expenditure factors, such as enrollments or population in institutions, are smaller than the estimates upon which the appropriation was based. Moneys generated from the withholding action shall not be reallocated for any other purpose. Provided, however, the withholding of allotments of appropriations under this provision shall not occur until at least 15 days after the Governor has transmitted a statement of changed factors and intent to withhold moneys to the Chairmen of the House Appropriations and Senate Finance Committees.

2. Moneys shall not be withheld on the basis of reorganization plans or program evaluations until such plans or evaluations have been specifically presented in writing to the General Assembly at its next regularly scheduled session.

c. Increased Nongeneral Fund Revenue:

1. General fund appropriations to any state agency for operating expenses are supplemental to nongeneral fund revenues collected by the agency. To the extent that nongeneral fund revenues collected in a fiscal year exceed the estimate on which the operating budget was based, the Governor is authorized to withhold general fund spending authority, by withholding allotments of appropriations, in an equivalent amount. However, this limitation shall not apply to: (a) restricted excess tuition and fees for educational and general programs in the institutions of higher education, as defined in § 4-2.01 c of this act; (b) appropriations to institutions of higher education designated for fellowships, scholarships and loans; (c) gifts or grants which are made to any state agency for the direct costs of a stipulated project; (d) appropriations to institutions for the mentally ill or mentally retarded payable from the Mental Health and Mental Retardation Revenue Fund; and (e) general fund appropriations for highway construction and mass transit. Moneys unallotted under this provision shall not be reallocated for any other purpose.

2. To the degree that new or additional grant funds become available to supplement general fund appropriations for a program, following enactment of an appropriation act, the Governor is authorized to withhold general fund spending authority, by withholding allotments of appropriations, in an amount equivalent to that provided from grant funds, unless such action is prohibited by the original provider of the grant funds. The withholding action shall not include general fund appropriations, which are required to match grant funds. Moneys unallotted under this provision shall not be reallocated for any other purpose.

d. Reduced General Fund Resources:

1. The term “general fund resources” as applied in this subsection, includes revenues collected and paid into the general fund of the state treasury during the current biennium, transfers to the general fund of the state treasury during the current biennium, and all unexpended balances brought forward from the previous biennium.

2. In the event that general fund resources are estimated by the Governor to be insufficient to pay in full all general fund appropriations authorized by the General Assembly, the Governor shall, subject to the qualifications herein contained, withhold general fund spending authority, by withholding allotments of appropriations, to prevent any expenditure in excess of the estimated general fund resources available.

3. In making this determination, the Governor shall take into account actual general fund revenue collections for the current fiscal year and the results of a formal written re-estimate of general fund revenues for the current and next biennium, prepared within the previous 90 days, in accordance with the process specified in § 2.2-1503, Code of Virginia. Said re-estimate of general fund revenues shall be communicated to the Chairmen of the Senate Finance, House Appropriations and House Finance Committees, prior to taking action to reduce general fund allotments of appropriations on account of reduced resources.

4.a) In addition to monthly reports on the status of revenue collections relative to the current fiscal year's estimate, the Governor shall provide a written quarterly assessment of the current economic outlook for the remainder of the fiscal year to the Chairmen of the Senate Finance, House Appropriations, and House Finance Committees.

b) Within five business days after the preliminary close of the state accounts at the end of the fiscal year, the State Comptroller shall provide the Governor with the actual total of (1) individual income taxes, (2) corporate income taxes, and (3) sales taxes for the just completed fiscal year, with a comparison of such actual totals with the total of such taxes in the official budget estimate for that fiscal year. If that comparison indicates that the total of (1) individual income taxes, (2) corporate income taxes, and (3) sales taxes, as shown on the preliminary close, was one percent or more below the amount of such taxes in the official budget estimate for the just completed fiscal year, the Governor shall prepare a written re-estimate of general fund revenues for the current biennium and the next biennium in accordance with § 2.2-1503, Code of Virginia, to be reported to the Chairmen of the Senate Finance, House Finance and House Appropriations Committees, not later than September 1 following the close of the fiscal year.

5. The Governor shall take no action to withhold allotments until a written plan detailing specific reduction actions approved by the Governor, identified by program and appropriation item, has been presented to the Chairmen of the House Appropriations and Senate Finance Committees. Subsequent modifications to the approved reduction plan also must be submitted to the Chairmen of the House Appropriations and Senate Finance Committees, prior to withholding allotments of appropriations. This reduction plan, with modifications thereto, shall be the sole basis for withholding spending authority due to reduced revenues.

6. In addition to the budget reduction plan approved by the Governor, all budget reduction proposals submitted by state agencies to the Governor or the Governor's staff, including but not limited to the Department of Planning and Budget, the Governor's Cabinet Secretaries, or the Chief of Staff, whether submitted electronically or otherwise, shall be forwarded within five calendar days of submission to the Chairmen of the Senate Finance and House Appropriations Committees.

7. In effecting the reduction of expenditures, the Governor shall not withhold allotments of appropriations for:

a) More than 15 percent cumulatively of the annual general fund appropriation contained in this act for operating expenses of any one state or nonstate agency or institution designated in this act by title, and the exact amount withheld, by state or nonstate agency or institution, shall be reported within five calendar days to the Chairmen of the Senate Finance and House Appropriations Committees. State agencies providing funds directly to grantees named in this Act shall not apportion a larger cut to the grantee than the proportional cut apportioned to the agency. Without regard to § 4-5.07 b.4. of this act, the remaining appropriation to the grantee which is not subject to the cut, equal to at least 85 percent of the annual appropriation, shall be made by July 31, or in two equal installments, one payable by July 31 and the other payable by December 31, if the remaining appropriation is less than or equal to \$500,000, except in cases where the normal conditions of the grant dictate a different payment schedule.

b) The payment of principal and interest on the bonded debt or other bonded obligations of the Commonwealth, its agencies and its authorities, or for payment of a legally authorized deficit.

c) The payments for care of graves of Confederate dead.

d) The employer contributions, and employer paid member contributions to the: Social Security System, Virginia Retirement System, Judicial Retirement System, State Police Officers Retirement System, Virginia Law Officers Retirement System, Optional Retirement Plan for College and University Faculty, Optional Retirement Plan for Political Appointees, Optional Retirement Plan for Superintendents, the Volunteer Service Award Program, and the Virginia Retirement System's group life insurance, sickness and disability, and retiree health care credit programs for state employees, state-supported local employees and

teachers. If the Virginia Retirement System Board of Trustees approves a contribution rate for a fiscal year that is lower than the rate on which the appropriation was based, or if the United States government approves a Social Security rate that is lower than that in effect for the current budget, the Governor may withhold excess contributions. However, employer and employee paid rates or contributions for health insurance and matching deferred compensation for state employees, state-supported local employees and teachers may not be increased or decreased beyond the amounts approved by the General Assembly. Payments for the employee benefit programs listed in this paragraph may not be delayed beyond the customary billing cycles that have been established by law or policy by the governing board.

e) The payments in fulfillment of any contract awarded for the design, construction and furnishing of any state building.

f) The salary of any state officer for whom the Constitution of Virginia prohibits a change in salary.

g) The salary of any officer or employee in the Executive Department by more than two percent (irrespective of the fund source for payment of salaries and wages). Provided, however, the percentage of reduction shall be uniformly applied to all employees within the Executive Department.

h) The appropriation supported by the State Bar Fund, as authorized by § 54.1-3913, Code of Virginia, unless the supporting revenues for such appropriation are estimated to be insufficient to pay the appropriation.

8. The Governor is authorized to withhold specific allotments of appropriations by a uniform percentage, a graduated reduction or on an individual basis, or apply a combination of these actions, in effecting the authorized reduction of expenditures, up to the maximum of 15 percent, as prescribed in subdivision 7a of this subsection.

9. Each nongeneral fund appropriation shall be payable in full only to the extent the nongeneral fund revenues from which the appropriation is payable are estimated to be sufficient. The Governor is authorized to reduce allotments of nongeneral fund appropriations by the amount necessary to ensure that expenditures do not exceed the supporting revenues for such appropriations. Provided, however, the Governor shall take no action to reduce allotments of appropriations for major

nongeneral fund sources on account of reduced revenues until such time as a formal written re-estimate of revenues for the current and next biennium, prepared in accordance with the process specified in § 2.2-1503, Code of Virginia, has been reported to the Chairmen of the Senate Finance, House Finance, and House Appropriations Committees. For purposes of this subsection, major nongeneral fund sources are defined as Highway Maintenance and Operating Fund and Transportation Trust Fund.

10. Notwithstanding any contrary provisions of law, the Governor is authorized to transfer to the general fund on June 30 of each year of the biennium or within twenty days from that date, any available unexpended balances in other funds in the state treasury, subject to the following:

- a) The Governor shall declare in writing to the Chairmen of the Senate Finance and House Appropriations Committees that a fiscal emergency exists which warrants the transfer of nongeneral funds to the general fund and reports the exact amount of such transfer within five calendar days of the transfer;
- b) No such transfer may be made from retirement or other trust accounts, the State Bar Fund as authorized by § 54.1-3913, Code of Virginia, debt service funds, or federal funds; and
- c) The Governor shall include for informative purposes, in the first biennial budget he submits subsequent to the transfer, the amount transferred from each account or fund and recommendations for restoring such amounts.

11. The Director, Department of Planning and Budget, shall report spending authority withheld under the provisions of this subsection to the Chairmen of the Senate Finance and House Appropriations Committees within five calendar days of the action to withhold. Said report shall include the amount withheld by agency and appropriation item.

12. If action to withhold allotments of appropriation under this provision is inadequate to eliminate the imbalance between projected general fund resources and appropriations, the Speaker of the House of Delegates and the President Pro Tempore of the Senate shall be advised in writing by the Governor, so that they may consider requesting a special session of the legislature.

§ 4-1.03 APPROPRIATION TRANSFERS

a. GENERAL:

1.a) During any fiscal year, the Director, Department of Planning and Budget, may transfer operating appropriation authority from one state or other agency to another, to effect the following:

- 1) distribution of amounts budgeted in the central appropriation to agencies, or withdrawal of budgeted amounts from agencies in accordance with specific language in the central appropriation establishing reversion clearing accounts;
- 2) distribution of pass-through grants or other funds held by an agency as fiscal agent;
- 3) correction of errors within this act, where such errors have been identified in writing by the Chairmen of the Senate Finance and House Appropriations Committees;
- 4) proper accounting between fund sources 0100 and 0300 in higher education institutions; or
- 5) transfers specifically authorized elsewhere in this act.

b. During any fiscal year, the Director, Department of Planning and Budget, may transfer operating appropriation authority from one program to another within an agency to effect program purposes approved by the General Assembly, unless specifically provided otherwise in this act. However, appropriation authority for local aid programs and aid to individuals shall not be transferred elsewhere without the express consent of the General Assembly.

c.1. In addition to authority granted elsewhere in this act, the Director, Department of Planning and Budget, may transfer operating appropriations authority among sub-agencies within the Judicial System, the Department of Corrections, and the Department of Mental Health, Mental Retardation and Substance Abuse Services to effect changes in operating expense requirements which may occur during the biennium.

2. The Director, Department of Planning and Budget, may transfer appropriations from the Department of Mental Health, Mental Retardation and Substance Abuse

Services to the Department of Medical Assistance Services, consisting of the general fund amounts required to match federal funds for reimbursement of services provided by its institutions and Community Services Boards.

3. The Director, Department of Planning and Budget, may transfer appropriations from the Office of Comprehensive Services to the Department of Medical Assistance Services, consisting of the general fund amounts required to match federal funds for reimbursement of services provided to eligible children.

4. The Director, Department of Planning and Budget, may transfer an appropriation or portion thereof within a state or other agency, or from one such agency to another, to support changes in agency organization, program or responsibility enacted by the General Assembly to be effective during the current biennium.

