

Item 0 #2s

Revenues

Revenues

Language

Language:

Item 0, strike Lines 3 through 10, and insert:

"A BILL to appropriate the public revenue 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, and to amend and re-enact §§ 10.1-1020, 10.1-2128, 10.1-2133, 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-324, 58.1-339.8, 58.1-341, 58.1-391, 58.1-392, 58.1-402, 58.1-415, 58.1-441, 58.1-520, 58.1-603, 58.1-604, 58.1-604.1, 58.1-608.3, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-638, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-815, 58.1-816, 58.1-901, 58.1-902, 58.1-1001, 58.1-1009, 58.1-1018, 58.1-2402, 58.1-2425, and 58.1-3833 of the Code of Virginia, to amend the Code of Virginia by adding in Title 10.1 a chapter numbered 21.2 consisting of a section numbered 10.1-2135, by adding in Title 32.1 a chapter numbered 15 consisting of sections numbered 32.1-366 and 32.1-367, by adding sections numbered 58.1-390.1, 58.1-390.2, and 58.1-393.1, by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, and by adding in Chapter 10 of Title 58.1 an article numbered 2.1 consisting of sections numbered 58.1-1021.01 through 58.1-1021.05."

Explanation:

(This amendment revises the title of the 2004-06 budget, as introduced, to incorporate the amendments in Part V of the bill.)

Item 0 #3s

Revenues

Revenues

Language

Language:

Page 1, strike lines 28 through 34 and insert:

	First Year	Second Year	Total
Unreserved Balance, June 30, 2004	\$232,861,556	\$0	\$232,861,556
Additions to Balance	(\$500,000)	(\$500,000)	(\$1,000,000)
Official Revenue Estimates	\$13,034,257,782	\$13,766,304,591	\$26,800,562,373
Lottery Proceeds Fund	\$395,000,000	\$402,000,000	\$797,000,000
Transfers	\$93,866,289	\$94,910,681	\$188,776,970
Total General Fund Resources Available for Appropriation	\$13,755,485,627	\$14,262,715,272	\$28,018,200,899

Page 1, strike lines 37 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	\$15,206,181,319	\$16,062,482,245	\$31,268,663,564
Bond Proceeds	\$984,242,290	\$111,663,475	\$1,095,905,765
Total Nongeneral Fund Revenue Available for Appropriation	\$18,044,771,090	\$16,174,145,720	\$34,218,916,810
TOTAL PROJECTED REVENUES	\$31,800,256,717	\$30,436,860,992	\$62,237,117,709

Explanation:

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

Item 2 #1s

Legislative Department

Auditor Of Public Accounts

Language

Language:

Page 8, following 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 will all 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, Auditor of Public Accounts shall provide the Chairmen of the Senate Finance Committee, the House Appropriations Committee and the House Finance Committee an assessment of information available to them, and 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 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 requires the Auditor of Public Accounts to conduct a review of the Commonwealth's financial controls.)

Item 2 #2s

Legislative Department

Auditor Of Public Accounts

Language

Language:

Page 8, following 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-194.20 of this Act. The Auditor shall use the funding provided in Item C-194.20 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 10 #1s

Legislative Department

Dr. Martin Luther King, Jr.

FY 04-05

\$10,000

FY 05-06

\$10,000 GF

Memorial Commission

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 enable the Dr. Martin Luther King, Jr. Memorial Commission to carry out its additional duties to lead the Commonwealth's two-year commemoration of Brown v. Board of Education, which includes the 40th anniversary of the landmark U.S. Supreme Court decision in Griffin v. Virginia.)

Item 11 #1s

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 #1s

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 18 #1s

Legislative Department

Virginia Crime Commission

FY 04-05

\$88,772

FY 05-06

\$88,772 GF

Language:

Page 12, line 22, strike "\$500,436" and insert "\$589,208".

Page 12, line 22, strike "\$500,436" and insert "\$589,208".

Explanation:

(This amendment provides \$88,772 each year from the general fund to replace a federal grant which will expire as of March 31, 2004. It is intended that if the Crime Commission obtains future grants, an equal amount of these funds will revert to the general fund.)

Item 18 #2s

Legislative Department

Virginia Crime Commission

Language

Language:

Page 12, line 27, insert:

"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 study computer crimes.)

Item 23 #1s

Legislative Department

Legislative Department Reversion
Clearing Account

FY 04-05
(\$300,000)

FY 05-06
(\$300,000) GF

Language:

Page 14, line 38, strike "\$547,000" and insert "\$847,000".
Page 14, line 38, strike "\$547,000" and insert "\$847,000".

Explanation:

(This amendment captures year-end balances estimated at \$300,000 each year from the general fund that result primarily from position turnover and vacancy in Legislative Agencies.)

Item 26 #1s

Judicial Department

Supreme Court

Language

Language:

Page 17, lines 11-13, strike "in lieu of travel and all other expenses incurred incident to the conduct of the business of the Court, except lodging expenses incurred while conducting the business of the Court," and insert "for expenses not otherwise reimbursed,".

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 other state employees.)

Item 31 #1s

Judicial Department

Court Of Appeals Of Virginia

Language

Language:

Page 18, lines 29-32, strike "in lieu of travel and all other expenses incurred incident to the conduct of the business of the Court, except lodging expenses incurred while conducting the business of the Court," and insert "for expenses not otherwise

reimbursed,".

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 other state employees.)

Item 32 #2s

Judicial Department	FY 04-05	FY 05-06	
Circuit Courts	\$1,065,645	\$1,045,645	GF
	5.00	5.00	FTE

Language:

Page 19, line 2, strike "\$75,756,553" and insert "\$76,822,198".

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

Explanation:

(This amendment provides \$1,065,645 the first year and \$1,045,645 the second year from the general fund for five new Circuit Court judgeships for the 1st, 14th, 15th, 22nd, and 29th judicial circuits, as recommended by the Judicial Council of Virginia. This amendment is contingent upon final passage of Senate Bill 168.)

Item 32 #3s

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 appropriation for the Criminal Fund by \$250,000 the first year and \$400,000 the second year from the general fund. This is a technical amendment based on adjusted projections of expenditures.)

Item 33 #1s

Judicial Department	FY 04-05	FY 05-06	
General District Courts	\$385,870	\$380,870	GF
	2.00	2.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$75,603,932".

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

Explanation:

(This amendment provides \$385,870 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. This amendment is contingent upon final passage of Senate Bill 169.)

Item 33 #2s

Judicial Department	FY 04-05	FY 05-06	
General District Courts	\$1,500,000	\$1,796,812	GF
	49.00	49.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$76,718,062".

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

Explanation:

(This amendment provides \$1,500,000 the first year, \$1,796,812 the second year, and 49.0 positions each year from the general fund for the General District Courts, Juvenile and Domestic Relations District Courts, and Combined District Courts, to be allocated by Committee on District Courts in such a manner as to ensure that each court has at least 85 percent of the positions required based on the judicial system staffing model. The Committee on District Courts recommended an additional 170.2 positions to implement the recommendations of the staffing model. This amendment is a first step towards meeting that requirement.)

Item 39 #1s

Judicial Department	FY 04-05	FY 05-06	
Public Defender Commission	\$258,542	\$355,770	GF
	4.00	6.00	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 33, line 32, strike "PUBLIC DEFENDER COMMISSION" and insert:
"INDIGENT DEFENSE COMMISSION"
Page 33, 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 to be an Indigent Defense Commission, overseeing training and standards for all court-appointed counsel for indigents. This amendment is contingent upon final passage of Senate Bill 330.)

Item 39 #3s

Judicial Department	FY 04-05	FY 05-06	
Public Defender Commission	\$2,930,551	\$3,204,386	GF
	49.25	49.25	FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$26,609,469".
Page 25, line 33, strike "\$23,693,663" and insert "\$26,898,049".

Explanation:

(This amendment provides \$2,930,551 the first year, \$3,204,386 the second year, and 49.25 positions each year from the general fund for Public Defender offices statewide. This amendment is intended to staff each Public Defender office with 75 percent of the number of attorney staff positions for the corresponding Commonwealth's Attorney's office.)

Item 39 #4s

Judicial Department	FY 04-05	FY 05-06	
Public Defender Commission	\$402,100	\$0	GF

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$24,081,018".

Explanation:

(This amendment provides \$402,100 the first year from the general fund to upgrade computer equipment for Public Defenders' offices statewide, including the replacement of 210 desktop computers and 14 network servers.)

Item 39 #5s

Judicial Department	FY 04-05	FY 05-06	
Public Defender Commission	\$206,723	\$185,503	GF

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$23,885,641".

Page 25, line 33, strike "\$23,693,663" and insert "\$23,879,166".

Explanation:

(This amendment provides \$206,723 the first year and \$185,503 the second year from the general fund for internet access for Public Defenders' offices statewide.)

Item 41 #1s

Judicial Department	FY 04-05	FY 05-06	
Virginia State Bar	\$800,000	\$800,000	GF

Language:

Page 26, line 14, strike "\$5,423,515" and insert "\$6,223,515".

Page 26, line 14, strike "\$5,423,515" and insert "\$6,223,515".

Explanation:

(This amendment provides \$800,000 each year from the general fund for the Legal Services Corporation of Virginia, for distribution to local legal aid programs in

Virginia for civil indigent defense.)

Item 51 #1s

Executive Offices	FY 04-05	FY 05-06	
Attorney General And Department Of Law	\$500,000	\$500,000	NGF

Language:

Page 30, line 27, strike "\$1,938,429" and insert "\$2,438,429".

Page 30, line 27, strike "\$1,938,429" and insert "\$2,438,429".

Page 30, line 32, strike "750,000" and insert "1,250,000".

Page 30, line 33, strike "750,000" and insert "1,250,000".

Page 30, strike line 34 and insert "Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust".

Page 30, line 36, after "1994" insert "and amended herein".

Page 30, line 37, after "fees" insert "civil penalties,".

Page 30, line 40, after "litigation" insert:

"or enforcement efforts pursuant to Article 5 (Section 3.1-336.1 et seq.) and Article 6 (Section 3.1-336.3 et seq.) of Chapter 18 of Title 3.1 of the Code of Virginia. In addition, the Department of Law is authorized to deposit to the Fund any attorneys' fees which from time to time may be obtained."

Page 30, line 43, strike "750,000" and insert "1,250,000".

Page 30, line 45, after "fund." insert:

"In addition to the uses of the Fund permitted by Item 48 of Chapter 966 of the Acts of Assembly of 1994, a portion of the Fund not to exceed \$500,000 may be used to pay costs associated with enforcement efforts pursuant to Article 5 (Section 3.1-336.1 et seq.) and Article 6 (Section 3.1-336.3 et seq.) of Chapter 18 of Title 3.1 of the Code of Virginia, costs associated with litigation initiated by the Office of the Attorney General, and costs associated with civil commitment procedures pursuant to Article 1.1 (Section 37.1-70.1 et seq.) of Chapter 2 of Title 37.1 of the Code of Virginia."

Explanation:

(This amendment increases the amount of special funds deposited into the Regulatory and Consumer Advocacy Revolving Trust Fund by \$500,000 per year. In addition, the language amends the title of the fund, authorizes the Office of the Attorney General to deposit into the fund civil penalties and attorneys fees recovered from regulatory and consumer advocacy litigation, and authorizes the Attorney

General to pay costs and litigation expenses associated with certain enforcement efforts and civil commitment procedures.)