5. The Director, Department of Planning and Budget, may transfer general fund appropriations from the second year to the first year, with said transfer to be reported in writing to the Chairmen of the Senate Finance and House Appropriations Committees within five calendar days of the transfer, when the expenditure of such funds is required to:

- a) address a threat to life, safety, health or property, or
- b) provide for unbudgeted cost increases for statutory required services or federally mandated services, in order to continue those services at the present level, or
- c) provide for payment of overtime salaries and wages, when the obligations for payment of such overtime were incurred during a situation deemed threatening to life, safety, health, or property, or
- d) provide for payments to the beneficiaries of certain public safety officers killed in the line of duty, as authorized in Title 2.2, Chapter 4, Code of Virginia.

6. An appropriation transfer shall not occur except through properly executed appropriation transfer documents designed specifically for that purpose, and all transactions effecting appropriation transfers shall be entered in the state's computerized budgeting and accounting systems.

7. The Director, Department of Planning and Budget, may transfer from any other

agency, appropriations, to supplement any project of the Virginia Public Building Authority authorized by the General Assembly and approved by the Governor. Such capital project shall be transferred to the state agency designated as the managing agency for the Virginia Public Building Authority.

8. In the event of the transition of a city to town status pursuant to the provisions of Chapter 41 of Title 15.2 of the Code of Virginia (§ 15.2-4100 et seq.) subsequent to July 1, 1999, the provisions of § 15.2-1302 shall govern distributions from state agencies to the county in which the town is situated, and the Director, Department of Planning and Budget, is authorized to transfer appropriations or portions thereof within a state agency, or from one such agency to another, if necessary to fulfill the requirements of § 15.2-1302.

§ 4-1.04 APPROPRIATION INCREASES

a. If the Governor vetoes an item, neither he nor the Director, Department of Planning and Budget, shall administratively establish the vetoed program within the agency. In addition, neither the Governor nor the Director, Department of Planning and Budget, shall administratively increase the appropriations of, nor transfer appropriations to, the agency affected by the veto in order to carry out the purposes of the vetoed item.

b. UNAPPROPRIATED NONGENERAL FUNDS:

1. Sale of Surplus Materials:

The Director, Department of Planning and Budget, is hereby authorized to increase the appropriations to any state agency by the amount of credit resulting from the sale of surplus materials under the provisions of § 2.2-1125, Code of Virginia.

2. Insurance Recovery:

The Director, Department of Planning and Budget, shall increase the appropriations authority for any state agency by the amount of the proceeds of an insurance policy or from the State Insurance Reserve Trust Fund, for expenditures as far as may be necessary, to pay for the repair or replacement of lost, damaged or destroyed property, plant or equipment.

3. Gifts, Grants and Other Nongeneral Funds:

a) Subject to § 4-1.02 c, Increased Nongeneral Fund Revenue, and the conditions stated in this section, the Director, Department of Planning and Budget, is hereby

authorized to increase the appropriations to any state agency by the amount of the proceeds of donations, gifts, grants or other nongeneral funds paid into the state treasury in excess of such appropriations during a fiscal year. Such appropriations shall be increased only when the expenditure of moneys is authorized elsewhere in this act or is required to:

- 1) address a threat to life, safety, health or property or
 - 2) provide for unbudgeted increases in costs for services required by statute or services mandated by the federal government, in order to continue those services at the present level or implement compensation adjustments approved by the General Assembly, or
 - 3) provide for payment of overtime salaries and wages, when the obligations for payment of such overtime were incurred during a situation deemed threatening to life, safety, health, or property, or
 - 4) continue a program at the present level of service or at an increased level of service when required to address unanticipated increases in noncredit instruction at institutions of higher education or business and industrial development opportunities which will benefit the state's economy, or
 - 5) participate in a federal or sponsored program, or
 - 6) realize cost savings in excess of the additional funds provided, or
 - 7) permit a state agency or institution to use a donation, gift or grant for the purpose intended by the donor, or
 - 8) provide for cost overruns on capital projects and for capital projects authorized under § 4-4.01 m of this act, or
 - 9) address caseload or workload changes in programs approved by the General Assembly.
- b) The above conditions shall not apply to donations and gifts to the endowment funds of institutions of higher education.
- c) Each state agency and institution shall ensure that its budget estimates include a

reasonable estimate of receipts from donations, gifts or other nongeneral fund revenue. The Department of Planning and Budget shall review such estimates and verify their accuracy, as part of the budget planning and review process.

d) No obligation or expenditure shall be made from such funds until a revised operating budget request is approved by the Director, Department of Planning and Budget. Expenditures from any gift, grant or donation shall be in accordance with the purpose for which it was made; however, expenditures for property, plant or equipment, irrespective of fund source, are subject to the provisions of §§ 4-2.03 Indirect Costs, 4-4.01 Capital Projects General, and 4-5.05 b Services and Clients-New Services, of this act.

e) Nothing in this section shall exempt agencies from complying with § 4-2.01 a Solicitation and Acceptance of Donations, Gifts, Grants, and Contracts of this act.

f) If the Governor vetoes an item, neither he nor the Director, Department of Planning and Budget, shall administratively establish the vetoed program within the agency. In addition, neither the Governor nor the Director, Department of Planning and Budget, shall administratively increase the appropriations of, nor transfer appropriations to, the agency affected by the veto to carry out the purposes of the vetoed item.

4. Any nongeneral fund cash balance recorded on the books of the Department of Accounts as unexpended on the last day of the fiscal year may be appropriated for use in the succeeding fiscal year with the prior written approval of the Director, Department of Planning and Budget, unless the General Assembly shall have specifically provided otherwise.

5. Reporting:

The Director, Department of Planning and Budget, shall report on increases in unappropriated nongeneral funds in accordance with § 4-8.00, Reporting Requirements, or as modified by specific provisions in this subsection.

c. AGRIBUSINESS EQUIPMENT FOR THE DEPARTMENT OF CORRECTIONS

The Director of the Department of Planning and Budget may increase the Department of Corrections appropriation for the purchase of agribusiness equipment or the repair or construction of agribusiness facilities by an amount equal to fifty percent of any annual amounts in excess of fiscal year 1992 deposits

to the general fund from agribusiness operations. It is the intent of the General Assembly that appropriation increases for the purposes specified shall not be used to reduce the general fund appropriations for the Department of Corrections.

§ 4-1.05 REVERSION OF APPROPRIATIONS AND REAPPROPRIATIONS

a. GENERAL FUND OPERATING EXPENSE:

1.a) General fund appropriations which remain unexpended on (i) the last day of the previous biennium, ending on June 30, 2004, and (ii) the last day of the first year of the current biennium, ending on June 30, 2005, shall be reappropriated and allotted for expenditure in the respective succeeding year for the following agencies and programs, provided however, that the reappropriations shall not be used to create ongoing obligations or expand or create new programs, but shall be applied to nonrecurring costs:

- 1) Agencies in the Legislative Department, the Judicial Department, and the Independent Agencies, except as may be specifically provided otherwise by the General Assembly;
- 2) Agencies in the Executive Department, subject to the prior written approval of the Governor, except as may be specifically provided otherwise by the General Assembly;
- 3) Specific program balances in Executive Department agencies identified by the General Assembly through language in this act;
- 4) Educational and General programs in those institutions of higher education which meet management standards prescribed by the Governor;
- 5) Unexpended revenues from community education and public service programs in the institutions of higher education; and
- 6) Appropriations to the institutions of higher education for student financial assistance.

2. The Governor shall complete his review and reappropriation of unexpended general fund appropriations, authorized under this section, no later than September 1 of the respective succeeding fiscal year. The Governor shall report within five

calendar days after completing the reappropriation process to the Chairmen of the Senate Finance and House Appropriations Committees on the reappropriated amounts for each state agency.

3. Pursuant to subsection E of § 2.2-1125, Code of Virginia, the determination of compliance by an agency or institution with management standards prescribed by the Governor shall be made by the Secretary of Finance and the Secretary having jurisdiction over the agency or institution, acting jointly.

b. NONGENERAL FUND OPERATING EXPENSE:

1. Based on analysis by the State Comptroller, when any nongeneral fund has had no increases or decreases in fund balances for a period of 24 months, the State Comptroller shall promptly transfer and pay the balance into the fund balance of the general fund. If it is subsequently determined that an appropriate need warrants repayment of all or a portion of the amount transferred, the Director, Department of Planning and Budget shall include repayment in the next budget bill submitted to the General Assembly.

2. Nongeneral fund appropriations which remain unexpended on (i) the last day of the previous biennium and (ii) the last day of the first year of the current biennium shall be reappropriated and allotted for expenditure no later than September 1 of the respective succeeding fiscal year, provided however, that the reappropriations shall not be used to create ongoing obligations or expand or create new programs, but shall be applied to nonrecurring costs. The reappropriations process for nongeneral fund appropriations shall be consistent with the policies, guidelines and schedule used to reappropriate unexpended general fund appropriations.

c. CAPITAL PROJECTS:

1. Upon certification by the Director, Department of Planning and Budget, the State Comptroller is hereby authorized to revert to the fund balance of the general fund any portion of the unexpended general fund cash balance and corresponding appropriation or reappropriation for a capital project when the Director determines that such portion is not needed for completion of the project. The State Comptroller may similarly return to the appropriate fund source any part of the unexpended nongeneral fund cash balance and reduce any appropriation or reappropriation which the Director determines is not needed to complete the project. The Director may direct the restoration of any portion of the returned and

reverted amount if he shall subsequently verify an unpaid obligation or requirement for completion of the project. In the case of a capital project for which an unexpended cash balance was returned and appropriation or reappropriation balance was reverted in the prior biennium, he may likewise restore any portion of such reverted amount under the same conditions.

2. The unexpended general fund cash balance and corresponding appropriation or reappropriation for capital projects shall revert to and become part of the fund balance of the general fund during the current biennium as of the date the Director, Department of Planning and Budget, certifies to the State Comptroller that the project has been completed in accordance with the intent of the appropriation or reappropriation and there are no known unpaid obligations related to the project. The State Comptroller shall return the unexpended nongeneral fund cash balance, if there be any, for such completed project to the source from which said nongeneral funds were obtained. Likewise, he shall revert an equivalent portion of the appropriation or reappropriation of said nongeneral funds. The Director, Department of Planning and Budget, may direct the restoration of any portion of the reverted amount if he shall subsequently verify an unpaid obligation or requirement for completion of the project. In the case of a capital project for which an unexpended cash balance was returned and appropriation or reappropriation was reverted in the prior biennium, he may likewise restore any portion of such amount under the same conditions.

§ 4-1.06 LIMITED ADJUSTMENTS OF APPROPRIATIONS

a. LIMITED CONTINUATION OF APPROPRIATIONS.

Notwithstanding any contrary provision of law, any unexpended balances on the books of the State Comptroller as of the last day of the previous biennium shall be continued in force for such period, not exceeding 10 days from such date, as may be necessary in order to permit payment of any claims, demands or liabilities incurred prior to such date and unpaid at the close of business on such date, and shown by audit in the Department of Accounts to be a just and legal charge, for values received as of the last day of the previous biennium, against such unexpended balances.

b. LIMITATIONS ON CASH DISBURSEMENTS.

Notwithstanding any contrary provision of law, the State Comptroller may begin preparing the accounts of the Commonwealth for each subsequent fiscal year on or about ten 10 days before the start of such fiscal year. The books will be open

only to enter budgetary transactions and transactions that will not require the receipt or disbursement of funds until after June 30. Should an emergency arise, or in years in which July 1 falls on a weekend requiring the processing of transactions on or before June 30, the State Comptroller may, with the written concurrence of the Auditor of Public Accounts, authorize the disbursement of funds drawn against appropriations of the subsequent fiscal year, not to exceed the sum of three million dollars (\$3,000,000) from the general fund. This provision does not apply to debt service payments on bonds of the Commonwealth which shall be made in accordance with bond documents, trust indentures, and/or escrow agreements.

§ 4-1.07 ALLOTMENTS

Except when otherwise directed by the Governor within the limits prescribed in §§ 4-1.02 Withholding of Spending Authority, 4-1.03 Appropriation Transfers, and 4-1.04 Appropriation Increases of this act, the Director, Department of Planning and Budget, shall prepare and act upon the allotment of appropriations required by this act, and by § 2.2-1819, Code of Virginia, and the authorizations for rates of pay required by this act. Such allotments and authorizations shall have the same effect as if the personal signature of the Governor were subscribed thereto. This section shall not be construed to prohibit an appeal by the head of any state agency to the Governor for reconsideration of any action taken by the Director, Department of Planning and Budget, under this section.

§ 4-2.00 REVENUES

§ 4-2.01 NONGENERAL FUND REVENUES

a. SOLICITATION AND ACCEPTANCE OF DONATIONS, GIFTS, GRANTS, AND CONTRACTS:

1. No state agency shall solicit or accept any donation, gift, grant, or contract without the written approval of the Governor except under written guidelines issued by the Governor which provide for the solicitation and acceptance of nongeneral funds.

2. The Governor may issue policies in writing for procedures which allow state agencies to solicit and accept nonmonetary donations, gifts, grants, or contracts except that donations, gifts and grants of real property shall be subject to § 4-4.00 of this act and § 2.2-1149, Code of Virginia. This provision shall apply to donations, gifts and grants of real property to endowment funds of institutions of

higher education, when such endowment funds are held by the institution in its own name and not by a separately incorporated foundation or corporation.

3.a) The preceding subdivisions shall not apply to property and equipment acquired and used by a state agency or institution through a lease purchase agreement and subsequently donated to the agency or institution during or at the expiration of the lease purchase agreement, provided that the lessor is the Virginia College Building Authority.

b) The use of endowment funds for property, plant or equipment for state-owned facilities is subject to §§ 4-2.03 Indirect Costs, 4-4.01 Capital Projects-General and 4-5.05 Services and Clients of this act.

b. HIGHER EDUCATION PLANNED EXCESS REVENUES:

An institution of higher education may generate and retain tuition and fee revenues in excess of those provided in § 4-2.01 b Higher Education Tuition and Fees, subject to the following:

1. Such revenues are identified by language in the appropriations in this act to any such institution.
2. The use of such moneys is fully documented by the institution to the Governor prior to each fiscal year and prior to allotment.
3. The moneys are supplemental to, and not a part of, ongoing expenditure levels for educational and general programs used as the basis for funding in subsequent biennia.
4. The receipt and expenditure of these moneys shall be recorded as restricted funds on the books of the Department of Accounts and shall not revert to the surplus of the general fund at the end of the biennium.
5. Tuition and fee revenues generated by the institution other than as provided herein shall be subject to the provisions of § 4-1.04 b3 Gifts, Grants, and Other Nongeneral Funds of this act.

§ 4-2.02 GENERAL FUND REVENUE

a. STATE AGENCY PAYMENTS INTO GENERAL FUND:

1. Except as provided in § 4-2.02 a.2., all moneys, fees, taxes, charges and revenues received at any time by the following agencies from the sources indicated shall be paid immediately into the general fund of the state treasury:

a) Marine Resources Commission, from all sources, except:

1) Revenues payable to the Public Oyster Rocks Replenishment Fund established by § 28.2-542, Code of Virginia.

2) Revenue payable to the Virginia Marine Products Fund established by § 3.1-684.63, Code of Virginia.

3) Revenue payable to the Virginia Saltwater Recreational Fishing Development Fund established by § 28.2-302.3, Code of Virginia.

4) Revenue payable to the Marine Fishing Improvement Fund established by § 28.2-208, Code of Virginia.

5) Revenue payable to the Marine Habitat and Waterways Improvement Fund established by § 28.2-1206, Code of Virginia.

b)1) Department of Labor and Industry, or any other agency, for the administration of the state labor and employment laws under Title 40.1, Code of Virginia.

2) Department of Labor and Industry, from boiler and pressure vessel inspection certificate fees, pursuant to § 40.1-51.15, Code of Virginia.

c) All state institutions for the mentally ill or mentally retarded, from fees or per diem paid employees for the performance of services for which such payment is made, except for a fee or per diem allowed by statute to a superintendent or staff member of any such institution when summoned as a witness in any court.

d) Department of Medical Assistance Services, from funds received from health care providers as a result of overpayments made in previous fiscal years and recoveries from third parties, after a determination is made of the Commonwealth's share of such recoveries.

e) Board of Bar Examiners, from all sources.

- f) Secretary of the Commonwealth, from all sources.
- g) The Departments of Corrections, Juvenile Justice, and Correctional Education, as required by law, including revenues from sales of dairy and other farm products, and payments from the U.S. Immigration and Naturalization Service for the housing of illegal aliens and other inmates.
- h) Auditor of Public Accounts, from charges for audits or examinations when the law requires that such costs be borne by the county, city, town, regional government or political subdivision of such governments audited or examined.
- i) Department of Education, from repayment of student scholarships and loans, except for the cost of such collections.
- j) Department of the Treasury, from the following sources:
 - 1) Fees collected from insurance companies for the safekeeping and handling of securities or surety bonds deposited with the State Treasurer pursuant to § 38.2-1057, Code of Virginia.
 - 2) Fees collected for handling cash and securities deposited with the State Treasurer pursuant to § 46.2-454, Code of Virginia.
- k) Attorney General, from recoveries of attorneys' fees and costs of litigation.
- l) Department of Social Services, from net revenues received from child support collections after all disbursements are made in accordance with state and federal statutes and regulations, and the state's share of the cost of administering the programs is paid.
- m) Department of General Services, from net revenues received from refunds of overpayments of utilities charges in prior fiscal years, after deduction of the cost of collection and any refunds due to the federal government.
- n) Without regard to paragraph g above, the following revenues shall be excluded from the requirement for deposit to the general fund and shall be deposited as follows: (1) payments to Virginia Correctional Enterprises shall be deposited into the Virginia Correctional Enterprises Fund; (2) payments to the Departments of

Corrections, Juvenile Justice and Correctional Education for work performed by inmates, work release prisoners, probationers or wards, which are intended to cover the expenses of these inmates, work release prisoners, probationers, or wards, shall be retained by the respective agencies for their use; and (3) payments to the Department of Correctional Education for work performed shall be retained by the agency to increase vocational training activities and to purchase work tools and work clothes for inmates, upon release.

2. The provisions of § 4-2.02 a.1. State Agency Payments into General Fund shall not apply to proceeds from the sale of surplus materials pursuant to § 2.2-1125, Code of Virginia. However, the State Comptroller is authorized to transfer to the general fund of the state treasury, out of the credits under § 4-1.05 b 1 Unappropriated Nongeneral Funds – Sale of Surplus Materials of this act, sums derived from the sale of materials originally purchased with general fund appropriations. The State Comptroller may authorize similar transfers of the proceeds from the sale of property not subject to § 2.2-1124, Code of Virginia, if said property was originally acquired with general fund appropriations, unless the General Assembly provides otherwise.

b. DEFINITION OF GENERAL FUND REVENUE FOR PERSONAL PROPERTY RELIEF ACT

Notwithstanding any contrary provision of law, for purposes of subsection C of § 58.1-3524 and subsection B of § 58.1-3536, Code of Virginia, the term general fund revenues, excluding transfers, is defined as (i) all state taxes, including penalties and interest, required and/or authorized to be collected and paid into the general fund of the state treasury pursuant to Title 58.1, Code of Virginia, (ii) permits, fees, licenses, fines, forfeitures, charges for services, and revenue from use of money and property required and/or authorized to be paid into the general fund of the state treasury, and (iii) amounts required to be deposited to the general fund of the state treasury pursuant to § 4-2.02a.1., of this act. However, in no case shall (i) lump-sum payments, (ii) one-time payments not generated from the normal operation of state government, or (iii) proceeds from the sale of state property or assets be included in the general fund revenue calculations for purposes of subsection C of § 58.1-3524 and subsection B of § 58.1-353, Code of Virginia.

c. DATE OF RECEIPT OF REVENUES:

All June general fund collections received under Subtitle I of Title 58.1, Code of Virginia, bearing a postmark date or electronic transactions with a settlement or notification date on or before the first business day in July, when June 30 falls on a

Saturday or Sunday, shall be considered as June revenue and recorded under guidelines established annually by the Department of Accounts.

§ 4-2.03 INDIRECT COSTS

a. **INDIRECT COST RECOVERIES FROM GRANTS AND CONTRACTS:**

Each state agency, including institutions of higher education, which accepts a grant or contract shall recover full statewide and agency indirect costs unless prohibited by the grantor agency or exempted by provisions of this act.

b. **AGENCIES OTHER THAN INSTITUTIONS OF HIGHER EDUCATION:**

The following conditions shall apply to indirect cost recoveries received by all agencies other than institutions of higher education:

1. The Governor shall include in the recommended nongeneral fund appropriation for each agency in this act the amount which the agency includes in its revenue estimate as an indirect cost recovery. The recommended nongeneral fund appropriations shall reflect the indirect costs in the program incurring the costs.

2. If actual agency indirect cost recoveries exceed the nongeneral fund amount appropriated in this act, the Director, Department of Planning and Budget, is authorized to increase the nongeneral fund appropriation to the agency by the amount of such excess indirect cost recovery. Such increase shall be made in the program incurring the costs.

3. Statewide indirect cost recoveries shall be paid into the general fund of the state treasury, unless the agency is specifically exempted from this requirement by language in this act. Any statewide indirect cost recoveries received by the agency in excess of the exempted sum shall be deposited to the general fund of the state treasury.

c. **INSTITUTIONS OF HIGHER EDUCATION:**

The following conditions shall apply to indirect cost recoveries received by institutions of higher education:

1. Seventy percent shall be retained by the institution as an appropriation of moneys for the conduct and enhancement of research and research-related requirements. Such moneys may be used for payment of principal of and interest on bonds issued by or for the institution pursuant to § 23-19, Code of Virginia, for

any appropriate purpose of the institution, including, but not limited to, the conduct and enhancement of research and research-related requirements.

2. Thirty percent of the indirect cost recoveries for the level of sponsored programs authorized in the appropriations in Part 1 of Chapter 1042 of the Acts of Assembly of 2003, shall be included in the educational and general revenues of the institution to meet administrative costs.

3. Institutions of higher education may retain 100 percent of the indirect cost recoveries related to research grant and contract levels in excess of the levels authorized in Chapter 1042 of the Acts of Assembly of 2003. This provision is included as an additional incentive for increasing externally funded research activities.

d. The Director, Department of Planning and Budget, shall report to the Chairmen of the Senate Finance and House Appropriations Committees no later than September 1 of each year on the indirect cost recovery moneys administratively appropriated.

e. REGULATIONS:

The State Comptroller is hereby authorized to issue regulations to carry out the provisions of this subsection, including the establishment of criteria to certify that an agency is in compliance with the provisions of this subsection.

§ 4-3.00 DEFICIT AUTHORIZATION AND TREASURY LOANS

§ 4-3.01 DEFICITS

a. GENERAL:

1. Except as provided in this section no state agency shall incur a deficit. No state agency receiving general fund appropriations under the provisions of this act shall obligate or expend moneys in excess of its general fund appropriations, nor shall it obligate or expend moneys in excess of nongeneral fund revenues that are collected and appropriated.

2. The Governor is authorized to approve deficit funding for a state agency under the following conditions:

- a) an unanticipated federal or judicial mandate has been imposed,
- b) insufficient moneys are available in the first year of the biennium for start-up of General Assembly-approved action, or
- c) delay pending action by the General Assembly at its next legislative Session will result in the curtailment of services required by statute or those required by federal mandate or will produce a threat to life, safety, health or property.
- d) Such approval by the Governor shall be in writing under the conditions described in § 4-3.02 a Authorized Deficit Loans of this act and shall be promptly communicated to the Chairmen of the House Appropriations and Senate Finance Committees within five calendar days of deficit approval.