Item 53 #3s

Executive Offices

Division Of Debt Collection

Language

Language:

Page 31, line 29, after "\$1,000." insert:

"Notwithstanding any provision of the Code of Virginia, the University of Virginia Medical Center shall be exempt from participating in the Office of the Attorney General's debt collection process, provided that the University demonstrates to the Secretary of Finance that a change in the debt collection agent is cost effective, in which case the University of Virginia shall have the authority to collect its Medical Center accounts receivable by engaging private collection agents and attorneys to pursue collection actions, and to compromise, settle, and discharge Medical Center accounts receivable claims."

Explanation:

(This amendment exempts the University of Virginia Medical Center from participating in the Attorney General's debt collection process, subject to the determination by the Secretary of Finance that the proposed collection process is cost-effective.)

Item 53 #5s

Executive Offices

Division Of Debt Collection

Language

Language:

Page 31, strike lines 24-33 and insert:

"A.1. For collection of accounts receivable of \$3,000 or more that are 60 days or more past due, each state agency and institution shall forward those claims to the Office of Attorney General, Division of Debt Collection for collection. The Attorney General shall review forwarded accounts, determine the appropriate collection efforts if any, for each account, and take such actions on the accounts as he may so determine."

2. For collection of accounts receivable under \$3,000 that are 60 days or more past due, each agency and institution shall contract with a private collection agency for the collection of those debts. Prior to referring accounts receivable of less than \$3,000, agencies and institutions may refer such accounts to the Office of the Attorney General, Division of Debt Collection. The Attorney General may accept the account for collection or return it to the agency or institution for collection by a private collection agency.

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 from receivables collected on behalf of state agencies. This provision shall apply whether such payment is made directly to the affected agency or to the Office of the Attorney General. Amounts collected from receivables in trust or federal funds, however, shall be returned to such funds.

2. The Secretary of Finance may make exemptions from the required deposits to the Fund, as specified in B.1. 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 to the Chairmen of the Senate Finance and House Appropriations Committees within 30 days of such approval.

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

4. Thirty 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 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.)

Item 58 #1s

Administration

Secretary Of Administration

Language

Language:

Page 34, following line 5, insert:

"A. The Secretary of Administration and the Secretary of Education shall rely on the advice of a third party professional engineer with experience in the field of building environmental controls to make a definitive recommendation on the management of the environmental controls for the Library of Virginia. The Secretaries shall report their recommendations to the Governor and the Chairmen of the Senate Finance Committee and the House Appropriations Committee no later than August 1, 2004.

B. No later than August 1, 2004 the Attorney General shall take such legal action as is necessary to achieve an equitable resolution for the Commonwealth with regard to the serious environmental control issues in the Library of Virginia."

Explanation:

(This amendment requires that the Secretaries of Administration and Education and the Attorney General resolve the environmental control issues at the Library of Virginia.)

Item 62 #1s

Administration

Commonwealth Competition
Council

FY 04-05
(\$262,297)
-3.00

FY 05-06
(\$262,297) GF
-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.
Page 36, strike lines 1 through 26.

Explanation:

(This amendment is one of two that transfer and reduce staffing of the Commonwealth Competition Council to the Department of Planning and Budget. The companion amendment is drawn to Item 283.)

Item 63 #1s

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 #3s

Administration

Compensation Board

Language

Language:

Page 37, line 11, strike "1,080" and "1,080" and insert "1,403" and "1,403".

Explanation:

(This amendment provides additional positions to fully staff the Compensation Boards staffing standards for Circuit Court Clerks. A companion amendment to Item 66 provides funding for these positions.)

Item 64 #2s

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 one of the salaries in the sheriffs' salary chart. The current salary does not reflect the 2.25 percent pay increase provided in fiscal year 2004. This correction has no impact on the budget.)

Item 64 #3s

Administration

Compensation Board

Language

Language:

Page 45, strike line 26 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 #1s

Administration

Compensation Board

FY 04-05

\$284,043

FY 05-06

\$239,091

GF

Language:

Page 43, line 20, strike "\$43,866,915" and insert "\$44,150,958".

Page 43, line 20, strike "\$43,866,915" and insert "\$44,106,006".

Explanation:

(This amendment provides \$284,043 the first year and \$239,091 the second year from the general fund to convert the Commonwealth's Attorney positions in Greene, Highland and King William Counties from part-time to full-time status.)

Item 65 #4s

Administration

Compensation Board

Language

Language:

Page 45, strike line 26 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 #1s

Administration

Compensation Board

FY 04-05

\$14,000

FY 05-06

\$14,000

GF

Language:

Page 45, line 15, strike "\$39,514,522" and insert "\$39,528,522".

Page 45, line 15, strike "\$39,514,522" and insert "\$39,528,522".

Page 45, line 32, strike "100,000-249,999" and insert "100,000-174,999".

Page 45, following line 32, insert "175,000-249,999 \$110,302 \$110,302 \$117,090".

Explanation:

(This amendment conforms the salary brackets for Clerks to the same population ranges that are used by other constitutional officers.)

Item 66 #3s

Administration

Compensation Board

FY 04-05

\$5,295,183

FY 05-06

\$5,295,183

NGF

Language:

Page 45, line 15, strike "\$39,514,522" and insert "\$44,809,705".

Page 45, line 15, strike "\$39,514,522" and insert "\$44,809,705".

Page 45, strike line 16 and insert:

"Financial Assistance for Administration (xxx) ... \$10,468,619 \$10,468,619

Financial Assistance for Circuit Court Services .. \$24,581,061 \$24,581,061
 Financial Assistance for Maintenance of
 Local Land Records \$ 9,760,025 \$ 9,760,025"
 Page 46, line 55, strike "\$1,489,213" and "\$1,489,213" and insert "\$ 9,760,025" and
 "\$ 9,760,025"
 Page 46, line 56, strike "operating".
 Page 47, strike, line 1 and insert:
 "personal services to process land records in accordance with the Board's staffing
 standards."

Explanation:

(This amendment allows the use of Clerks' Technology Trust funds for processing of land records and frees up general funds to fully support the Compensation Board's staffing standards for Circuit Court Operations.)

Item 67 #3s

Administration	FY 04-05	FY 05-06	
Compensation Board	\$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 GF the first year and \$13.2 million GF the second year to restore previous reductions in reimbursements to localities for the cost of maintaining prisoners in local and regional jails.)

Item 69 #1s

Administration	FY 04-05	FY 05-06	
Compensation Board	\$85,515	\$192,486	GF

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$21,886,797".
 Page 51, line 43, strike "\$21,801,282" and insert "\$21,993,768".
 Page 53, line 3, at the end of the line, insert a new paragraph D as follows:

"D.1. Out of the amounts in this Item shall be provided \$85,515 in the first year and \$192,486 in the second year from the general fund for the Compensation Board to implement a Deputy Treasurers' Career Development Plan. The Compensation Board shall adopt minimum criteria for the Deputy Treasurers' Career Development Plan 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 Plan 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 Career Development Program, the Compensation Board shall increase the annual salary established for that position by 9.3 per cent, 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, 2004, for a salary increase effective date of December 1, 2004. Subsequent new certifications and selections for participation will 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 authority and \$85,515 GF the first year and \$192,486 GF the second year for the institution of Career Development Programs for Deputy Treasurers.)

Item 69 #2s

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 45, strike line 26 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 (i) the salary and benefits for the Treasurers, and (ii) the costs for processing state income tax returns in new subprograms. The existing funding of \$5.5 million GF the first year and \$5.5 million GF the second year for Directors of Finance is transferred to a new program.)

Item 69.10 #1s

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

Language:

Page 53, following line 3, insert:
 "69.10. Revenue Administration Services \$5,536,713 \$5,536,713
 (73210)
 Fund Sources: General \$5,536,713 \$5,536,713."
 Financial Assistance for Administration (xxx) ... \$ 515,271 \$ 515,271
 Financial Assistance to Local
 Directors of Finance \$5,021,442 \$5,021,442"

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 GF the first year and \$5.5 million GF the second year for Directors of Finance is transferred from the program for Treasurers in Item 69.)

Item 70 #1s

Administration	FY 04-05	FY 05-06	
Compensation Board	\$97,161	\$238,840	GF

Language:

Page 53, line 4, strike "\$16,076,334" and insert "\$16,173,495".
 Page 53, line 4, strike "\$16,076,334" and insert "\$16,315,174".
 Page 53, following line 27, insert:

"C .1. Out of the amounts in this Item shall be provided \$76,888 in the first year and \$185,909 in the second year from the general fund for the Compensation Board to establish a Commissioners' Career Development Plan. The Compensation Board shall adopt minimum criteria for the Commissioners of the Revenue Career Development Plan 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 to be considered as part of the Career Development Plan; 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 Plan 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 Plan 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 will be based upon the levels of service offered by the Commissioner of the Revenue for his/her locality and will be in accordance with the following schedule:

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

b. 2.3 per cent 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 Plan and provide State Income Tax or Real Estate services as described in the minimum criteria for the Commissioners of the Revenue Career Development Plan; and

c. 2.3 per cent 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 Plan and provide State Income Tax and Real Estate services, as described in the minimum criteria for the Commissioners of the Revenue Career Development Plan.

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 Plan. The Compensation Board shall adopt minimum criteria for the Deputy Commissioners' Career Development Plan 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 Plan; 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 of the Revenue Career Development Plan 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 Career Development Plan, the Compensation Board shall increase the annual salary established for that position by 9.3 per cent effective December 1, following receipt of the Commissioner of the Revenue's certification that the minimum requirements of the Deputy Commissioners' Career Development Plan 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 Career Development Plan will be on the budget request submitted to the Compensation Board on or before February 1, 2004, for a salary increase effective date of December 1, 2004. Subsequent new certifications and selections for participation will 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 authority and \$97,161 GF the first year and \$238,840 GF the second year for the institution of Career Development Programs for Commissioners of the Revenue and Deputy Commissioners.)

Administration

Compensation Board

Language

Language:

Page 45, strike line 26 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 (i) the salary and benefits for the Commissioners of the Revenue, and (ii) the costs for processing state income tax returns in new subprograms.)

Item 78 #1s

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 expansion and the department's overview of the statewide Virginia Partners in Procurement (VaPP) spend management program for the purpose of creating savings for the Commonwealth's agencies and institutions by collaborating in areas where there is an overlap in purchasing. Such 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 repayment of this loan will be from rebates or surcharges collected 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 reauthorizes the Department of Accounts to provide a treasury loan up to \$5,000,000 to the Department of General Services to support implementation of the statewide VaPP spend management program. Similar language

is contained in House Bill 29. The Auditor of Public Accounts has recommended that similar language be included in the 2004-06 budget.)

Item 79 #1s

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".

Page 58, line 12, insert:

“Notwithstanding any other provision of law, the FY 2005 and FY 2006 service charge payment to the City of Richmond for the Museum of Fine Arts shall not exceed the amount listed in this item.”

Explanation:

(This amendment caps the payments in lieu of taxes paid by the Virginia Museum of Fine Arts at the level in effect on July 1, 2003.)

Item 79 #2s

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 rent plan internal service fund amount by \$390,799 the first year and \$457,128 the second year. The increase is for utility cost increases and inflationary increases in custodial and maintenance contracts. A companion amendment is included in Item 506.)

Item 79 #4s

Administration

Department Of General Services

Language

Language:

Page 57, following line 43, insert:

"2. The internal service fund shall assess a special fee sufficient to meet the funding requirements of Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund. The internal service fund shall transfer these funds to the Treasury Board for payment into the Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund; none of these funds may be used for debt service related to any outstanding bonds. Should the internal fund borrow moneys from the Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund, the rates of the fund shall be sufficient to repay any borrowing with interest."

Explanation:

(This amendment allows the Department of General Services to include the funding requirements of the VPBA Capital Repairs and Improvements Revolving Fund in its rental charges.)

Item 90 #1s

Administration

Department Of Veterans Services

Language

Language:

Page 62, line 36, following "Charlottesville" strike ", is contingent upon the".

Page 62, strike lines 37 to 39.

Explanation:

(This amendment strikes language making the appropriation for additional staff at four field offices contingent upon passage of the Governor's revenue proposals.)

Item 94 #1s

Administration

State Board Of Elections

Language

Language:

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

Explanation:

(This amendment allows the State Board of Elections to use the most recent

provisional population estimates rather than the final population estimates when setting the compensation levels of registrars.)

Item 94 #2s

Administration

State Board Of Elections

Language

Language:

Page 64, line 30, following "registrar" strike "by an amount up to 10 percent of the annual compensation set for the general registrar pursuant to this act."

Explanation:

(This amendment eliminates the restriction on local salary supplements for general registrars and puts them on a footing similar to that of constitutional officers funded under the Compensation Board.)

Item 95 #2s

Commerce And Trade

Secretary Of Commerce And Trade

Language

Language:

Page 68, after line 55, insert:

"C. Notwithstanding other provisions of this Act or the Code of Virginia, when assessing qualified applications for assistance, the highest priority for awards made under the Governor's Development Opportunity Fund, the various workforce services programs administered by the Department of Business Assistance, the small business incubator program, or the financial assistance programs administered by the Virginia Small Business Financing Authority shall be to applicants from economically distressed areas of the Commonwealth. Economic distressed areas are localities that (1) have average unemployment rates using the most recent 6-month average that are 200 percent higher than the most recent 6-month statewide average unemployment rate or (2) are within planning districts that have average unemployment rates for the most recent 6-month average that are at least one and one-half percent greater than the most recent 6-month statewide average."

Explanation:

(This amendment defines economically distressed areas of the state and directs highest priority for funding to these areas from a variety of economic development programs.)

Item 97 #2s

Commerce And Trade

Department Of Agriculture And
Consumer Services

Language

Language:

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

Page 69, after line 23, insert:

"B. The department shall work with the Secretary of Commerce and Trade to develop performance goals and strategies to measure the impact of the department's activities in these areas: (1) marketing and promoting of products; (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 Commerce and Trade 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 #4s

Commerce And Trade

Department Of Agriculture And
Consumer Services

Language

Language:

Page 70, line 40, strike "D." and insert "D.1".

Page 70, line 43, strike "Winegrowers Advisory Board" and insert "Wine Board".

Page 70, after line 44, insert:

"2. The Department of Alcoholic Beverage Control shall work with the Virginia Wine Board to report on the sales of Virginia-produced wines in the Commonwealth. The Virginia Wine Board shall report by January 12, 2005, to the Chairmen of the Senate Committees on Finance and Agriculture, Conservation and Natural Resources and to the Chairmen of the House Committees on Appropriations and Agriculture, Chesapeake and Natural Resources on the amount of sales and tax dollars derived from the sales of Virginia wines."

Explanation:

(This amendment implements the changes incorporated in Senate Bill 310 (2004 Session).)

Item 99 #5s

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Agriculture And Consumer Services	\$110,000 2.00	\$110,000 2.00	GF FTE

Language:

Page 69, line 30, strike "\$4,636,361" and insert "\$4,746,361".

Page 69, line 30, strike "\$4,636,361" and insert "\$4,746,361".

Explanation:

(This amendment provides \$220,000 from the general fund and two full-time positions to implement the Agricultural Stewardship Act and the Farm Link Program. The Stewardship Program assures that farmers maintain good conservation practices in order to protect and improve water quality. The position for the Farm Link Program will work to: (1) complete the development of standards for local purchase of development rights programs; (2) set up criteria and a process for certification of local programs for eligibility; and (3) administer the Virginia Farm Link program.)

Item 99 #6s

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 95.1 #2s

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

Language:

Page 69, after line 3, insert:

"95.1. Administrative and Support Services	\$150,000	\$150,000
General Management and Direction		
Fund Sources: General	\$150,000	\$150,000."

"Contingent upon passage of Senate Bill 543 by the 2004 Session of the General Assembly, 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 Senate Bill 543 to create the Secretary of Agriculture and Forestry by providing \$300,000 from the general fund and one position and by transferring two positions from other agencies to staff the new secretariat.)

Item 102 #3s

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

Language:

Page 71, line 36, strike "\$3,667,962" and insert "\$3,767,962".

Explanation:

(This amendment provides \$100,000 from the general fund for aquatic weed control efforts at Lake Gaston.)

Item 104 #1s

Commerce And Trade

Department Of Agriculture And
Consumer Services

Language

Language:

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

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 104 #3s

Commerce And Trade

Department Of Agriculture And
Consumer Services

FY 04-05

\$0

FY 05-06

(\$500,000) NGF

Language:

Page 72, line 1, strike "\$2,243,624" and insert "\$1,743,624".

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

Page 72, line 11, after "\$9", insert "the first year and \$4 the second year".

Page 72, after line 14, insert:

"B. By December 30, 2004, the department shall report to the Chairmen of the Senate Finance and Agriculture, Conservation and Natural Resources Committees, and House Appropriations and Agriculture, Chesapeake and Natural Resources Committees on the number of devices by type, which are subject to the fee requirement."

Explanation:

(This amendment reduces in the second year (from \$9 to \$4) the fee the department can charge for the weights and measures regulatory program. The amendment also requires the department to report on the number and types of devices subject to regulation.)

Item 107 #2s

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Business Assistance	\$150,000	\$150,000	GF
	2.00	2.00	FTE

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$12,116,255".

Page 73, line 18, strike "\$11,966,255" and insert "\$12,116,255".

Explanation:

(This amendment restores funding for small business research.)

Item 107 #3s

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Business Assistance	\$300,000	\$0	GF

Language:

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

Explanation:

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

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Business Assistance	\$0	(\$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.)

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Business Assistance	\$534,605	\$563,571	GF
	\$1,065,924	\$1,065,924	NGF
	24.00	24.00	FTE

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$13,566,784".

Page 73, line 18, strike "\$11,966,255" and insert "\$13,595,750".

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 2003 Acts of Assembly.

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 monies 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.

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 108 #2s

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 fire fighting equipment for the department.)

Item 108 #5s

Commerce And Trade

Department Of Forestry

FY 04-05

\$125,000

FY 05-06

\$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 #1s

Commerce And Trade

Department Of Housing And
Community Development

Language

Language:

Page 76, after line 3, insert:

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

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 jobs and new private investment. The goal is to create or retain 4,500 jobs and to stimulate \$110 million of investment that can be directly tied to the department's efforts in each year of the biennium.

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 funded projects in each year of the biennium.

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.

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.

In the program area addressing 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 #6s

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Housing And Community Development	\$200,000	\$200,000	GF

Language:

Page 77, line 2, strike "\$40,027,706" and insert "\$40,227,706".

Page 77, line 2, strike "\$40,027,706" and insert "\$40,227,706".
Page 79, after line 19, insert:

"H. Out of the amounts in this Item and contingent upon passage of Senate Bill 407 (2004 Session) shall be provided \$200,000 the first year and \$200,000 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 Senate Bill 407 (2004 Session).)

Item 121 #1s

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 125 #1s

Commerce And Trade

Department Of Minority Business
Enterprise

FY 04-05	FY 05-06	
(\$634,605)	(\$663,571)	GF
(\$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 will 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 #3s

Commerce And Trade	FY 04-05	FY 05-06	
Virginia Economic Development Partnership	(\$250,000)	(\$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 lines 45 through 48.

Explanation:

(This amendment eliminates general fund support for the motor sports recruitment initiative.)

Item 128 #4s

Commerce And Trade	FY 04-05	FY 05-06	
Virginia Economic Development Partnership	(\$500,000)	\$0	GF

Language:

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

Page 86, line 39, strike "\$1,000,000" and insert "\$500,000".

Page 86, line 41, after "the Commonwealth" strike "is contingent upon the passage into".

Page 86, strike lines 42 through 44 and insert: "The Partnership shall submit a plan to the Chairmen of the Senate Finance and House Appropriations Committees by

January 12, 2005. The plan shall: (1) define distressed areas of the Commonwealth and set goals, strategies and outcomes for the special marketing program; (2) describe how the monies will be leveraged with local, private, federal, and other state dollars and in-kind assistance; (3) identify local and regional funding partners; and (4) identify other state economic development programs that can be targeted to distressed areas."

Explanation:

(This amendment requires the Virginia Economic Development Partnership to develop a comprehensive plan for the special marketing program for distressed areas. First year funding for the program is reduced, and the Governor's contingency language for the program is deleted.)

Item 133 #2s

Commerce And Trade

Virginia Racing Commission

Language

Language:

Page 89, line 37, after "year.", insert:

"In no event, however, shall any funds be expended for that purpose until obligations in § 59.1-392 D.6., Code of Virginia are funded."

Explanation:

(This amendment restores authorization of funding to the Virginia Horse Industry Board. Up until the FY 2003, this entity received, in accordance with state statutes, a portion of the pari-mutuel pool from horse race wagering.)

Item 134 #10s

Commerce And Trade

Virginia Tourism Authority

FY 04-05

\$200,000

FY 05-06

\$0 GF

Language:

Page 89, line 43, strike "\$11,369,914" and insert "\$11,569,914".

Page 91, after line 12, insert:

"J. Out of the amounts provided for Tourist Promotion, \$200,000 the first 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 #11s

Commerce And Trade

Virginia Tourism Authority

FY 04-05

\$0

FY 05-06

(\$150,000) GF

Language:

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

Page 91, line 2, strike "and \$150,000 the".

Page 91, line 3, strike "second year".

Page 91, line 4, after "tourism.", insert: "The Virginia Tourism Authority shall submit to the Chairmen of the Senate Finance and House Appropriations Committees by January 12, 2005, the workplan and the results of the first year's funding for the outdoor resources tourism initiative. The report shall include information defining the initiative and the related tourism activities; the number of visitors participating in outdoor resources tourism; the economic impact of this tourism market in Virginia; and the growth potential of this market in relation to other segments of the Virginia tourism industry."

Explanation:

(This amendment requires the Virginia Tourism Authority to evaluate the results of the outdoor resources tourism initiative. Second year funding for the activity is deleted.)

Item 134 #12s

Commerce And Trade

Virginia Tourism Authority

Language

Language:

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 budget provides \$1.0 million each year from the general fund for this activity.)

Item 134 #13s

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 135 #1s

**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 #1s

**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."

Explanation:

(This amendment provides funding for approximately six school efficiency reviews in FY 2005, based on a preliminary estimated cost of \$164,000 per review. This funding is provided in lieu of the amounts and positions proposed in the 2004-06 budget, as introduced in the Department of Accounts. The corresponding amendment is in Item 274.)

Item 135 #2s

**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 on land at the Woodrow Wilson Rehabilitation Center. 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 Committees 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.)

Item 135 #4s

Education: Elementary & Secondary

FY 04-05

FY 05-06

Secretary Of Education

(\$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 the general fund and"

Explanation:

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

Education: Elementary & Secondary

Secretary Of Education

Language

Language:

Page 93, strike lines 15 through 60.

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.)

Education: Elementary & Secondary

Department Of Education, Central Office Operations

FY 04-05

(\$297,500)

FY 05-06

(\$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 the first year and \$2,229,000 the second" and insert "\$1,710,000 the first year and \$1,847,500 the second".