3. Deficits shall not be authorized for capital projects.

4. The Department of Transportation may obligate funds in excess of the current biennium appropriation for projects of a capital nature not covered by § 4-4.00 Capital Projects, of this act provided such projects 1) are delineated in the Virginia Transportation Six-Year Improvement Program, as approved by the Commonwealth Transportation Board; and 2) have sufficient cash allocated to each such project to cover projected costs in each year of the Program; and provided that 3) sufficient revenues are projected to meet all cash obligations for such projects as well as all other commitments and appropriations approved by the General Assembly in the biennial budget.

b. **UNAUTHORIZED DEFICITS:** If any agency contravenes any of the prohibitions stated above, thereby incurring an unauthorized deficit, the Governor is hereby directed to withhold approval of such excess obligation or expenditure. Further, there shall be no reimbursement of said excess, nor shall there be any liability or obligation upon the state to make any appropriation hereafter to meet such unauthorized deficit. Further, those members of the governing board of any such agency who shall have voted therefore, or its head if there be no governing board, making any such excess obligation or expenditure shall be personally liable for the full amount of such unauthorized deficit and, at the discretion of the Governor, shall be deemed guilty of neglect of official duty and be subject to removal therefore. Further, the State Comptroller is hereby directed to make public any such unauthorized deficit, and the Director, Department of Planning and Budget, is hereby directed to set out such unauthorized deficits in the next

biennium budget. In addition, the Governor is directed to bring this provision of this act to the attention of the members of the governing board of each state agency, or its head if there be no governing board, within two weeks of the date that this act becomes effective.

c. **TOTAL AUTHORIZED DEFICITS:** The amount which the Governor may authorize, under the provisions of this section during the current biennium, to be expended from loans repayable out of the general fund of the state treasury, for all state agencies, or other agencies combined, in excess of general fund appropriations for the current biennium, shall not exceed one and one-half percent (1 1/2%) of the revenues collected and paid into the general fund of the state treasury as defined under § 4-2.02 b of this act during the last year of the previous biennium and the first year of the current biennium.

d. The Governor shall report any such authorized and unauthorized deficits to the Chairmen of the House Appropriations and Senate Finance Committees within five calendar days of deficit approval. By August 15 of each year, the Governor shall provide a comprehensive report to the Chairmen of the House Appropriations and Senate Finance Committees detailing all such deficits.

§ 4-3.02 TREASURY LOANS

a. **AUTHORIZED DEFICIT LOANS:** A state agency requesting authorization for deficit spending shall prepare a plan for the Governor's review and approval, specifying appropriate financial, administrative and management actions necessary to eliminate the deficit and to prevent future deficits. If the Governor approves the plan and authorizes a state agency to incur a deficit under the provisions of this section, the amount authorized shall be obtained by the agency by borrowing the authorized amount on such terms and from such sources as may be approved by the Governor. At the close of business on the last day of the current biennium, any unexpended balance of such loan shall be applied toward repayment of the loan, unless such action is contrary to the conditions of the loan approval. The Director, Department of Planning and Budget, shall set forth in the next biennial budget all such loans which require an appropriation for repayment. A copy of the approved plan to eliminate the deficit shall be transmitted to the Chairmen of the House Appropriations and the Senate Finance Committees within five calendar days of approval.

b. **ANTICIPATION LOANS:** Authorization for anticipation loans are limited to

the provisions below.

1.a) When the payment of authorized obligations for operating expenses is required prior to the collection of nongeneral fund revenues, any state agency may borrow from the state treasury the required sums with the prior written approval of the Secretary of Finance or his designee as to the amount, terms and sources of such funds; such loans shall not exceed the amount of the anticipated collections of such revenues and shall be repaid only from such revenues when collected.

b) When the payment of authorized obligations for capital expenses is required prior to the collection of proceeds from authorized debt, any state agency or body corporate and politic, constituting a public corporation and government instrumentality, may borrow from the state treasury the required sums with the prior written approval of the Secretary of Finance or his designee as to the amount, terms and sources of such funds; such loans shall not exceed the amount of the anticipated proceeds from debt authorized by the General Assembly and shall be repaid only from such proceeds when collected.

2. Anticipation loans for operating expenses shall be in amounts not greater than the sum identified by the agency as the minimum amount required to meet the projected expenditures. The term of any anticipation loans granted for operating expenses shall not exceed twelve months.

3. Before an anticipation loan for a capital project is authorized, the agency shall develop a plan for financing such capital project; approval of the State Treasurer shall be obtained for all plans to incur authorized debt.

4. Anticipation loans for capital projects shall be in amounts not greater than the sum identified by the agency as required to meet the projected expenditures for the project within the current biennium.

5. To ensure that such loans are repaid as soon as practical and economical, the Department of Planning and Budget shall monitor the construction and expenditure schedules of all approved capital projects that will be paid for with proceeds from authorized debt and have anticipation loans.

6. The State Treasurer shall charge current market interest rates on anticipation loans made for capital projects subject to the following:

a) Anticipation loans for capital projects for which debt service will be paid with general fund appropriations shall be exempt from interest payments on borrowed balances.

b) Interest payments on anticipation loans for nongeneral fund capital projects shall be made from appropriated nongeneral fund revenues. Such interest shall not be paid with the funds from the anticipation loan or from the proceeds of authorized debt without the approval of the State Treasurer.

c) REPORTING: All outstanding loans shall be reported by the Governor to the Chairmen of the House Appropriations and Senate Finance Committees by August 15 of each year. The report shall include a status of the repayment schedule for each loan.

§ 4-3.03 CAPITAL LEASES

a. GENERAL:

1. Not later than September 1 of each year, all agencies and institutions of the Commonwealth proposing building projects that may qualify as capital lease agreements, as defined in Generally Accepted Accounting Principles (GAAP), and that may be supported in whole, or in part, from appropriations provided for in this act, shall submit copies of such proposals to the Directors of the Departments of Planning and Budget and General Services, the State Comptroller, and the State Treasurer. The Secretary of Finance may promulgate guidelines for the review and approval of such requests.

2. The proposals shall be submitted in such form as the Secretary of Finance may prescribe. The Comptroller and the Director, Department of General Services shall be responsible for evaluating the proposals to determine if they qualify as capital lease agreements. The State Treasurer shall be responsible for incorporating existing and proposed capital lease agreements in the annual Debt Capacity Advisory Committee reports.

b. APPROVAL OF FINANCINGS:

1. For any project which qualifies as a capital lease, as defined in the preceding subdivisions a 1 and 2, and which is financed through the issuance of securities, the Treasury Board shall approve the terms and structure of such financing

pursuant to § 2.2-2416, Code of Virginia.

2. For any project for which costs will exceed \$5,000,000 and which is financed through a capital lease transaction, the Treasury Board shall approve the terms and structure of such capital lease in addition to such other reviews and approvals as may be required by law. The Departments of Accounts, General Services, and Planning and Budget shall notify the Treasury Board upon their approval of any transaction which qualifies as a capital lease under the terms of this section. The State Treasurer shall notify the Chairmen of the House Appropriations and Senate Finance Committees of the action of the Treasury Board as it regards this subdivision within five calendar days of its action.

c. REPORTS: Not later than December 20 of each year, the Secretary of Finance and the Secretary of Administration shall jointly be responsible for providing the Chairmen of the House Appropriations and Senate Finance Committees with recommendations involving proposed capital lease agreements."

Page 460, strike lines 25 through 40.

Page 460, line 41, strike "§ 4-5.04" and insert "§ 4-5.02".

Page 461, line 11, strike "§ 4-5.05" and insert "§ 4-5.03".

Page 461, strike lines 12 through 15 and insert:

"a. CHANGED COST FACTORS: No state agency, or its governing body, shall alter factors (e.g., qualification level for receipt of payment or service) which may increase the number of eligible recipients for its authorized services or payments, or alter factors which may increase the unit cost of benefit payments within its authorized services, unless the General Assembly has made an appropriation for the cost of such change."

Page 461, strike lines 17 through 25 and insert:

"1. No state agency shall begin any new service that will call for future additional property, plant or equipment or that will require an increase in subsequent general or nongeneral fund operating expenses without first obtaining the authorization of the General Assembly.

2. Pursuant to the policies and procedures of the State Council of Higher Education regarding approval of academic programs and the concomitant enrollment, no state institution of higher education shall operate any academic program with funds in this act unless approved by the Council and included in the Executive Budget, or approved by the General Assembly. The Council may grant

exemptions to this policy in exceptional circumstances.

3. Reporting on all new services shall be in accordance with § 4-8.00, Reporting Requirements."

Page 461, line 26, after "EDUCATION:", insert:

"No moneys appropriated by this act shall be used for off-campus sites unless as provided for in this section."

Page 461, strike lines 48 through 50.

Page 462, strike lines 1 through 3.

Page 462, line 4, strike "3." and insert "1."

Page 462, line 10, strike "4.a." and insert "2.a."

Page 462, line 19, strike "§ 4-5.06" and insert "§ 4-5.04".

Page 463, strike lines 34 through 38.

Page 463, line 43, strike "No state agency shall expend any public".

Page 463, strike lines 44 through 50 and insert:

"No state Executive Department agency or the Virginia State Lottery shall expend any public funds for the production of motion picture films or of programs for television transmission, or for the operation of television or radio transmission facilities, without the prior written approval of the Governor or as otherwise provided in this act, except for educational television programs produced for elementary-secondary education by authority of the Virginia Information Technologies Agency. The Joint Subcommittee on Rules is authorized to provide the approval of such expenditures for legislative agencies. For judicial agencies and independent agencies, other than the Virginia State Lottery, prior approval action rests with the supervisory bodies of these entities. With respect to television programs which are so approved and other programs which are otherwise authorized or are not produced for television transmission, state agencies may enter into contracts without competitive sealed bidding, or competitive negotiation, for program production and transmission services which are performed by public telecommunications entities, as defined in § 2.2-1301, Code of Virginia."

Page 464, line 23, strike "§ 4-5.07" and insert "§ 4-5.05".

Page 465, line 1, strike "§ 4-5.08" and insert "§ 4-5.06".

Page 465, strike lines 4 through 44 and insert:

"b.1.a) The provisions of § 4-5.08 b of Chapter 912 of the Acts of Assembly of 1996, pertaining to pilot programs for capital outlay projects in selected institutions

of higher education, including Old Dominion University, are hereby continued.

b) Pursuant to those provisions, Christopher Newport University, the College of William and Mary, Old Dominion University, Radford University, the University of Virginia, and Virginia Polytechnic Institute and State University are authorized to oversee the capital process for nongeneral fund capital outlay projects included in the pilot program.

c) The above-referenced institutions of higher education participating in the nongeneral fund capital outlay pilot program are hereby delegated the authority of the Department of General Services to approve the use and administration of design-build or construction management as appropriate contract methods for nongeneral fund capital outlay projects.

d) The above-referenced institutions are hereby delegated the authority of the Department of General Services to approve the use of design-build or construction management as appropriate contract methods for general fund capital outlay projects.

c.1.a) The provisions identified in § 4-5.08 f and § 4-5.08 h of Chapter 1042 of the Acts of Assembly of 2003, pertaining to pilot programs for selected capital outlay projects and memoranda of understanding in institutions of higher education are hereby continued. Notwithstanding these provisions, those projects shall be insured through the state's risk management liability program.

b) Based on the memoranda of understanding developed pursuant to § 4-5.08 h of Chapter 1042, 2003 Acts of Assembly, as periodically amended, or memoranda of understanding in effect prior to the October 1, 2003, as periodically amended, the responsible Cabinet Secretary, or his designee, shall conduct an evaluation of each institution participating in a pilot program at least once every two years.

c) The Secretary shall report all evaluation findings and recommendations to the Governor and Chairmen of the Senate Finance and House Appropriations Committees within 15 business days of the completion of the evaluation.

d) To the extent an institution participating in a pilot program is not performing to the satisfaction of the responsible Cabinet Secretary, the institution shall have 90 calendar days from receipt of the Secretary's written evaluation in which to develop a remediation plan. The institution shall submit the plan to the appropriate

Cabinet Secretary and the Auditor of Public Accounts.

e) The Auditor of Public Accounts shall conduct a functional audit of the delegated program authority within 180 calendar days of receiving the institution's plan. Based on his findings, the Auditor of Public Accounts shall recommend to the Chairmen of the Senate Finance and House Appropriations Committees whether the institution should continue in the pilot program.