Explanation:

(This amendment reflects revised estimated numbers of teachers eligible for initial and continuation bonuses based on their achievement of national board certification. For FY 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 FY 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 of \$5,000 and \$2,500, rather than reduced amounts of \$3,000 and \$1,000, respectively.)

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.
- Page 98, line 61, strike "annually thereafter for the life of the certificate."
- Page 99, line 2, strike "\$2,229,000" and insert "\$2,549,000".

Explanation:

(This amendment restores the amounts of the initial and continuation bonuses to teachers based on their achievement of national board certification to \$5,000 and \$2,500, rather than 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 144 #1s

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 is one of three executive amendments submitted to make technical adjustments in Direct Aid to Public Education. This reflects an erroneous double count reduction in Special Education categorical funding.)

Item 144 #2s

Education: Elementary & Secondary	FY 04-05	FY 05-06	
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Direct Aid To Public Education (\$908,500) (\$1,408,500) GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$457,089,416".

Page 100, line 2, strike "\$465,142,441" and insert "\$463,733,941".

Page 101, after line 3, insert:

"A. 1. This appropriation includes \$3,467,910 the first year and \$3,688,379 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, and turnaround specialists in schools that have consistently failed to show improvement in student progress.

2. 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 expected local cost impacts, as well as State costs, to the Chairmen of the House Appropriations and Senate Finance Committees by July 1, 2004 and subsequent updates as needed."

Explanation:

(This amendment specifies that an additional \$7.2 million for the biennium from the general fund is provided for targeted education initiatives to improve student achievement 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 145 #1s

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$22,112,566

\$253,093 GF

Language:

Page 103, line 40, strike "\$265,335,825" and insert "\$287,448,391".

Page 103, line 40, strike "\$275,092,690" and insert "\$275,345,783".

Explanation:

(This amendment is one of a series related to the Virginia Investment Act. This amendment ends 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 #2s

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" VRS 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.)

Item 146 #1s

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$208,047,357	\$209,787,477	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$3,128,474,490".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$3,144,251,597".

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."

Explanation:

(This amendment restores \$208.0 million the first year and \$209.8 million the

second year by reversing actions proposed in the 2004-06 budget, as introduced, to deduct from the calculation of the SOQ cost base certain federal revenue, including Title I, and certain locally generated revenue. 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 #2s

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education	\$213,170,176	\$217,264,809	GF
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Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$3,133,597,309".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$3,151,728,929".

Page 109, line 43, strike "Funding in support of an additional 9".

Page 109, strike lines 44 through 47.

Page 111, after line 44, insert:

"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.

The Superintendent of Public Instruction shall submit to the Chairmen of the House Appropriations and Senate Finance Committees: (a) by September 1, 2004, an update on the Department of Education's on-going efforts to increase consistency of Annual School Report (ASR) data submitted and used in estimating costs, including updated documentation for Annual School Report submissions by school divisions and the schedule for publishing the ASR-related tables in the Superintendent's Annual Report; (b) by September 1, 2005, updated comprehensive documentation of the Standards of Quality (SOQ) cost model and the schedule for publishing key SOQ model reports."

Explanation:

(This amendment is one of a series related to the Virginia Investment Act. This amendment provides funding for the following revisions to the Standards of Quality

proposed by the State Board of Education, as set forth in Senate Bill 479: a daily planning period for teachers at the middle and high school levels; five elementary resource teachers per 1,000 students; and two technology positions, one instructional and one support, per 1,000 students. These revisions are also consistent with Chapter III of the Joint Legislative Audit and Review Commission's 2002 Review of Elementary and Secondary School Funding. In addition, this amendment requires certain reports, including a report on the SOQ forecast, similar to the existing requirement for a Medicaid forecast, and this amendment corrects an error in the bill as introduced regarding the revised methodology for the SOQ Remediation funding.)

Item 146 #3s

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$49,274,224	\$49,555,079	GF

Language:

- Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,969,701,357".
- Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,984,019,199".
- Page 122, line 38, strike "unserved".
- Page 122, strike line 39.
- Page 122, line 55, strike "\$5,400" and insert "\$6,000".
- Page 122, strike line 56 and insert "the at-risk four-year-olds in".
- Page 123, strike lines 1 through 10.

Explanation:

(This amendment is one of a series related to the Virginia Investment Act. This amendment provides additional funding for the At-Risk Four-Year-Olds program, also known as the Virginia Preschool Initiative. Currently, funding is provided for the State's share of 60 percent of unserved at-risk four-year-olds at \$5,400 per child. This amendment provides funding for the State's share of 100 percent of all at-risk four-year-olds at an updated amount of \$6,000 per child, and reflects some offsetting assumed participation savings. This action reflects Recommendations 16, 17, and 18 of the Joint Legislative Audit and Review Commission's 2002 Review of Elementary and Secondary School Funding.)

Item 146 #4s

Education: Elementary &	FY 04-05	FY 05-06	
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Secondary

Direct Aid To Public Education	\$41,010	\$7,506	GF
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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 is one of three executive amendments submitted to make technical adjustments in Direct Aid to Public Education. It reflects the Department of Education's final calculation of remedial funding to be distributed to school divisions.)

Item 146 #5s

**Education: Elementary &
Secondary****FY 04-05****FY 05-06**

Direct Aid To Public Education	(\$469,788)	(\$483,033)	GF
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Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,919,957,345".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,981,087".

Page 117, line 46, strike "\$68,878,904" and insert "\$68,409,116".

Page 117, line 47, strike "\$69,033,753" and insert "\$68,550,720".

Explanation:

(This is one of three executive amendments submitted to make technical adjustments in Direct Aid to Public Education. It reflects savings in the K-3 Primary Class Size program due to the application of the "pooled" VRS rate of 6.56 percent rather than the Board approved rate.)

Item 146 #6s

**Education: Elementary &
Secondary****FY 04-05****FY 05-06**

Direct Aid To Public Education	(\$1,088,338)	(\$1,133,754)	GF
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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 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 funding for the Algebra Readiness program rather than the 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 #7s

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$0	\$254,248	GF

Language:

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,718,368".
 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 \$254,248 in the second year. This reflects an additional \$454,248 pursuant to 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 #8s

Education: Elementary & Secondary	FY 04-05	FY 05-06	
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Direct Aid To Public Education \$22,814,336 \$23,095,322 GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,943,241,469".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,957,559,442".

Page 113, strike lines 40 through 45.

Explanation:

(This amendment is one of a series related to the Virginia Investment Act. This amendment provides funding to continue the phase-in from 72.0 percent to 100.0 percent the restoration of certain support positions that had been dropped from the SOQ model in years past. In the 2002 session, the General Assembly phased this restoration in to 5.8 percent for FY 03 and 72.0 percent for FY 04. This action reflects a recommendation in Chapter II, or "Tier One," of the Joint Legislative Audit and Review Commission's 2002 Review of Elementary and Secondary School Funding.)

Item 146 #9s

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 128, line 23, strike "is contingent".

Page 128, strike lines 24 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 #10s

**Education: Elementary &
Secondary**

Direct Aid To Public Education

FY 04-05

FY 05-06

(\$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 new 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 FY 2005 or FY 2006 than in FY 2004 whether due to changes in enrollment or composite index across all programs. Given the increased funding associated with the Virginia Investment Act, this is no longer necessary.)

Item 146 #11s

**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.

Explanation:

(This is one of a series of amendments related to the Virginia Investment Act. 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. This funding reflects the recommendations of the Joint Legislative Audit and Review Commission's 2002 Review of Elementary and Secondary Education.)

Item 146 #29s

**Education: Elementary &
Secondary**

Direct Aid To Public Education

FY 04-05

FY 05-06

\$12,263,573

\$5,240,323 GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,932,690,706".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,939,704,443".

Explanation:

(This amendment reflects several data corrections submitted by the Department of Education: \$556,611 the first year and \$794,335 the second year for revised English as a Second Language student counts; \$1.6 million the first year and \$1.7 million the second year to correct special education child counts for Montgomery and Buckingham Counties; savings of \$289,855 the first year and \$378,331 the second year to use the correct VRS rate, the "pooled" rate of 6.56 percent, for SOQ remediation; \$3.2 million the first year and \$3.2 million the second year to fund the revised non-professional VRS rate made available to the Department in January; and \$7.2 million the first year to correct for some computer coding errors.)

Item 146 #30s

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

(\$5,814,667)

(\$7,168,942)

GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,914,612,466".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,927,295,178".

Explanation:

(This amendment recognizes the offset of approximately 55 percent to Basic Aid and Enrollment Loss payments that results from the increase in estimated sales tax revenue since one cent of sales tax is distributed to localities for public education, offsetting total SOQ costs. The increase in estimated sales tax revenue is based on the expected impact of legislation that has passed the Senate and on the mid-session revenue re-forecast. There is a companion amendment in Item 147 that increases the estimated sales tax distribution for public education. The net effect of the two amendments is an increased public education distribution of \$4.5 million in the first year and \$5.6 million the second year.)

Item 147 #1s

Education: Elementary &

FY 04-05

FY 05-06

Secondary

Direct Aid To Public Education \$10,322,268 \$12,724,788 GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,289,367,943".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,340,768,486".

Explanation:

(This amendment recognizes the increased distribution for public education that results from the increase in estimated sales tax revenue since one cent of sales tax is distributed to localities for public education, offsetting total SOQ costs. The increase in estimated sales tax revenue is based on the expected impact of legislation that has passed the Senate and on the mid-session revenue re-forecast. There is a companion amendment in Item 146 that recognizes the associated offsets of approximately 55 percent in Basic Aid and Enrollment Loss. The net effect of the two amendments is an increased public education distribution of \$4.5 million in the first year and \$5.6 million the second year.)

Item 149 #1s

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education \$88,914 \$88,965 GF

Language:

Page 130, line 23, strike "\$12,781,908" and insert "\$12,870,822".

Page 130, line 23, strike "\$13,049,102" and insert "\$13,138,067".

Page 131, line 11, strike "1,300" and insert "1,400".

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 1,400 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.)

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$200,000	\$200,000	GF

Language:

Page 131, line 51, strike "\$2,700,000" and insert "\$2,900,000".

Page 131, line 51, strike "\$2,700,000" and insert "\$2,900,000".

Page 132, after line 3, insert:

"This appropriation includes \$200,000 each year from the general fund for the Jobs for Virginia Graduates program to place career specialists in schools."

Explanation:

(This amendment partially restores funding included in the state budget in previous years for the Jobs for Virginia Graduates, a non-profit school to work program that serves at-risk youth.)

Education: Higher Education	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	\$1,699,302	\$1,418,847	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$49,224,767".

Page 136, line 24, strike "\$46,384,948" and insert "\$47,803,795".

Page 137, line 5, strike "\$39,891,082" and insert "\$41,590,384".

Page 137, line 6, strike "\$40,740,733" and insert "\$42,159,580".

Page 137, line 8, strike "Out 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 \$2,500 for qualified undergraduate students and \$2,000 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."

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 \$2,500 and \$2,000, respectively in each year of the biennium.)

Item 163 #2s

Education: Higher Education	FY 04-05	FY 05-06
State Council Of Higher Education For Virginia	\$50,000	\$50,000 GF

Language:

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

Page 136, line 24, strike "\$46,384,948" and insert "\$46,434,948".

Page 139, line 26, insert:

"H. Out of this appropriation, \$50,000 in each 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 Senate Bill 230 of the 2004 session of the General Assembly."