2. To the extent an institution is performing satisfactorily under the pilot programs, it is the intent of the General Assembly that they be removed from the pilot program and be delegated authority in the Code of Virginia to administer the specified duty or function on an on-going basis.

3. If during an independent audit conducted by the Auditor of Public Accounts, the audit discloses that an institution is not performing within the terms of the memoranda of understanding or their addenda, the Auditor shall report this information to the Governor, the responsible Cabinet Secretary, and the Chairmen of the Senate Finance and House Appropriations Committees. The responsible Cabinet Secretary shall consider this an evaluation in accordance with subparagraph c.1. b).

d. Institutions wishing to participate in a pilot program for the first time shall submit a letter of interest to the appropriate Cabinet Secretary. Within 90 calendar days of the receipt of the institution's request to participate, the responsible Cabinet Secretary shall determine whether the institution meets the eligibility criteria and, if appropriate, establish a pilot program at the institution. The Cabinet Secretary shall report to the Governor and Chairmen of the Senate Finance and House Appropriations Committees by December 1 of each year all institutions that have applied for inclusion in a pilot program and whether the institutions have been granted authority to participate in the pilot program.

e. Notwithstanding the provisions of § 2.2-4309, Code of Virginia, no approval of the Governor shall be required for contract modifications as specified therein for the pilot programs of the selected institutions of higher education referenced in paragraph 1, provided that contract modifications of such projects, including construction and architectural and engineering change orders, shall be approved by the Boards of Visitors, which may further delegate this authority to the President, a Vice President, or the individual responsible for facilities design and construction matters at the selected institution of higher education to act on its behalf.

f. The selected institutions are hereby granted a waiver from the provisions of § 2.2-4301, Competitive Negotiation, subdivision 3a, Code of Virginia, regarding the not to exceed amount of \$100,000 for a single project, the not to exceed sum of \$500,000 for all projects performed, and the option to renew for two additional one-year terms.

g. The provisions of § 4-5.08 c of Chapter 912 of the 1996 Acts of Assembly pertaining to pilot programs for real property leases in selected institutions of higher education, including Old Dominion University, are hereby continued and expanded to include approval of income leases.

h. The University of Virginia and Virginia Polytechnic Institute and State University shall be delegated administrative authority to enter into capital leases on a pilot basis, provided that such capital leases have been specifically authorized by the Governor or the General Assembly pursuant to the Appropriation Act and have been reviewed and approved by the Treasury Board.

i. Notwithstanding any contrary provision of law or this act, delegations of authority in this act to the Governor shall apply only to agencies and personnel within the Executive Department, unless specifically stated otherwise.

j. Virginia Commonwealth University is hereby delegated the authority of the Department of General Services and the Governor provided in §§ 2.2-1149 and 23-4.1, Code of Virginia, to enter into leases with the Virginia Commonwealth University Health System Authority for space within the facilities which are the subject of the Master Lease between the University and the Authority dated June 10, 1997. This delegation of authority is limited to operating leases and excludes capital leases as defined by Generally Accepted Accounting Principles (GAAP).

k. The University of Virginia, with approval of its Board of Visitors, is hereby delegated authority on a pilot basis to acquire easements on property not owned by the university without prior approval by the Department of General Services."

Page 465, line 45, strike "§ 4-5.09" and insert "§ 4-5.07".

Page 465, strike lines 46 through 51.

Page 466, strike line 1 and insert:

"a. Agencies shall not acquire real property by lease until the agency certifies to

the Director, Department of General Services, that (i) funds are available within the agency's appropriations made by this act for the cost of the lease and (ii) the volume of leased space conforms with the space planning procedures for leased facilities developed by the Department of General Services and approved by the Governor. The Department of General Service shall report to the Chairmen of the Senate Finance Committee and House Appropriations Committee by September 1 of each year on real property leases that are in effect for the current year, the agency executing the lease, the amount of space leased, and the cost of the annual lease."

Page 466, strike lines 4 through 6.

Page 466, line 7, strike "§ 4-5.11" and insert "§ 4-5.8".

Page 466, line 23, strike "§ 4-5.12" and insert "§ 4-5.9".

Page 466, line 33, strike "§ 4-5.13" and insert "§ 4-5.10".

Page 467, line 43, after "exceeded.", insert:

"However, in instances where an appointee's preappointment compensation exceeded the maximum of the respective salary range, then the salary for that appointee may be set at the maximum salary for the respective salary range."

Page 472, strike lines 25 through 30.

Page 472, line 31, strike "c)" and insert "b)".

Page 475, after line 34, insert:

"h. Full-time employees appointed by the Governor and confirmed by the General Assembly, who, except for meeting the minimum service requirements, would be eligible for the provisions of § 51.1-155.1, Code of Virginia, may, upon termination of service, use any severance allowance payment to purchase service to meet, but not exceed, the minimum service requirements of § 51.1-155.1, Code of Virginia. Such service purchase shall be at the rate of 15 percent of the employee's final creditable compensation or average final compensation, whichever is greater, and shall be completed within 90 days of separation of service."

Page 476, strike lines 25 through 32 and insert:

"a.1. The term Position Level is defined as the number of full-time equivalent (FTE) salaried employees assigned to an agency in this act. Except as provided in § 4-7.01 b, the Position Level number stipulated in an agency's appropriation is the upper limit for agency employment which cannot be exceeded during the fiscal year without approval from the Director, Department of Planning and Budget for Executive Department agencies, approval from the Joint Committee on Rules for Legislative Department agencies or approval from the appropriate governing

authority for the independent agencies.

2. Any approval granted under this subsection shall be reported in writing to the Chairmen of the House Appropriations Committee and the Senate Finance Committee, the Governor and the Directors of the Department of Planning and Budget and Department of Human Resource Management within ten days of such approval. Approvals for executive department agencies shall be based on threats to life, safety, health, or property, or on compliance with judicial orders."

Page 477, strike lines 46 through 51.

Page 478, strike lines 4 through 7 and insert:

"1. The Governor shall submit the information specified in this section to the Chairmen of the House Appropriations and Senate Finance Committees on a monthly basis, or at such intervals as may be directed by said Chairmen, or as specified elsewhere in this act. The information on agency operating plans and expenditures as well as agency budget requests shall be submitted in such form, and by such method, including electronically, as may be mutually agreed upon. Such information shall be preserved for public inspection in the Department of Planning and Budget."

Page 478, line 15, after "occurs", insert ", unless otherwise specified in § 4-1.03".

Page 478, line 22, delete "A report".

Page 478, strike lines 23 through 25.

Page 478, line 26, strike "(see § 4-1.04 a.4). The" and insert "."

Page 478, strike lines 27 through 29.

Page 478, line 30, after "deficits", strike the rest of the line and insert "."

Page 478, strike lines 31 and 32.

Page 479, strike line 1.

Page 479, line 2, strike "2."

Page 479, strike lines 16 through 18 and insert:

"b. Annually: Within five calendar days after state agencies submit their budget requests, amendment briefs, requests for amendments, or budget reduction proposals to the Governor, the Governor's Cabinet Secretaries, Chief-of-Staff, or the Department of Planning and Budget, the Director, Department of Planning and Budget or the affected state agencies shall submit, electronically if available, copies to the Chairmen of the Senate Finance and House Appropriations Committees."

Explanation:

(This amendment reforms the General Provisions to take into account changes

made by the General Assembly to improve budgetary and financial management and legislative oversight.)

Item 4-2.01 #1c

Revenues

Nongeneral Fund Revenues

Language

Language:

Page 448, strike lines 38 through 49.

Page 449, strike lines 1 through 42.

Page 449, after line 42, insert:

"1. All nongeneral fund collections by public institutions of higher education, including collections from the sale of dairy and farm products, shall be deposited in the state treasury in accordance with § 2.2-1802, Code of Virginia, and expended by the institutions of higher education in accordance with the appropriations and provisions of this act, provided, however, that this requirement shall not apply to private gifts, endowment funds, or income derived from endowments and gifts.

2. a) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all resident student groups based on, but not limited to, competitive market rates, provided that the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in this Act.

b) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all nonresident student groups based on, but not limited to, competitive market rates, provided that: i) the tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students cover at least 100 percent of the average cost of their education, as calculated through base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies, and ii) the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in this Act.

c) For institutions charging nonresident students less than 100 percent of the cost of

education, the State Council of Higher Education for Virginia may authorize a phased approach to meeting this requirement, when in its judgment, it would result in annual tuition and fee increases for nonresident students that would discourage their enrollment.

d) The Boards of Visitors or other governing bodies of institutions of higher education shall not increase the current proportion of nonresident undergraduate students if the institution's nonresident undergraduate enrollment exceeds 25 percent. Norfolk State University, Virginia Military Institute, Virginia State University, and two-year public institutions are exempt from this restriction.

3. a) In setting the nongeneral fund appropriation for educational and general programs at the institutions of higher education, the General Assembly shall take into consideration the appropriate student share of costs associated with providing full funding of the base adequacy guidelines referenced in subparagraph 2. b), raising average salaries for teaching and research faculty to the 60th percentile of peer institutions, and other priorities set forth in this Act.

b) In determining the appropriate state share of educational costs for resident students, the General Assembly shall seek to cover at least 67 percent of educational costs associated with providing full funding of the base adequacy guidelines referenced in subparagraph 2. b), raising average salaries for teaching and research faculty to the 60th percentile of peer institutions, and other priorities set forth in this Act.

4. a) Each institution and the State Council of Higher Education for Virginia shall monitor tuition, fees, and other charges, as well as the mix of resident and nonresident students, to ensure that the primary mission of providing educational opportunities to citizens of Virginia is served, while recognizing the material contributions provided by the presence of nonresident students. The State Council of Higher Education for Virginia shall also develop and enforce uniform guidelines for reporting student enrollments and the domiciliary status of students.

b) The State Council of Higher Education for Virginia shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 1 of each year the annual change in total charges for tuition and all required fees approved and allotted by the Board of Visitors. As it deems appropriate, the State Council of Higher Education for Virginia shall provide comparative national, peer, and market data with respect to charges assessed students for tuition and required fees at institutions outside of the Commonwealth.

c) Institutions of higher education are hereby authorized to make the technology service fee authorized in Chapter 1042, 2003 Acts of Assembly, part of ongoing tuition revenue. Such revenues shall continue to be used to supplement technology resources at the institutions of higher education.

d) Each institution shall work with the State Council of Higher Education for Virginia and the Virginia College Savings Plan to determine appropriate tuition and fee estimates for tuition savings plans.

5. a) It is the intent of the General Assembly that each institution's combined general and nongeneral fund appropriation within its educational and general program closely approximate the anticipated annual budget each fiscal year.

b) In coordination with the institutions, the State Council of Higher Education for Virginia shall report no later than August 1 of each year on the estimated amount of revenue each institution expects to collect from tuition and mandatory educational and general fees during the fiscal year.

c) This report shall serve as the foundation for any administrative increase in nongeneral fund appropriations within the institutions' educational and general programs that approved by the Director, Department of Planning and Budget, pursuant to the authority provided in Section 4-1.04 of this Act.

d) Effective July 1, 2004, each institution must notify the Executive Director, State Council of Higher Education for Virginia, prior to requesting an administrative increase to the nongeneral fund appropriation within its educational and general program. Within 30 days of receiving such notification, the Director of the State Council of Higher Education for Virginia shall review and provide comment, as necessary, to the Director, Department of Planning and Budget. The Director, Department of Planning and Budget, shall evaluate the institution's request along with any comments received from the Executive Director, State Council of Higher Education for Virginia, prior to taking action on the requested administrative increase.

e) In consultation with the Director, Department of Planning and Budget, the Executive Director, State Council of Higher Education for Virginia, shall include a summary of all requested and approved administrative increases to nongeneral fund appropriations within the educational and general programs of the institutions of higher education as part of the 2005 annual nongeneral fund revenue report and subsequent reports.

f) In consultation with the Department of Planning and Budget and the State Council of Higher Education for Virginia, the Governor shall reconcile actual nongeneral fund expenditures with nongeneral fund appropriations included in the Act and recommend technical adjustments, as he deems appropriate, in submitting his budget amendments prior to the next General Assembly session.