Explanation:

(This amendment provides funding for the scholarship program established in Senate Bill 230, 2004 Session of the General Assembly. The program would provide 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 #3s

Education: Higher Education	FY 04-05	FY 05-06
State Council Of Higher Education For Virginia	(\$1,990,168)	\$0 GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$45,535,297".

Page 139, strike lines 7 through 25.

Explanation:

(This amendment eliminates funding provided in the introduced budget for tuition

waivers for military dependents.)

Item 163 #4s

Education: Higher Education	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	(\$160,000)	(\$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.

Explanation:

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

Item 164 #1s

Education: Higher Education	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	(\$432,297)	(\$371,708)	GF

Language:

Page 139, line 27, strike "\$6,680,728" and insert "\$6,248,431".

Page 139, line 27, strike "\$6,592,208" and insert "\$6,220,500".

Page 141, Line 56, strike "\$5,606,894" and insert "\$5,174,597"

Page 141, line 57, strike "\$5,606,894" and insert "\$5,235,186"

Page 142, after "Library.", strike lines 4 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 \$1.0 million from FY 2004 to FY 2005 and \$1.1 million from FY 2004 to FY 2006.)

Item 165 #1s

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

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	\$400,000	\$400,000	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,270,597".

Page 143, line 29, strike "\$35,707,092" and insert "\$36,107,092".

Explanation:

(This amendment restores funding for the University's Virginia Electronic Commerce Technology Center (VECTEC) to develop, evaluate and implement electronic commerce technologies for small and medium sized businesses throughout the Commonwealth of Virginia.)

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	\$0	\$162,682	GF
	\$0	\$87,603	NGF

Language:

Page 143, line 29, strike "\$35,707,092" and insert "\$35,957,377".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 168 #9s

Education: Higher Education

Christopher Newport University

Language

Language:

Page 144, line 5, insert:

"C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,229,712 in nongeneral funds the first year and \$15,155,910 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 6.4 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 revenues and a 6.5 percent increase from FY 2005 to FY 2006.)

Item 168 #10s

Education: Higher Education

Christopher Newport University

FY 04-05

\$213,830

\$219,781

FY 05-06

\$394,763

\$405,749

GF

NGF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,304,208".

Page 143, line 29, strike "\$35,707,092" and insert "\$36,507,604".

Page 144, line 5, insert:

"C. Out of this appropriation, \$213,830 is provided in the first year and \$394,763 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use

nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 168 #11s

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	\$3,311,789	\$3,311,789	GF
	\$565,868	\$1,154,371	NGF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$38,748,254".

Page 143, line 29, strike "\$35,707,092" and insert "\$40,173,252".

Page 144, line 5, insert:

"C. Out of this appropriation, \$3,311,789 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 168 #12s

Education: Higher Education	FY 04-05	FY 05-06
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Christopher Newport University	(\$664,224)	(\$1,062,035)	GF
	(\$287,203)	(\$574,407)	NGF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$33,919,170".
 Page 143, line 29, strike "\$35,707,092" and insert "\$34,070,650".
 Page 143, strike lines 44 through 49.
 Page 144, strike lines 1 through 5.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 168 #13s

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	\$171,985	\$172,317	NGF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,042,582".
 Page 143, line 29, strike "\$35,707,092" and insert "\$35,879,409".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 169 #1s

Education: Higher Education	FY 04-05	FY 05-06	
Christopher Newport University	\$315,711	\$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 provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Item 172 #3s

Education: Higher Education

The College Of William And Mary
In Virginia

FY 04-05

\$542,127

FY 05-06

\$608,765 NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$101,166,758".

Page 144, line 35, strike "\$100,285,985" and insert "\$100,894,750".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 172 #4s

Education: Higher Education

The College Of William And Mary
In Virginia

FY 04-05

(\$299,581)

(\$507,980)

FY 05-06

(\$443,354) GF

(\$751,748) NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$99,817,070".

Page 144, line 35, strike "\$100,285,985" and insert "\$99,090,883".

Page 145, strike lines 23 through 34.

Explanation:

(This amendment removes base operating funds provided in the introduced budget

that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 172 #5s

Education: Higher Education	FY 04-05	FY 05-06	
The College Of William And Mary	\$2,227,638	\$2,227,638	GF
In Virginia	\$2,484,176	\$5,002,503	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$105,336,445".

Page 144, line 35, strike "\$100,285,985" and insert "\$107,516,126".

Page 145, line 35, insert:

"E. Out of this appropriation, \$2,227,638 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 172 #6s

Education: Higher Education	FY 04-05	FY 05-06	
The College Of William And Mary	\$399,070	\$736,745	GF
In Virginia	\$925,720	\$1,709,022	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$101,949,421".

Page 144, line 35, strike "\$100,285,985" and insert "\$102,731,752".

Page 145, line 35, insert:

"E. Out of this appropriation, \$399,070 is provided in the first year and \$736,745 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 172 #7s

Education: Higher Education

The College Of William And Mary
In Virginia

Language

Language:

Page 145, line 35, insert:

"E. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, the College of William and Mary may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth and its public institutions of higher education."

Explanation:

(This amendment allows the College to develop a prototype of the charter agreement referenced in Senate Bill 638 of the 2004 Session of the General Assembly. The bill has been carried over for the year, pending further development of the proposal.)

Item 172 #8s

Education: Higher Education

The College Of William And Mary
In Virginia

Language

Language:

Page 145, line 35, insert:

"E. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$62,426,730 in nongeneral funds the first year and \$65,795,017 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 5.8 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 5.4 percent increase in revenues from FY 2005 to FY 2006.)

Item 172 #10s

Education: Higher Education

The College Of William And Mary
In Virginia

Language

Language:

Page 145, line 16, strike "The"

Page 145, strike lines 17 through 22.

Explanation:

(This amendment removes language which made the FY 2005 appropriation for funding to connect Virginia's doctoral institutions to national advanced communications networks contingent on passage of the Governor's tax proposal.)

Item 176 #1s

Education: Higher Education

Richard Bland College

Language

Language:

Page 147, line 4, insert:

"D. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$2,354,839 in nongeneral funds the first year and \$2,496,026 in nongeneral funds the

second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 6.1 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 6.0 percent increase in revenues from FY 2005 to FY 2006.)

Item 176 #2s

Education: Higher Education	FY 04-05	FY 05-06	
Richard Bland College	(\$63,000)	(\$63,000)	GF
	(\$44,000)	(\$44,000)	NGF

Language:

Page 146, line 34, strike "\$6,795,035" and insert "\$6,688,035".

Page 146, line 34, strike "\$6,814,478" and insert "\$6,707,478".

Page 146, strike lines 44 through 51.

Page 147, strike lines 1 through 3.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 176 #3s

Education: Higher Education	FY 04-05	FY 05-06	
Richard Bland College	\$63,000	\$63,000	GF
	\$94,444	\$192,667	NGF

Language:

Page 146, line 34, strike "\$6,795,035" and insert "\$6,952,479".

Page 146, line 34, strike "\$6,814,478" and insert "\$7,070,145".

Page 143, line 44, insert:

"Out of this appropriation, \$63,000 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 176 #4s

Education: Higher Education	FY 04-05	FY 05-06	
Richard Bland College	\$44,445	\$82,052	GF
	\$39,290	\$72,536	NGF

Language:

Page 146, line 34, strike "\$6,795,035" and insert "\$6,878,770".
 Page 146, line 34, strike "\$6,814,478" and insert "\$6,969,066".
 Page 143, line 44, insert:

"B. Out of this appropriation, \$44,445 is provided in the first year and \$82,052 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 176 #5c

Education: Higher Education	FY 04-05	FY 05-06	
Richard Bland College	\$43,871	\$45,918	NGF

Language:

Page 146, line 34, strike "\$6,795,035" and insert "\$6,838,906".
 Page 146, line 34, strike "\$6,814,478" and insert "\$6,860,396".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 180 #4s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Institute Of Marine Science	\$373,627	\$373,627	GF

Language:

Page 147, line 30, strike "\$17,727,904" and insert "\$18,101,531".
 Page 147, line 30, strike "\$17,371,016" and insert "\$17,744,643".
 Page 148, strike lines 11 through 20.

Explanation:

(This amendment partially restores base operating funds reduced during the 2002 and 2003 Sessions of the General Assembly in order to facilitate the Institute's research in environmental sciences and homeland security.)

Item 180 #6s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Institute Of Marine Science	\$92,746	\$171,224	GF
	\$221,376	\$408,695	NGF

Language:

Page 147, line 30, strike "\$17,727,904" and insert "\$18,042,026".
 Page 147, line 30, strike "\$17,371,016" and insert "\$17,950,935".
 Page 148, line 21, insert:

"E. Out of this appropriation, \$92,746 is provided in the first year and \$171,224 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 182 #1s

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	\$139,352	\$150,200	GF
	\$129,703	\$139,800	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$215,946,759".

Page 148, line 47, strike "\$215,490,073" and insert "\$215,780,073".

Explanation:

(This amendment revises the operating and maintenance funding for the Prince William Academic III facility at George Mason University. An omission in the 2004-06 budget, as introduced, resulted in insufficient funding being provided for George Mason University to cover the operating and maintenance costs associated with the opening of the Prince William III facility.)

Item 182 #3s

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	\$3,260,000	\$3,260,000	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$218,937,704".

Page 148, line 47, strike "\$215,490,073" and insert "\$218,750,073".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 182 #4s

Education: Higher Education

George Mason University

FY 04-05

(\$3,642,662)

(\$352,622)

FY 05-06

(\$4,021,514)

(\$705,244)

GF

NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$211,682,420".

Page 148, line 47, strike "\$215,490,073" and insert "\$210,763,315".

Page 149, strike lines 28 through 39.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 182 #5s

Education: Higher Education

George Mason University

FY 04-05

\$6,684,010

\$5,124,670

FY 05-06

\$6,684,010

\$10,454,328

GF

NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$227,486,384".

Page 148, line 47, strike "\$215,490,073" and insert "\$232,628,411".

Page 149, line 53, insert:

"F. Out of this appropriation, \$6,684,010 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 182 #6s

Education: Higher Education

FY 04-05

FY 05-06

George Mason University

\$0

\$1,346,942 GF

\$0

\$1,022,256 NGF

Language:

Page 148, line 47, strike "\$215,490,073" and insert "\$217,859,271".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 182 #7s

Education: Higher Education

George Mason University

Language

Language:

Page 149, line 53, insert:

"F. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$119,748,761 in nongeneral funds the first year and \$127,453,945 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated

from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 6.1 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 6.4 percent increase in revenues from FY 2005 to FY 2006.)

Item 182 #8s

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	\$1,002,308	\$1,850,415	GF
	\$1,353,739	\$2,499,211	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$218,033,751".

Page 148, line 47, strike "\$215,490,073" and insert "\$219,839,699".

Page 149, line 53, insert:

"F. Out of this appropriation, \$1,002,308 is provided in the first year and \$1,850,415 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 182 #10s

Education: Higher Education

George Mason University

Language

Language:

Page 149, line 46, strike "The"

Page 149, strike lines 47 through 52.

Explanation:

(This amendment removes language which made the FY 2005 appropriation for

funding to connect Virginia's doctoral institutions to national advanced communications networks contingent on passage of the Governor's tax proposal.)

Item 183 #1s

Education: Higher Education	FY 04-05	FY 05-06	
George Mason University	\$140,482	\$140,482	GF

Language:

Page 149, line 53, strike "\$9,588,495" and insert "\$9,728,977".

Page 149, line 53, strike "\$9,588,495" and insert "\$9,728,977".

Explanation:

(This amendment provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Item 186 #2s

Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	(\$1,389,648)	(\$2,067,449)	GF
	(\$931,412)	(\$1,862,825)	NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$134,488,332".

Page 150, line 31, strike "\$138,108,694" and insert "\$134,178,420".

Page 150, strike lines 42 through 49.

Page 151, strike lines 1 through 4.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia

Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	\$6,531,007	\$6,531,007	GF
	\$4,777,669	\$9,836,241	NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$148,118,068".

Page 150, line 31, strike "\$138,108,694" and insert "\$154,475,942".

Page 151, line 13, insert:

"C. Out of this appropriation, \$6,531,007 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	\$0	\$1,088,860	GF
	\$0	\$1,238,158	NGF

Language:

Page 150, line 31, strike "\$138,108,694" and insert "\$140,435,712".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 186 #5s

Education: Higher Education

James Madison University

Language

Language:

Page 151, line 13, insert:

"C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$81,774,053 in nongeneral funds the first year and \$88,953,978 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 7.7 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and an 8.8 percent increase in revenues from FY 2005 to FY 2006.)

Item 186 #6s

Education: Higher Education

James Madison University

FY 04-05

\$536,834

\$1,041,988

FY 05-06

\$991,078

\$1,923,671

GF

NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$138,388,214".

Page 150, line 31, strike "\$138,108,694" and insert "\$141,023,443".

Page 151, line 13, insert:

"C. Out of this appropriation, \$536,834 is provided in the first year and \$991,078 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional

authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 186 #7s

Education: Higher Education

James Madison University

FY 04-05

\$966,185

FY 05-06

\$967,697 NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$137,775,577".

Page 150, line 31, strike "\$138,108,694" and insert "\$139,076,391".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 190 #4s

Education: Higher Education

Longwood University

FY 04-05

\$155,316

FY 05-06

\$155,652 NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,241,707".

Page 151, line 48, strike "\$32,427,726" and insert "\$32,583,378".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 190 #5s

Education: Higher Education	FY 04-05	FY 05-06	
Longwood University	(\$546,620)	(\$745,351)	GF
	(\$147,601)	(\$295,203)	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$31,392,170".
Page 151, line 48, strike "\$32,427,726" and insert "\$31,387,172".
Page 152, strike lines 29 through 39.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 190 #6s

Education: Higher Education	FY 04-05	FY 05-06	
Longwood University	\$3,282,745	\$3,282,745	GF
	\$588,335	\$1,200,203	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$35,957,471".
Page 151, line 48, strike "\$32,427,726" and insert "\$36,910,674".
Page 152, line 40, insert:

"F. Out of this appropriation, \$3,282,745 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked

annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 190 #7s

Education: Higher Education

Longwood University

FY 04-05

FY 05-06

\$0

\$513,199 GF

\$0

\$284,856 NGF

Language:

Page 151, line 48, strike "\$32,427,726" and insert "\$33,225,781".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 190 #8s

Education: Higher Education

Longwood University

Language

Language:

Page 152, line 50, insert:

"F. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,542,951 in nongeneral funds the first year and \$15,589,831 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 5.6 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 7.2 percent increase in revenues from FY 2005 to FY 2006.)

Item 190 #9s

Education: Higher Education

Longwood University

FY 04-05

FY 05-06

\$162,910

\$300,758 GF

\$177,061 \$326,881 NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,426,362".

Page 151, line 48, strike "\$32,427,726" and insert "\$33,055,365".

Page 152 line 40, insert:

"F. Out of this appropriation, \$162,910 is provided in the first year and \$300,758 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 191 #1s

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 provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Education: Higher Education	FY 04-05	FY 05-06	
Mary Washington College	\$2,820,805	\$2,821,284	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$39,318,403".

Page 153, line 24, strike "\$36,494,738" and insert "\$39,316,022".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

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.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Education: Higher Education	FY 04-05	FY 05-06	
Mary Washington College	\$1,147,002	\$1,147,002	GF
	\$989,445	\$2,018,468	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$38,634,045".

Page 153, line 24, strike "\$36,494,738" and insert "\$39,660,208".

Page 154, line 1, insert:

"C. Out of this appropriation, \$1,147,002 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 194 #6s

Education: Higher Education

Mary Washington College

Language

Language:

Page 154, line 1, insert:

"C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$22,538,396 in nongeneral funds the first year and \$23,793,475 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 6.0 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 5.6 percent increase in revenues from FY 2005 to FY 2006.)

Item 194 #7s

Education: Higher Education

FY 04-05

FY 05-06

Mary Washington College	\$156,959	\$289,771	GF
	\$266,590	\$492,166	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$36,921,147".

Page 153, line 24, strike "\$36,494,738" and insert "\$37,276,675".

Page 154 line 1, insert:

"C. Out of this appropriation, \$156,959 is provided in the first year and \$289,771 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 195 #1s

Education: Higher Education	FY 04-05	FY 05-06	
Mary Washington College	\$25,324	\$25,324	GF

Language:

Page 154, line 1, strike "\$1,016,397" and insert "\$1,041,721".

Page 154, line 1, strike "\$1,016,397" and insert "\$1,041,721".

Explanation:

(This amendment provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Item 198 #1s

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 200 #1s

Education: Higher Education	FY 04-05	FY 05-06	
Norfolk State University	\$0	\$333,757	GF
	\$0	\$364,108	NGF

Language:

Page 155, line 14, strike "\$69,247,068" and insert "\$69,944,933".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 200 #2s

Education: Higher Education	FY 04-05	FY 05-06	
Norfolk State University	(\$85,400)	(\$85,400)	GF
	\$0	\$0	NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$68,804,653".

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

Page 156, strike lines 37 through 46.

Explanation:

(This amendment removes base operating funds for enrollment growth and student achievement provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment provides enrollment growth funding for the University in FY 2006.)

Item 200 #3s

Education: Higher Education

Norfolk State University

Language

Language:

Page 156, line 47, insert:

"H. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$31,320,780 in nongeneral funds the first year and \$34,995,787 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 9.9 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and an 11.7 percent increase in revenues from FY 2005 to FY 2006.)

Item 200 #4s

Education: Higher Education

Norfolk State University

FY 04-05

\$33,384

\$0

FY 05-06

(\$401,866)

\$401,866

GF

NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$68,923,437".

Explanation:

(This amendment applies the fund split policies adopted by the Joint Subcommittee Studying Higher Education Funding Policies to reflect the appropriate general and nongeneral fund share of academic program enhancements at the

institution.)

Item 200 #5s

Education: Higher Education	FY 04-05	FY 05-06	
Norfolk State University	\$254,988	\$470,748	GF
	\$451,567	\$833,662	NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$69,596,608".

Page 155, line 14, strike "\$69,247,068" and insert "\$70,551,478".

Page 156, line 47, insert:

"H. Out of this appropriation, \$254,988 is provided in the first year and \$470,748 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 204 #4s

Education: Higher Education	FY 04-05	FY 05-06	
Old Dominion University	\$2,043,744	\$2,045,257	NGF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$147,982,902".

Page 157, line 26, strike "\$149,163,120" and insert "\$151,208,377".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues

based on current FY 2004 tuition and enrollment levels.)

Item 204 #5s

Education: Higher Education	FY 04-05	FY 05-06	
Old Dominion University	(\$4,386,981)	(\$6,408,254)	GF
	(\$2,008,944)	(\$4,017,887)	NGF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$139,543,233".

Page 157, line 26, strike "\$149,163,120" and insert "\$138,736,979".

Page 158, strike lines 51 through 55.

Page 159, strike lines 1 through 7.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 204 #6s

Education: Higher Education	FY 04-05	FY 05-06	
Old Dominion University	\$11,660,544	\$11,660,544	GF
	\$2,827,035	\$5,767,152	NGF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$160,426,737".

Page 157, line 26, strike "\$149,163,120" and insert "\$166,590,816".

Page 159, line 21, insert:

"K. Out of this appropriation, \$11,660,544 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 204 #7s

Education: Higher Education

Old Dominion University

Language

Language:

Page 159, line 21, insert:

"K. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$67,045,899 in nongeneral funds the first year and \$70,743,624 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 5.9 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 5.5 percent increase in revenues from FY 2005 to FY 2006.)

Item 204 #8s

Education: Higher Education

Old Dominion University

FY 04-05

\$623,720

FY 05-06

\$1,151,484 GF

\$893,567

\$1,649,662 NGF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$147,456,445".

Page 157, line 26, strike "\$149,163,120" and insert "\$151,964,266".

Page 159, line 21, insert:

"K. Out of this appropriation, \$623,720 is provided in the first year and \$1,151,484 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use

nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 204 #10s

Education: Higher Education

Old Dominion University

Language

Language:

Page 159, line 14, strike "The"

Page 159, strike lines 15 through 20.

Explanation:

(This amendment removes language which made the FY 2005 appropriation for funding to connect Virginia's doctoral institutions to national advanced communications networks contingent on passage of the Governor's tax proposal.)

Item 205 #1s

Education: Higher Education

Old Dominion University

FY 04-05

\$248,240

FY 05-06

\$248,240 GF

Language:

Page 159, line 21, strike "\$9,598,779" and insert "\$9,847,019".

Page 159, line 21, strike "\$9,598,779" and insert "\$9,847,019".

Explanation:

(This amendment provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at

least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Item 208 #5s

Education: Higher Education	FY 04-05	FY 05-06	
Radford University	\$648,189	\$648,942	NGF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$65,108,801".

Page 160, line 25, strike "\$65,754,529" and insert "\$66,403,471".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 208 #6s

Education: Higher Education	FY 04-05	FY 05-06	
Radford University	(\$787,986)	(\$1,484,543)	GF
	(\$630,828)	(\$1,261,657)	NGF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$63,041,798".

Page 160, line 25, strike "\$65,754,529" and insert "\$63,008,329".

Page 160, strike lines 40 through 50.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 208 #7s

Education: Higher Education	FY 04-05	FY 05-06	
Radford University	\$5,571,645	\$5,571,645	GF

\$1,214,496 \$2,477,573 NGF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$71,246,753".

Page 160, line 25, strike "\$65,754,529" and insert "\$73,803,747".

Page 161, line 4, insert:

"D. Out of this appropriation, \$5,571,645 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 208 #8s

Education: Higher Education

Radford University

Language

Language:

Page 161, line 4, insert:

"D. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$30,611,506 in nongeneral funds the first year and \$32,223,653 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 5.7 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 5.3 percent increase in revenues from FY 2005 to FY 2006.)

Education: Higher Education	FY 04-05	FY 05-06	
Radford University	\$311,173	\$574,473	GF
	\$411,649	\$759,967	NGF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$65,183,434".

Page 160, line 25, strike "\$65,754,529" and insert "\$67,088,969".

Page 161, line 4, insert:

"D. Out of this appropriation, \$311,173 is provided in the first year and \$574,473 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Education: Higher Education	FY 04-05	FY 05-06	
Radford University	(\$75,000)	(\$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.)

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 provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Education: Higher Education	FY 04-05	FY 05-06	
Southwest Virginia Higher Education Center	3.00	3.00	FTE

Language:

Explanation:

(This amendment provides additional general fund position authority to the Southwest Virginia Higher Education Center.)

Education: Higher Education	
Southwest Virginia Higher Education Center	Language

Language:

Page 161, strike lines 42 through 47.

Explanation:

(This amendment strikes language making the proposed increase in the Governor's budget contingent on the passage of his tax proposal.)