6. a) Nonresident graduate students employed by an institution as teaching assistants, research assistants, or graduate assistants and paid at an annual contract rate of \$4,000 or more may be considered resident students for the purposes of charging tuition and fees.

b) By October 1, 2005, the State Council of Higher Education for Virginia shall prepare a report on nonresident tuition waivers, including how waivers contribute to institutions' ability to attract and retain research funding and an analysis of the return on investment for the institutions and the Commonwealth through the use of these waivers. At the request of the State Council of Higher Education for Virginia, the Department of Taxation and the Virginia Employment Commission shall provide appropriate unit record data to support these analyses.

7. The fund source "Higher Education Operating" within educational and general programs for institutions of higher education includes tuition and fee revenues from nonresident students to pay their proportionate share of the amortized cost of the construction of buildings approved by the Commonwealth of Virginia Educational Institutions Bond Act of 1992 and the Commonwealth of Virginia Educational Facilities Bond Act of 2002.

8. a) Mandatory fees for purposes other than educational and general programs shall not be increased for Virginia undergraduates beyond five percent annually, excluding requirements for wage, salary, and fringe benefit increases, authorized by the General Assembly. Fee increases required to carry out actions that respond to mandates of federal agencies are also exempt from this provision, provided that a report on the purposes of the amount of the fee increase is submitted to the Chairmen of the House Appropriations and Senate Finance Committees by the institution of higher education at least 30 days prior to the effective date of the fee increase.

b) This restriction shall not apply in the following instances: fee increases directly related to capital projects authorized by the General Assembly; fee increases to support student health services; and other fee increases specifically authorized by the General

Assembly.

c) Due to the small mandatory non-educational and general program fees currently assessed students in the Virginia Community College System, increases in any one year of no more than \$15 shall be allowed on a cost-justified case-by-case basis, subject to approval by the State Board for Community Colleges.

9. Any institution of higher education granting new tuition waivers to resident or nonresident students not authorized by the Code of Virginia must absorb the cost of any discretionary waivers.

10. Tuition and fee revenues from nonresident students taking courses through Virginia institutions from the Southern Regional Education Board's Southern Regional Electronic Campus must exceed all direct and indirect costs of providing instruction to those students. Tuition and fee rates to meet this requirement shall be established by the Board of Visitors of the institution.

11. For students enrolling for the first time after August 1, 2004, the entitlement to resident charges, at four-year institutions, shall not extend beyond 125 percent of the credit hours needed to satisfy the degree requirements for a particular undergraduate program excluding transfer or advanced placement credits. Resident students taking in excess of 125 percent of the credit hours needed to satisfy the degree requirements for a particular program shall not be eligible to receive awards through state-sponsored financial aid programs. The State Council of Higher Education for Virginia shall establish procedures through which institutions shall implement this provision."

Explanation:

(This amendment replaces the existing general provisions for higher education tuition and fees and clarifies the intent that the Boards of Visitors have the authority to set tuition levels within the nongeneral fund appropriation provided in the Act.)

Item 4-4.01 #1c

Capital Projects

General

Language

Language:

Page 458, line 23, after "x.", insert:

"Prior to requesting authorization for new dormitory capital projects, institutions of

higher education shall conduct a cost study to determine whether an alternative financing arrangement or public-private transaction would provide a more effective option for the construction of the proposed facility. This study shall be submitted to the Department of Planning and Budget as part of the budget development process and shall be evaluated by the Governor prior to submitting his proposed budget."

Explanation:

(This amendment is self-explanatory.)

Item 4-4.01 #2c

Capital Projects

General

Language

Language:

Page 457, after line 11, insert:

"c. Blanket authorizations funded entirely by nongeneral funds may be used for 1) renovation and infrastructure projects costing up to \$2,000,000 and 2) the planning of nongeneral fund new construction and renovation projects through bidding, with bid award made after receipt of a construction authorization. The Director, Department of Planning and Budget, may provide exemptions to the threshold."

Explanation:

(This amendment is self-explanatory.)

Item 4-4.01 #3c

Capital Projects

General

Language

Language:

Page 454, after line 46, insert:

"f. It is the intent of the General Assembly that the Department of Conservation and Recreation shall be authorized to initiate and accept by gift or purchase with nongeneral fund dollars any lands for State Park or Natural Area purposes which may become available, and that are not specifically appropriated by the General Assembly, when such acquisitions are made in accordance with the provisions of this section and other applicable provisions of state law including approval by the Governor."

Page 454, line 47, strike "f." and insert "g."
Page 455, line 7, strike "g." and insert "h."
Page 455, line 16, strike "h." and insert "i."
Page 455, line 34, strike "i." and insert "j."
Page 455, line 54, strike "j." and insert "k."
Page 456, line 2, strike "k." and insert "l."
Page 456, line 10, strike "l." and insert "m."
Page 456, line 12, strike "m." and insert "n."
Page 456, line 37, strike "n." and insert "o."
Page 457, line 17, strike "o." and insert "p."
Page 457, line 23, strike "p." and insert "q."
Page 457, line 29, strike "q." and insert "r."
Page 457, line 31, strike "r." and insert "s."
Page 457, line 32, strike "s." and insert "t."
Page 457, line 39, strike "t." and insert "u."
Page 457, line 47, strike "u." and insert "v."
Page 457, line 52, strike "v." and insert "w."
Page 458, line 16, strike "w." and insert "x."
Page 458, line 23, strike "x." and insert "y."

Explanation:

(This amendment provides the Department of Conservation and Recreation with the authority to accept lands for State Parks or Natural Areas when such acquisitions are made by gift or purchase with nongeneral fund dollars.)

Item 4-5.04 #1c

Special Conditions and Restrictions on Expenditures

Third Party Transactions

Language

Language:

Page 461, after line 10, insert:

"d. DEBT COLLECTION SERVICES:

1. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the Virginia Commonwealth University Health System Authority shall have the option to participate in the Office of Attorney General's debt collection process. Should the Authority choose not to participate, the Authority shall have the authority to collect its accounts receivable by engaging private collection agents and attorneys to pursue

collection actions, and to independently compromise, settle, and discharge accounts receivable claims.

2. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the University of Virginia Medical Center shall have the authority to collect its accounts receivable by engaging private collection agents and attorneys to pursue collection actions, and to independently compromise, settle, and discharge accounts receivable claims, provided that the University of Virginia demonstrates to the Secretary of Finance that debt collection by an agent other than the Office of the Attorney General is anticipated to be more cost effective. Nothing in this paragraph is intended to limit the ability of the University of Virginia Medical Center from voluntarily contracting with the Office of the Attorney General's Division of Debt Collection in cases where the Center would benefit from the expertise of legal counsel and collection services offered by Office of the Attorney General.

3. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the Department of Taxation shall be exempt from participating in the debt collection process of the Office of the Attorney General."

Explanation:

(This amendment clarifies the debt collection process for the two academic health centers. This amendment also clarifies that the Department of Taxation is exempt from participating in the debt collection process of the Office of the Attorney General.)

Item 4-5.06 #1c

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 462, line 45, after "request from" insert:
"the Virginia Community College System or from".

Explanation:

(This amendment extends the authority for technology purchases to the Virginia Community College System. This authority is already provided to the College of William and Mary, George Mason University, James Madison University, Old Dominion University, Radford University, Virginia Commonwealth

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 463, after line 9, insert:

"g. To ensure that the Commonwealth's research universities maintain a competitive position with access to the national optical research network infrastructure including the National LambdaRail and Internet2, the NetworkVirginia Contract Administrator is hereby authorized to renegotiate the term of the existing contracts. Additionally, the contract administrator is authorized to competitively negotiate additional agreements in accordance with the Code of Virginia and all applicable regulations, as required, to establish and maintain research network infrastructure."

Explanation:

(This amendment is self-explanatory.)

Positions and Employment

Employee Compensation

Language

Language:

Page 468, line 16, after "Science Museum of Virginia," insert:

"The Virginia Museum of Natural History,".

Explanation:

(This amendment permits the Virginia Museum of Natural History Foundation to supplement the salary of the Museum Director. Such an arrangement is subject to approval by the Governor. This policy is currently provided for the Science Museum of Virginia, the Virginia Museum of Fine Arts, and other state cultural agencies.)

Positions and Employment

Employee Compensation

Language

Language:

Page 470, strike lines 45 and 46.

Explanation:

(This amendment removes the salary for the Director of the Chesapeake Bay Local Assistance Department from the agency head salary table. The Department is merged into the Department of Conservation and Recreation in companion amendments under Items 379 and 382.)

Positions and Employment

Employee Compensation

Language

Language:

Page 470, strike lines 31 and 32.

Explanation:

(This amendment removes the Director of the Department of Minority Business Enterprise from the agency head salary table. Companion budget amendments transfer positions and dollars from that Department to the Department of Business Assistance as part of an agency consolidation.)

Positions and Employment

Employee Compensation

Language

Language:

Page 472, line 45, strike "\$84,128 \$84,128 \$86,652" and insert: "\$105,000 \$105,000 \$108,150".

Explanation:

(This amendment authorizes the Southwest Virginia Higher Education Center

to increase the Director's Salary to \$105,000 from July 1, 2004, to November 24, 2005, and to \$108,150 from November 25, 2005, to June 30, 2006.)

Item 4-6.01 #5c

Positions and Employment

Employee Compensation

Language

Language:

Page 469, after line 15, insert:

"Commissioner, Department of Veterans Services \$104,891 \$104,891 \$108,038".

Page 471, line 8, strike "\$81,105 \$81,105 \$83,538" and insert:

"\$96,360 \$96,360 99,251".

Page 471, strike lines 43 and 44.

Explanation:

(This amendment makes technical adjustments to accurately reflect the salaries of the Commissioner of the Department of Veterans Services and the Commissioner of the Department for the Aging. This amendment is technical in nature and is intended only to reflect the actual current salaries of these agency heads.)

Item 4-6.01 #6c

Positions and Employment

Employee Compensation

Language

Language:

Page 468, after line 61, insert:

"Chief Information Officer, Virginia

Information Technologies Agency \$151,103 \$151,103 \$155,636".

Explanation:

(This amendment inserts the salary of the Chief Information Officer of the Virginia Information Technologies Agency into the agency head salary table.)

Item 4-6.01 #7c

Positions and Employment

Employee Compensation

Language

Language:

Page 468, line 42, strike "\$132,925 \$132,925 136,913" and insert:
"\$151,103 \$\$151,103 \$156,603".

Explanation:

(This amendment increases the salary of the Commonwealth Transportation Commissioner to \$151,103 from July 1, 2004 to November 24, 2005 and to \$155,603 from November 25, 2005 to June 30, 2006.)

Item 4-6.01 #8c

Positions and Employment

Employee Compensation

Language

Language:

Page 470, strike lines 5 and 6.

Page 469, after line 49, insert:

"Commissioner, Marines Resources Commission \$99,635 \$99,635 \$102,624".

Explanation:

(This amendment moves the salary for the Commissioner of the Department of Marine Resources from Level III to Level II in the agency heads' salary table.)

Item 4-6.01 #9c

Positions and Employment

Employee Compensation

Language

Language:

Page 470, strike lines 48 and 49

Page 469, after line 49, insert:

"Executive Director, Department of

Game and Inland Fisheries

\$108,607 \$108,607 \$111,865".

Explanation:

(This amendment moves the salary for the Executive Director of the Department of Game and Inland Fisheries from Level III to Level II in the agency heads' salary table.)

Part 5

Language

Language:

Page 480, strike lines 1 through 46.