Item 212 #3s

Education: Higher Education

Southwest Virginia Higher
Education Center

FY 04-05

\$135,292

FY 05-06

\$135,292 GF

Language:

Page 161, line 37, strike "\$1,875,458" and insert "\$2,010,750".

Page 161, line 37, strike "\$1,875,753" and insert "\$2,011,045".

Explanation:

(This amendment partially restores funding to the Center to expand access to higher education programs in the Southwest region.)

Item 213 #5s

Education: Higher Education

University Of Virginia

Language

Language:

Page 164, line 55, strike "Such reserve funds"

Page 164, strike lines 56 and 58.

Page 164, line 55, after "revenues.", insert: "Annual contributions to such reserve funds shall not exceed two percent of the asset value of the educational and general buildings constructed with nongeneral fund revenues for which such reserves are established."

Page 165, line 10, insert:

"4. In reviewing the financial and administrative relationships between the Commonwealth and its public higher education institutions, the joint subcommittee established pursuant to Senate Joint Resolution 90 of the 2004 General Assembly shall

review and make recommendation on whether the interest earned in this account should be retained by the University."

Explanation:

(This amendment amends language in the introduced budget allowing the University of Virginia to establish a reserve fund for repairing educational and general buildings constructed with nongeneral funds.)

Item 213 #8s

Education: Higher Education

University Of Virginia

Language

Language:

Page 165, line 35, insert:

"O. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, the University of Virginia may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth and its public institutions of higher education."

Explanation:

(This amendment allows the University to develop a prototype of the charter agreement referenced in Senate Bill 638 of the 2004 Session of the General Assembly. The bill has been carried over for the year, pending further development of the proposal.)

Item 213 #9s

Education: Higher Education

University Of Virginia

Language

Language:

Page 165, line 35, 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 #10s

Education: Higher Education

University Of Virginia

Language

Language:

Page 165, line 35, insert:

"O. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$216,504,154 in nongeneral funds the first year and \$229,001,949 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 6.2 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 5.8 percent increase in revenues from FY 2005 to FY 2006.)

Item 213 #11s

Education: Higher Education

University Of Virginia

FY 04-05

\$7,686,315

\$9,273,040

FY 05-06

\$7,686,315

\$18,917,002

GF

NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$379,321,656".

Page 162, line 8, strike "\$372,357,689" and insert "\$398,961,006".

Page 165, line 35, insert:

"O.1. Out of this appropriation, \$7,686,315 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 213 #12s

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia	(\$721,675)	(\$943,349)	GF
	(\$377,892)	(\$755,783)	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$361,262,734".

Page 162, line 8, strike "\$372,357,689" and insert "\$370,658,557".

Page 165, strike lines 10 through 21.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 213 #13s

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia	\$1,128,517	\$2,083,416	GF
	\$2,731,780	\$5,043,286	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$366,222,598".

Page 162, line 8, strike "\$372,357,689" and insert "\$379,484,391".

Page 165, line 35, insert:

"O. Out of this appropriation, \$1,128,517 is provided in the first year and \$2,083,416 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 213 #14s

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia	\$0	\$333,653	GF
	\$0	\$501,606	NGF

Language:

Page 162, line 8, strike "\$372,357,689" and insert "\$373,192,948".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 213 #15s

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia	\$21,867	\$44,843	GF
	(\$22,097)	\$11,844	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$362,362,071".

Page 162, line 8, strike "\$372,357,689" and insert "\$372,414,376".

Explanation:

(This amendment revises funding provided in the introduced budget for the operation and maintenance of new facilities coming on-line in FY 2005 based on the fund split policies adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 213 #16s

Education: Higher Education

University Of Virginia

FY 04-05

(\$11,200,000)

FY 05-06

(\$23,000,000) NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$351,162,301".

Page 162, line 8, strike "\$372,357,689" and insert "\$349,357,689".

Explanation:

(This amendment reverses an amendment included in the introduced budget in order to to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels. The original item is duplicative of nongeneral fund increases included in separate amendments herein.)

Item 213 #17s

Education: Higher Education

University Of Virginia

Language

Language:

Page 165, line 28, strike "The"

Page 165, strike lines 29 through 34.

Explanation:

(This amendment removes language which made the FY 2005 appropriation for funding to connect Virginia's doctoral institutions to national advanced communications networks contingent on passage of the Governor's tax proposal.)

Item 221 #3s

Education: Higher Education

University Of Virginia's College At

Language

Wise

Language:

Page 168, line 1, insert:

"B. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$4,999,436 in nongeneral funds the first year and \$5,436,120 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 7.8 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and an 8.7 percent increase in revenues from FY 2005 to FY 2006.)

Item 221 #4s

Education: Higher Education

University Of Virginia's College At
Wise

FY 04-05

\$465,000
\$280,341

FY 05-06

\$465,000 GF
\$576,762 NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,883,876".

Page 167, line 32, strike "\$14,135,756" and insert "\$15,177,518".

Page 168, line 1, insert:

"B. Out of this appropriation, \$465,000 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base

academic programs at Virginia's public colleges and universities.)

Item 221 #5s

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 base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 221 #6s

Education: Higher Education	FY 04-05	FY 05-06	
University Of Virginia's College At	\$76,960	\$142,080	GF
Wise	\$77,461	\$143,004	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,292,956".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,420,840".

Page 168, line 1, insert:

"B. Out of this appropriation, \$76,960 is provided in the first year and \$142,080 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 221 #7s

Education: Higher Education

FY 04-05

FY 05-06

University Of Virginia's College At
Wise

\$0
\$0

\$127,566
\$74,554

GF
NGF

Language:

Page 167, line 32, strike "\$14,135,756" and insert "\$14,337,876".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 221 #9s

Education: Higher Education

FY 04-05

FY 05-06

University Of Virginia's College At
Wise

\$96,886

\$97,052

NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,235,421".
Page 167, line 32, strike "\$14,135,756" and insert "\$14,232,808".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 222 #1s

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 provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Item 225 #2s

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 #5s

Education: Higher Education

Virginia Commonwealth University

FY 04-05

\$1,700,000

FY 05-06

\$1,700,000 GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$318,389,832".

Page 168, line 43, strike "\$328,929,473" and insert "\$330,629,473".

Page 169, line 7, strike "\$5,146,343" and insert "\$7,246,343".

Page 169, line 8, strike "\$5,146,343" and insert "\$7,246,343".

Explanation:

(This amendment restores funding to the family practice residency programs at VCU.)

Item 225 #6s

Education: Higher Education

Virginia Commonwealth University

Language

Language:

Page 169, line 21, 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 #10s

Education: Higher Education

Virginia Commonwealth University

Language

Language:

Page 173, line 8, insert:

"Q. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$137,593,464 in nongeneral funds the first year and \$147,641,295 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 6.7 percent increase in anticipated revenues for FY 2005

over adjusted FY 2004 nongeneral fund revenues and a 7.3 percent increase in revenues from FY 2005 to FY 2006.)

Item 225 #11s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	\$14,086,902	\$14,086,902	GF
	\$6,469,808	\$13,263,107	NGF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$337,246,542".

Page 168, line 43, strike "\$328,929,473" and insert "\$356,279,482".

Page 173, line 8, insert:

"Q. Out of this appropriation, \$14,086,902 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 225 #12s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	(\$1,703,325)	(\$1,956,251)	GF
	(\$200,573)	(\$441,145)	NGF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$314,785,934".

Page 168, line 43, strike "\$328,929,473" and insert "\$326,532,077".

Page 172, strike lines 41 through 52.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 225 #13s

Education: Higher Education

	FY 04-05	FY 05-06	
Virginia Commonwealth University	\$1,521,646	\$2,809,193	GF
	\$2,042,941	\$3,771,584	NGF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$320,254,419".
Page 168, line 43, strike "\$328,929,473" and insert "\$335,510,250".
Page 173, line 8, insert:

"Q. Out of this appropriation, \$1,521,646 is provided in the first year and \$2,809,193 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 225 #14s

Education: Higher Education

	FY 04-05	FY 05-06	
Virginia Commonwealth University	\$0	\$1,956,961	GF
	\$0	\$1,394,117	NGF

Language:

Page 168, line 43, strike "\$328,929,473" and insert "\$332,280,551".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 225 #16s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	\$0	\$55,000	GF
	\$0	\$83,794	NGF

Language:

Page 168, line 43, strike "\$328,929,473" and insert "\$329,068,267".

Explanation:

(This amendment revises funding provided in the introduced budget for the operation and maintenance of new facilities coming on-line in FY 2005 based on the fund split policies adopted by the Joint Subcommittee Studying Higher Education Funding Policies.)

Item 225 #17s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	(\$7,897,781)	(\$17,701,279)	NGF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$308,792,051".

Page 168, line 43, strike "\$328,929,473" and insert "\$311,228,194".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels. As introduced, the institution's base budget included increases in tuition revenue that are addressed through separate nongeneral fund adjustments herein.)

Education: Higher Education

Virginia Commonwealth University

Language

Language:

Page 173, line 1, strike "The"

Page 173, strike lines 2 through 7.

Explanation:

(This amendment removes language which made the FY 2005 appropriation for funding to connect Virginia's doctoral institutions to national advanced communications networks contingent on passage of the Governor's tax proposal.)

Education: Higher Education

Virginia Commonwealth University

FY 04-05

\$16,913

FY 05-06

\$16,913 GF

Language:

Page 173, line 8, strike "\$11,599,345" and insert "\$11,616,258".

Page 173, line 8, strike "\$11,599,345" and insert "\$11,616,258".

Explanation:

(This amendment provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Education: Higher Education

Virginia Community College System

FY 04-05

\$1,364,726
\$725,206

FY 05-06

\$1,364,726 GF
\$725,206 NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$509,071,271".

Page 174, line 20, strike "\$517,392,172" and insert "\$519,482,104".

Explanation:

(This amendment provides additional funding to operate the medical education campus of Northern Virginia Community College. Funding will permit admission of 375 new students in each year of the biennium for a total of 750 new students.)

Item 230 #3s

Education: Higher Education

FY 04-05

FY 05-06

Virginia Community College

\$433,567

\$433,567 GF

System

\$546,433

\$546,433 NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$507,961,339".

Page 174, line 20, strike "\$517,392,172" and insert "\$518,372,172".

Page 178, line 27, insert:

"T. This appropriation includes \$433,567 each year from the general fund and \$546,433 in each year from nongeneral funds for the annual lease or debt service costs of academic space in Fairfax County."

Explanation:

(This amendment provides funding for the capital lease or debt service costs for a 25,000 square foot facility in Fairfax County that will provide academic space, including classrooms, laboratories, and offices.)

Item 230 #5s

Education: Higher Education

Virginia Community College

Language

System

Language:

Page 465, after line 44, insert:

"Sale or lease of interest in real property granted by purchase, deed or gift; the State Board for Community Colleges shall be authorized to lease, sell, or convey any interest it may have in real property that has been or may hereafter be acquired by purchase, will or deed of gift provided that the terms of the lease, sale or conveyance have been reviewed by the Department of General Services to ensure that a fair market value for the use or purchase of the property has been agreed to by all parties. Notwithstanding any other provisions of law, all proceeds from such leases, sales and conveyances shall be held, used and administered by the Virginia Community College System in the same manner as all other gifts and bequests are held, used and administered."

Explanation:

(This amendment allow the Virginia Community College System to maintain proceeds from the sale or lease of property donated by local governments or purchased through nongeneral funds.)