Page 481, strike lines 1 through 45.

Page 482, strike lines 1 through 44.

Page 483, strike lines 1 through 46.

Page 484, strike lines 1 through 49.

Page 485, strike lines 1 through 53.

Page 486, strike lines 1 through 52.

Page 487, strike lines 1 through 52.

Page 488, strike lines 1 through 52.

Page 489, strike lines 1 through 49.

Page 490, strike lines 1 through 46.

Page 491, strike lines 1 through 52.

Page 492, strike lines 1 through 51.

Page 493, strike lines 1 through 54.

Page 494, strike lines 1 through 57.

Page 495, strike lines 1 through 59.

Page 496, strike lines 1 through 46.

Page 497, strike lines 1 through 54.

Page 498, strike lines 1 through 54.

Page 499, strike lines 1 through 53.

Page 500, strike lines 1 through 53.

Page 501, strike lines 1 through 23 and insert:

"PART 5: ENACTMENT NUMBERS 2 THROUGH 5

2. That §§ 4.1-230, 4.1-231, 16.1-69.6:1, 17.1-507, 19.2-163.2 of the Code of Virginia are amended and re-enacted, and that the Code of Virginia is amended by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:01 as follows:

Page 479, after line 42, insert:

"2. That §§ 4.1-230 and 4.1-231 of the Code of Virginia are amended and re-enacted as follows:

§ 4.1-230. Applications for licenses; publication; notice to localities; fees; permits.

A. Every person intending to apply for any license authorized by this chapter shall file with the Board an application on forms provided by the Board and a statement in writing, under oath, setting forth any information required by the Board.

Applications for banquet, tasting, mixed beverage special events, or club events licenses shall not be required to be under oath, but the information contained therein shall be certified as true by the applicant.

B. In addition, each applicant for a license under the provisions of this chapter, except applicants for banquet, tasting, special events, club events, wine or beer shipper's, wine and beer shipper's, or museum licenses issued under the provisions of Chapter 2 (§ 4.1-200 et seq.) of this title, or beer or wine importer's licenses located outside the Commonwealth, shall post a notice of his application with the Board on the front door of the building, place or room where he proposes to engage in such business for no more than 30 days and not less than 10 days. Such notice shall be of a size and contain such information as required by the Board.

The applicant shall cause a copy of such notice to be published at least once a week for two consecutive weeks in a newspaper published in or having a general circulation in the county, city or town wherein such applicant proposes to engage in such business. In the case of wine or beer shipper's licensees, wine and beer shipper's licensees, or operators of boats, dining cars, buffet cars, club cars, and airplanes, the posting and publishing of notice shall not be required.

Except for applicants for banquet, tasting, mixed beverage special events, club events, or museum licenses, the Board shall conduct a background investigation, to include a criminal history records search, on each applicant for a license.

The Board shall notify the local governing body of each license application through the county or city attorney or the chief law-enforcement officer of the locality. Local governing bodies shall submit objections to the granting of a license within 30 days of the filing of the application.

C. Each applicant shall pay the required application fee at the time the application is filed. Each license application fee shall be ~~\$50~~ 65, plus ~~\$15~~ 20 for each criminal history records search required by the Board, except for banquet, tasting, mixed beverage special events, or mixed beverage club events licenses, in which case the application fee shall be \$15. Application fees shall be in addition to the state license

~~tax~~ fee required pursuant to § 4.1-231 and shall not be refunded.

D. Subsection A shall not apply to the continuance of licenses granted under this chapter.

E. Every application for a permit granted pursuant to § 4.1-212 shall be on a form provided by the Board. In the case of applications to solicit the sale of wine and beer or spirits, each application shall be accompanied by a fee of \$ ~~125-165~~ and \$ ~~300~~ 390, respectively. The fee for each such permit shall be subject to proration to the following extent: If the permit is granted in the second quarter of any year, the fee shall be decreased by one-fourth; if granted in the third quarter of any year, the fee shall be decreased by one-half; and if granted in the fourth quarter of any year, the fee shall be decreased by three-fourths. Each such permit shall expire on June 30 next succeeding the date of issuance, unless sooner suspended or revoked by the Board. Such permits shall confer upon their holders no authority to make solicitations in the Commonwealth as otherwise provided by law.

The fee for a temporary permit shall be one-twelfth of the combined fees required by this section for applicable licenses to sell wine, beer, or mixed beverages computed to the nearest cent and multiplied by the number of months for which the permit is granted.

The fee for a keg registration permit shall be \$~~50~~ 65 annually.

The fee for a permit for the storage of lawfully acquired alcoholic beverages not under customs bond or internal revenue bond in warehouses located in the Commonwealth shall be \$~~200~~ 260 annually.

§ 4.1-231. Taxes on state licenses.

A. The annual ~~taxes~~ fees on state licenses shall be as follows:

1. Alcoholic beverage licenses. For each:

a. Distiller's license, if not more than 5,000 gallons of alcohol or spirits, or both, manufactured during the year in which the license is granted, \$~~350~~ 450; and if more than 5,000 gallons manufactured during such year, \$~~2,860~~ 3,725;

- b. Fruit distiller's license, ~~\$2,860~~ 3,725;
- c. Banquet facility license or museum license, ~~\$145~~ 190;
- d. Bed and breakfast establishment license, ~~\$25~~ 35;
- e. Tasting license, ~~\$30~~ 40 per license granted; and
- f. Equine sporting event license, ~~\$100~~ 130.

2. Wine licenses. For each:

- a. Winery license, if not more than 5,000 gallons of wine manufactured during the year in which the license is granted, ~~\$145~~ 189, and if more than 5,000 gallons manufactured during such year, ~~\$2,860~~ 3,725;
- b. Wholesale wine license, ~~\$715-930~~ for any wholesaler who sells 150,000 gallons of wine or less per year, ~~\$1,100~~ 1,430 for any wholesaler who sells more than 150,000 but not more than 300,000 gallons of wine per year, and ~~\$1,430~~ 1,860 for any wholesaler who sells more than 300,000 gallons of wine per year;
- c. Wine importer's license, ~~\$285~~ 370;
- d. Retail off-premises winery license, ~~\$110~~ 145;
- e. Farm winery license, ~~\$145~~ 190 for any Class A license and ~~\$2,860~~ 3,725 for any Class B license; and
- f. Wine shipper's license, ~~\$50~~ 65.

3. Beer licenses. For each:

- a. Brewery license, if not more than 10,000 barrels of beer manufactured during the year in which the license is granted, ~~\$1,650~~ 2,150, and if more than 10,000 barrels manufactured during such year, ~~\$3,300~~ 4,300;
- b. Bottler's license, ~~\$1,100~~ 1,430;

c. Wholesale beer license, ~~\$715~~ 930 for any wholesaler who sells 300,000 cases of beer a year or less, and ~~\$1,100~~ 1,430 for any wholesaler who sells more than 300,000 but not more than 600,000 cases of beer a year, and ~~\$1,430~~ 1,860 for any wholesaler who sells more than 600,000 cases of beer a year;

d. Beer importer's license, ~~\$285~~ 370;

e. Retail on-premises beer license to a hotel, restaurant, club or other person, except a common carrier of passengers by train or boat, ~~\$110~~ 145; for each such license to a common carrier of passengers by train or boat, ~~\$110~~ 145 per annum for each of the average number of boats, dining cars, buffet cars or club cars operated daily in the Commonwealth;

f. Retail off-premises beer license, ~~\$90~~ 120;

g. Retail on-and-off premises beer license to a hotel, restaurant, club or grocery store located in a town or in a rural area outside the corporate limits of any city or town, ~~\$230~~ 300; and

h. Beer shipper's license, ~~\$50~~ 65.

4. Wine and beer licenses. For each:

a. Retail on-premises wine and beer license to a hotel, restaurant, club or other person, except a common carrier of passengers by train, boat or airplane, ~~\$230~~ 300; for each such license to a common carrier of passengers by train or boat, ~~\$230~~ 300 per annum for each of the average number of boats, dining cars, buffet cars or club cars operated daily in the Commonwealth, and for each such license granted to a common carrier of passengers by airplane, ~~\$575~~ 750;

b. Retail on-premises wine and beer license to a hospital, ~~\$110~~ 145;

c. Retail off-premises wine and beer license, including each gift shop, gourmet shop and convenience grocery store license, ~~\$175~~ 230;

d. Retail on-and-off premises wine and beer license to a hotel, restaurant or club, ~~\$460~~ 600;

e. Banquet license, ~~\$30~~ 40 per license granted by the Board;

f. Gourmet brewing shop license, ~~\$175~~ 230; and

g. Wine and beer shipper's license, ~~\$50~~ 65.

5. Mixed beverage licenses. For each:

a. Mixed beverage restaurant license granted to persons operating restaurants, including restaurants located on premises of and operated by hotels or motels, or other persons:

(i) With a seating capacity at tables for up to 100 persons, ~~\$430~~ 560;

(ii) With a seating capacity at tables for more than 100 but not more than 150 persons, ~~\$750~~ 975; and

(iii) With a seating capacity at tables for more than 150 persons, ~~\$1,100~~ 1,430.

b. Mixed beverage restaurant license for restaurants located on the premises of and operated by private, nonprofit clubs:

(i) With an average yearly membership of not more than 200 resident members, ~~\$575~~ 750;

(ii) With an average yearly membership of more than 200 but not more than 500 resident members, ~~\$1,430~~ 1,860; and

(iii) With an average yearly membership of more than 500 resident members, ~~\$2,125~~ 2,765.

c. Mixed beverage caterer's license, ~~\$1,430~~ 1,860.

d. Mixed beverage special events license, ~~\$35~~ 45 for each day of each event.

e. Mixed beverage club events licenses, ~~\$25~~ 35 for each day of each event.

f. Annual mixed beverage special events license, ~~\$430~~ 560.

g. Mixed beverage carrier license:

(i) ~~\$145~~ 190 for each of the average number of dining cars, buffet cars or club cars operated daily in the Commonwealth by a common carrier of passengers by train;

(ii) ~~\$430~~ 560 for each common carrier of passengers by boat;

(iii) ~~\$1,135~~ 1,475 for each license granted to a common carrier of passengers by airplane;

h. Annual mixed beverage amphitheater license, ~~\$430~~ 560; and

i. Annual mixed beverage motor sports race track license, ~~\$430~~ 560.

6. Temporary licenses. For each temporary license authorized by § 4.1-211, one-half of the tax imposed by this section on the license for which the applicant applied.

B. The tax on each such license, except banquet and mixed beverage special events licenses, shall be subject to proration to the following extent: If the license is granted in the second quarter of any year, the tax shall be decreased by one-fourth; if granted in the third quarter of any year, the tax shall be decreased by one-half; and if granted in the fourth quarter of any year, the tax shall be decreased by three-fourths.

If the license on which the tax is prorated is a distiller's license to manufacture not more than 5,000 gallons of alcohol or spirits, or both, during the year in which the license is granted, or a winery license to manufacture not more than 5,000 gallons of wine during the year in which the license is granted, the number of gallons permitted to be manufactured shall be prorated in the same manner.

Should the holder of a distiller's license or a winery license to manufacture not more than 5,000 gallons of alcohol or spirits, or both, or wine, apply during the license year for an unlimited distiller's or winery license, such person shall pay for such unlimited license a license tax equal to the amount that would have been charged had such license been applied for at the time that the license to manufacture less than 5,000 gallons of alcohol or spirits or wine, as the case may be, was granted, and such person shall be entitled to a refund of the amount of license tax previously paid on the limited license.

Notwithstanding the foregoing, the tax on each license granted or reissued for a period of less than 12 months shall be equal to one-twelfth of the taxes required by subsection A computed to the nearest cent, multiplied by the number of months in

the license period.

C. Nothing in this chapter shall exempt any licensee from any state merchants' license or state restaurant license or any other state tax. Every licensee, in addition to the taxes imposed by this chapter, shall be liable to state merchants' license taxation and state restaurant license taxation and other state taxation the same as if the alcoholic beverages were nonalcoholic. In ascertaining the liability of a beer wholesaler to merchants' license taxation, however, and in computing the wholesale merchants' license tax on a beer wholesaler, the first \$163,800 of beer purchases shall be disregarded; and in ascertaining the liability of a wholesale wine distributor to merchants' license taxation, and in computing the wholesale merchants' license tax on a wholesale wine distributor, the first \$163,800 of wine purchases shall be disregarded.

§ 16.1-69.6:1. Number of judges.

For the several judicial districts there shall be full-time general district court judges and juvenile and domestic relations district court judges, the number as hereinafter set forth, who shall during their service reside within their respective districts, except as provided in § 16.1-69.16, and whose compensation and powers shall be the same as now and hereafter prescribed for general district court judges and juvenile and domestic relations district court judges.

The number of judges of the districts shall be as follows:

	General District Court Judges	Juvenile and Domestic Relations District Court Judges
First	4	3
Second	7	7
Two-A	1	1
Third	3	3
Fourth	6	5
Fifth	3	2
Sixth	4	2
Seventh	4	3
Eighth	3	3
Ninth	3	3
Tenth	3	3
Eleventh	2	2
Twelfth	4	5
Thirteenth	8	5
Fourteenth	4	4

Fifteenth	5	<u>67</u>
Sixteenth	4	4
Seventeenth	4	2
Eighteenth	2	2
Nineteenth	10	7
Twentieth	3	2
Twenty-first	2	2
Twenty-second	2	3
Twenty-third	5	4
Twenty-fourth	4	5
Twenty-fifth	5	4

The general district court judges of the twenty-fifth district shall render assistance on a regular basis to the general district court judges of the twenty-sixth district by appropriate designation.

Twenty-sixth	4	4
Twenty-seventh	4	<u>34</u>
Twenty-eighth	2	2
Twenty-ninth	3	2
Thirtieth	2	2
Thirty-first	4	5

The election or appointment of any district judge shall be subject to the provisions of § 16.1-69.9:3.

§ 17.1-507. Number of judges; residence requirement; compensation; powers; etc.
A. For the several judicial circuits there shall be judges, the number as hereinafter set forth, who shall during their service reside within their respective circuits and whose compensation and powers shall be the same as now and hereafter prescribed for circuit judges.

The number of judges of the circuits shall be as follows:

- First - 45
- Second - 10
- Third - 4
- Fourth - 9
- Fifth - 3
- Sixth - 2
- Seventh - 5
- Eighth - 4

Ninth - 4
Tenth - 3
Eleventh - 3
Twelfth - 5
Thirteenth - 8
Fourteenth - 4 5
Fifteenth - 7 8
Sixteenth - 5
Seventeenth - 4
Eighteenth - 3
Nineteenth - 15
Twentieth - 4
Twenty-first - 3
Twenty-second - 3 4
Twenty-third - 6
Twenty-fourth - 5
Twenty-fifth - 4
Twenty-sixth - 5
Twenty-seventh - 5
Twenty-eighth - 2
Twenty-ninth - 3 4
Thirtieth - 3
Thirty-first - 5

B. No additional circuit court judge shall be authorized or provided for any judicial circuit until the Judicial Council has made a study of the need for such additional circuit court judge and has reported its findings and recommendations to the Courts of Justice Committees of the House of Delegates and Senate. The boundary of any judicial circuit shall not be changed until a study has been made by the Judicial Council and a report of its findings and recommendations made to said Committees.

C. If the Judicial Council finds the need for an additional circuit court judge after a study is made pursuant to subsection B, the study shall be made available to the Compensation Board and the Courts of Justice Committees of the House of Delegates and Senate and Council shall publish notice of such finding in a publication of general circulation among attorneys licensed to practice in the Commonwealth. The Compensation Board shall make a study of the need to provide additional courtroom security and deputy court clerk staffing. This study

shall be reported to the Courts of Justice Committees of the House of Delegates and the Senate, and to the Department of Planning and Budget.

§ 19.2-163.2. Commission to appoint public defenders in selected locations; compensation, assistants, offices, etc., of public defenders.

The duties of the Public Defender Commission, hereinafter referred to as "the Commission," are:

1. To recommend to the General Assembly the areas in which a public defender office is to be established, and to establish such an office in:

a. the City of Virginia Beach;

b. the City of Petersburg;

c. the Cities of Buena Vista, Lexington, Staunton and Waynesboro and the Counties of Augusta and Rockbridge;

d. the City of Roanoke;

e. the City of Portsmouth;

f. the City of Richmond;

g. the Counties of Clarke, Frederick, Page, Shenandoah and Warren, and the City of Winchester;

h. the City and County of Fairfax;

i. the City of Alexandria;

j. the City of Radford and the Counties of Bland, Pulaski and Wythe;

k. the Counties of Fauquier, Loudoun and Rappahannock;

l. the City of Suffolk;

m. the City of Franklin and the Counties of Isle of Wight and Southampton;

- n. the City of Bedford and the County of Bedford;
- o. the City of Danville;
- p. the Counties of Halifax, Lunenburg and Mecklenburg;
- q. the City of Fredericksburg and the Counties of King George, Stafford and Spotsylvania;
- r. the City of Lynchburg;
- s. the City of Martinsville and the Counties of Henry and Patrick;
- t. the City of Charlottesville and the County of Albemarle; ~~and~~
- u. the City of Norfolk;
- v. the County of Arlington and the City of Falls Church;
- w. the City of Newport News;
- x. the City of Chesapeake; and
- y. the City of Hampton.

2. To appoint a public defender for each of the above offices to serve at the pleasure of the Commission, who shall devote his full time to his duties and not engage in the private practice of law. The Commission shall fix the compensation of each public defender and all other personnel in each public defender office.

3. To authorize the public defender to employ such assistants as authorized by the Commission. Such assistants shall devote such time to the performance of their duties as may be required by the public defender or the Commission and may engage in the private practice of law.

4. To authorize the public defender to employ such staff, including secretarial and investigative personnel, as may be necessary to carry out the duties imposed upon the public defender office.

5. To authorize the public defender to secure such office space as needed, to purchase or rent office equipment, to purchase supplies and to incur such expenses as are necessary to carry out the duties imposed upon him.

6. To receive and expend moneys appropriated by the General Assembly of Virginia and to receive other moneys as they become available to it and expend the same in order to carry out the duties imposed upon it.

7. In any case in which a public defender or his assistant represents an indigent person charged with an offense and such person is convicted, such sum as would have been allowed a court-appointed attorney as compensation and as reasonable expenses shall be taxed against the person defended as a part of the costs of the prosecution, and, if collected, shall be paid to the Commonwealth or to the appropriate county, city or town if payment was made to the Commonwealth by a locality for defense of a local ordinance violation. An abstract of such costs shall be docketed in the judgment lien docket and execution book of the court.

8. To require and ensure that each public defender office collects and maintains caseload data and fields in a case management database on an annual basis.

9. To report annually on or before October 1 to the Virginia State Crime Commission, the House and Senate Committees for Courts of Justice, the House Committee on Appropriations, and the Senate Committee on Finance detailing Virginia's ranking amongst the fifty states in terms of pay allowed for court-appointed counsel, cost effectiveness of the various public defender offices and the cost effectiveness of establishing public defender offices in those localities that do not offer public defender services.

10. To establish four regional capital defense units by the end of fiscal year 2004.

§ 58.1-439.12:01. Credit for cigarettes manufactured and exported.

A. For purposes of this section:

"Base year export volume" means the number of cigarettes manufactured by a corporation, which cigarettes were also exported by such manufacturer during its taxable year beginning in calendar year 2004.

"Cigarette or cigarettes" means the same as that term is defined in § 58.1-1031.

"Current year export volume" means the number of cigarettes manufactured by a corporation, which cigarettes were also exported by such manufacturer in the taxable year for which credit under this section is claimed. The term shall only apply for taxable years beginning on and after January 1, 2006.

"Exported" or "exports" means the shipment of cigarettes to a foreign country.

"Manufactured" or "manufactures" means manufactured in Virginia.

B. For taxable years beginning on and after January 1, 2006, but before January 1, 2016, any corporation that manufactures cigarettes in Virginia, which cigarettes are exported by such manufacturer, shall be allowed a credit against the tax imposed by § 58.1-400 for such exported cigarettes as follows:

1. If the current year export volume of the corporation is less than 50 percent of the base year export volume for the corporation, no credit shall be allowed for the taxable year.

2. If the current year export volume of the corporation is at least 50 percent but less than 60 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.20 per 1,000 cigarettes of the current year export volume.

3. If the current year export volume of the corporation is at least 60 percent but less than 80 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.25 per 1,000 cigarettes of the current year export volume.

4. If the current year export volume of the corporation is at least 80 percent but less than 100 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.30 per 1,000 cigarettes of the current year export volume.

5. If the current year export volume of the corporation is at least 100 percent but less than 120 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.35 per 1,000 cigarettes of the current year export volume.

6. If the current year export volume of the corporation is at least 120 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.40 per 1,000 cigarettes of the current year export volume.

C. In no event shall the credit allowed under this section for any taxable year to any corporation exceed the lesser of \$6 million or 50 percent of the corporation's

income tax liability to the Commonwealth for such taxable year.

D. The total amount of tax credits granted under this section for each fiscal year of the Commonwealth shall not exceed \$6 million. A corporation meeting the requirements of this section shall be eligible to receive a tax credit to the extent the corporation reserves such tax credit through the Department as provided herein.

The Department shall establish policies and procedures for the reservation of tax credits by eligible corporations. Such policies and procedures shall provide (i) requirements for applying for reservations of tax credits; (ii) a system for allocating the available amount of tax credits among eligible corporations; (iii) a method for the issuance of reservations to eligible corporations that did not initially receive a reservation in any year, if the Department determines that tax credit reservations were issued to other corporations that did not use, or were determined to be wholly or partially ineligible for, a reserved tax credit; and (iv) a procedure for the cancellation and reallocation of tax credit reservations allocated to eligible corporations that, after reserving tax credits, have been determined to be ineligible for all or a portion of the tax credits reserved. In no case shall a corporation be allowed to carry over any tax credit to be applied against any income tax for taxable years subsequent to the taxable year of export.

Actions of the Department relating to the approval or denial of applications for reservations for tax credits pursuant to this section shall be exempt from the provisions of the Administrative Process Act pursuant (§ 2.2-4000 et seq.).

E. A corporation claiming the credit under this section for a taxable year shall submit with its application for reservation of tax credits and its state income tax return a written statement certifying its base year export volume and current year export volume. It shall also submit with such application and return a listing of its export volumes as reported on its monthly reports to the Bureau of Alcohol, Tobacco and Firearms of the United States Department of the Treasury for each month of the taxable year and a listing for each month of the taxable year of its export volumes.

3. That the Tax Commissioner shall develop and publish guidelines for purposes of implementing the provisions of the second enactment of this act in regard to the tax credit for the manufacturer and export of cigarettes, including guidelines addressing an adjustment to the credit allowed pursuant to such second enactment for cigarettes that are exported but later

returned to the manufacturer. The development of such guidelines shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq.) of the Code of Virginia.

4. That the provisions of the first enactment of this act shall expire midnight on June 30, 2006. The provisions of the second and third enactments of this act shall have no expiration date.

5. That this act is effective on July 1, 2004.

Explanation:

(The amendments to Part 5: 1) Increase the VABC license privilege fee by 30 percent (The license privilege fee has not been increased since 1990 and the license application fee has not been increased in 17 years); 2) Increase the number of Juvenile and Domestic Relations District Court and Circuit Court judges; 3) Provide for public defender offices covering the County of Arlington, City of Falls Church, and the Cities of Newport News, Hampton and Chesapeake; and 4) Allow up to \$6 million in each fiscal year in total tax credits against the Virginia corporate income tax for cigarettes manufactured in Virginia, which cigarettes are also exported by the manufacturer. The credit may be taken for taxable years beginning on and after January 1, 2006, but before January 1, 2016.)