Item 230 #12s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College System	\$288,560	\$381,168	GF
	\$36,356	\$112,181	NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$507,306,255".
 Page 174, line 20, strike "\$517,392,172" and insert "\$517,885,521".

Explanation:

(This amendment provides additional support for the operation and maintenance of facilities coming on-line in the 2004-06 biennium. Partial funding was provided in the introduced budget.)

Item 230 #13s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College System	\$433,566	\$433,566	GF
	\$546,434	\$546,434	NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$507,961,339".

Page 174, line 20, strike "\$517,392,172" and insert "\$518,372,172".

Page 178, line 27, insert:

"T. This appropriation includes \$433,566 each year from the general fund and \$546,434 in each year from nongeneral funds for the annual lease or debt service costs of academic space in the Arlington/Alexandria area."

Explanation:

(This amendment provides funding for the capital lease or debt service costs for a 25,000 square foot facility in Fairfax County that will provide academic space, including classrooms, laboratories, and offices.)

Item 230 #14s

Education: Higher Education

Virginia Community College
System

Language

Language:

Page 178, line 27, insert:

"T. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$202,132,774 in nongeneral funds the first year and \$217,051,810 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 7.0 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 7.4 percent increase in revenues from FY 2005 to FY 2006.)

Item 230 #15s

Education: Higher Education

Virginia Community College
System

FY 04-05	FY 05-06	
\$32,525,702	\$32,525,702	GF
\$8,734,934	\$17,906,614	NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$548,241,975".

Page 174, line 20, strike "\$517,392,172" and insert "\$567,824,488".

Page 178, line 27, insert:

"T. Out of this appropriation, \$32,525,702 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 230 #16s

Education: Higher Education

Virginia Community College
System

FY 04-05

(\$14,503,553)
(\$3,384,793)

FY 05-06

(\$20,885,499) GF
(\$6,769,586) NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$489,092,993".

Page 174, line 20, strike "\$517,392,172" and insert "\$489,737,087".

Page 175, strike lines 2 through 13.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 230 #17s

Education: Higher Education

FY 04-05

FY 05-06

Virginia Community College	\$2,353,291	\$4,344,537	GF
System	\$2,272,410	\$4,195,218	NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$511,607,040".

Page 174, line 20, strike "\$517,392,172" and insert "\$525,931,927".

Page 162, line 35, insert:

"O. Out of this appropriation, \$2,353,291 is provided in the first year and \$4,344,537 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 230 #18s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College	\$0	\$5,899,010	GF
System	\$0	\$3,527,642	NGF

Language:

Page 174, line 20, strike "\$517,392,172" and insert "\$526,818,824".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Item 230 #20s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College	\$4,547,805	\$4,547,805	NGF

System

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$511,529,144".

Page 174, line 20, strike "\$517,392,172" and insert "\$521,939,977".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 231 #1s

Education: Higher Education

Virginia Community College
System

FY 04-05

\$1,418,598

FY 05-06

\$1,418,598 GF

Language:

Page 178, line 27, strike "\$71,178,055" and insert "\$72,596,653".

Page 178, line 27, strike "\$71,178,055" and insert "\$72,596,653".

Explanation:

(This amendment provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Item 237 #1s

Education: Higher Education

Virginia Military Institute

Language

Language:

Page 180, line 1, insert:

"B. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,315,824 in nongeneral funds the first year and \$15,091,081 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 5.9 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 5.4 percent increase in revenues from FY 2005 to FY 2006.)

Item 237 #2s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Military Institute	(\$89,707)	(\$145,564)	GF
	(\$606,835)	(\$606,835)	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$22,589,680".

Page 179, line 32, strike "\$23,287,948" and insert "\$22,535,549".

Page 179, strike lines 43 through 53.

Explanation:

(This amendment removes general fund base operating support provided in the introduced budget adjusted with a hold harmless provision for VMI to maintain general fund support at the levels provided in the introduced budget. Adjustments to VMI's nongeneral fund appropriation, in conjunction with other amendments provided herein, reflect anticipated tuition revenues over the course of the biennium.)

Item 237 #4s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Military Institute	\$66,015	\$121,872	GF
	\$188,219	\$347,481	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$23,540,456".

Page 179, line 32, strike "\$23,287,948" and insert "\$23,757,301".

Page 180, line 1, insert:

"B. Out of this appropriation, \$66,015 is provided in the first year and \$121,872 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 237 #5s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Military Institute	\$1,608,737	\$2,224,732	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$24,894,959".

Page 179, line 32, strike "\$23,287,948" and insert "\$25,512,680".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels.)

Item 238 #1s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Military Institute	\$23,692	\$23,692	GF

Language:

Page 180, line 1, strike "\$798,494" and insert "\$822,186".

Page 180, line 1, strike "\$798,494" and insert "\$822,186".

Explanation:

(This amendment provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Item 240 #1s

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 make in the budget, as introduced.)

Item 242 #1s

Education: Higher EducationVirginia Polytechnic Institute And
State University

Language

Language:

Page 182, line 51, insert:

"J. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, Virginia Polytechnic Institute and State University may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth

and its public institutions of higher education."

Explanation:

(This amendment allows the University to develop a prototype of the charter agreement referenced in Senate Bill 638 of the 2004 Session of the General Assembly. The bill has been carried over for the year, pending further development of the proposal.)

Item 242 #2s

Education: Higher Education

Virginia Polytechnic Institute And
State University

Language

Language:

Page 182, line 51, insert:

"J. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$188,136,345 in nongeneral funds the first year and \$199,897,309 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 6.5 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 6.3 percent increase in revenues from FY 2005 to FY 2006.)

Item 242 #3s

Education: Higher Education

Virginia Polytechnic Institute And
State University

FY 04-05

\$8,221,211

\$8,638,192

FY 05-06

\$8,221,211

\$17,708,294

GF

NGF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$379,270,452".

Page 181, line 28, strike "\$361,243,110" and insert "\$387,172,615".

Page 182, line 51, insert:

"J. Out of this appropriation, \$8,221,211 is provided from the general fund each year

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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 242 #4s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Polytechnic Institute And	(\$513,276)	(\$976,551)	GF
State University	(\$657,842)	(\$1,315,685)	NGF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$361,239,931".
 Page 181, line 28, strike "\$361,243,110" and insert "\$358,950,874".
 Page 182, strike lines 26 through 37.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Item 242 #5s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Polytechnic Institute And	\$1,234,679	\$2,279,408	GF
State University	\$2,233,194	\$5,081,469	NGF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$365,878,922".
Page 181, line 28, strike "\$361,243,110" and insert "\$368,603,987".
Page 182, line 51, insert:

"J. Out of this appropriation, \$1,234,679 is provided in the first year and \$2,279,408 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 242 #6s

Education: Higher Education

Virginia Polytechnic Institute And
State University

FY 04-05

(\$2,466,505)

FY 05-06

(\$2,740,891) NGF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$359,944,544".
Page 181, line 28, strike "\$361,243,110" and insert "\$358,502,219".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels. As introduced, the institution's base budget included increases in tuition revenue that are addressed through separate nongeneral fund adjustments herein.)

Item 242 #7s

Education: Higher Education

Virginia Polytechnic Institute And

Language

State University

Language:

Page 182, line 44, strike "The"
Page 182, strike lines 45 through 50.

Explanation:

(This amendment removes language which made the FY 2005 appropriation for funding to connect Virginia's doctoral institutions to national advanced communications networks contingent on passage of the Governor's tax proposal.)

Item 246 #1s

Education: Higher Education

	FY 04-05	FY 05-06	
Virginia Cooperative Extension And	\$2,089,286	\$2,089,286	GF
Agricultural Experiment Station	39.00	39.00	FTE

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$73,838,091".
Page 184, line 39, strike "\$72,023,805" and insert "\$74,113,091".

Explanation:

(This amendment funds critical staffing aimed at building stronger and more economically viable agricultural and forestry industries while addressing critical issues affecting families and communities throughout the Commonwealth.)

Item 246 #3s

Education: Higher Education

Virginia Cooperative Extension And	Language
Agricultural Experiment Station	

Language:

Page 185, strike the remainder of line 22, after "profitability."
Page 185, strike lines 23 through 26.

Explanation:

(This amendment eliminates the contingent provision included in the introduced budget for the appropriation for research and development activities aimed at

increasing farm receipts and profitability.)

Item 246 #4s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Cooperative Extension And	\$628,440	\$1,160,197	GF
Agricultural Experiment Station	\$170,102	\$314,034	NGF

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$72,547,347".

Page 184, line 39, strike "\$72,023,805" and insert "\$73,498,036".

Page 185, line 27, insert:

"E. Out of this appropriation, \$628,440 is provided in the first year and \$1,160,197 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 247 #2s

Education: Higher Education

Virginia State University

Language

Language:

Page 187, line 1, insert:

"E. With approval from the Secretary of Education, Virginia State University is authorized to implement upgrades to the campus administrative system from nongeneral fund resources, including tuition and fee revenue."

Explanation:

(This amendment provides the University with authority to use nongeneral fund revenues, including increased tuition and fee revenue, to upgrade its administrative

computing system.)

Item 247 #3s

Education: Higher Education

Virginia State University

FY 04-05

(\$187,000)

FY 05-06

\$0 GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$45,835,902".

Page 186, line 41, after "facilities", strike "." and insert:

", and costs associated with upgrading the campus telecommunications network."

Explanation:

(This amendment authorizes the University to upgrade its campus telecommunications network through existing funds set aside for deferred maintenance of campus facilities. Funding for the University's deferred maintenance of facilities is increased through a separate amendment to Part 2 of the budget, as amended.)

Item 247 #4s

Education: Higher Education

Virginia State University

Language

Language:

Page 187, line 1, insert:

"E. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$ 21,536,648 in nongeneral funds the first year and \$24,278,188 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Explanation:

(This amendment identifies the amount of nongeneral fund revenue anticipated from tuition and mandatory educational and general fees in FY 2005 and FY 2006. The funding levels reflect a 10.3 percent increase in anticipated revenues for FY 2005 over adjusted FY 2004 nongeneral fund revenues and a 12.7 percent increase in revenues from FY 2005 to FY 2006.)

Item 247 #5s

Education: Higher Education

FY 04-05

FY 05-06

Virginia State University	\$536,564	\$536,564	GF
	\$1,661,721	\$3,456,380	NGF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$48,221,187".

Page 185, line 43, strike "\$45,978,142" and insert "\$49,971,086".

Page 187, line 1, insert:

"E. Out of this appropriation, \$536,564 is provided from the general fund each year 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 reflects a portion of the more than \$100 million earmarked annually through the "Virginia Investment Act" to begin closing the gap in base academic programs at Virginia's public colleges and universities.)

Item 247 #6s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	(\$319,038)	(\$319,038)	GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$45,703,864".

Page 185, line 43, strike "\$45,978,142" and insert "\$45,659,104".

Page 185, strike lines 44 through 53.

Explanation:

(This amendment removes base operating funds provided in the introduced budget that are contingent on passage of the Governor's tax proposal. A separate amendment includes base funding for the institution provided through the "Virginia Investment Act.")

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	\$160,526	\$296,355	GF
	\$329,227	\$607,803	NGF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$46,512,655".

Page 185, line 43, strike "\$45,978,142" and insert "\$46,882,300".

Page 187, line 1, insert:

"E. Out of this appropriation, \$160,526 is provided in the first year and \$296,355 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	\$0	\$553,524	GF
	\$0	\$667,555	NGF

Language:

Page 185, line 43, strike "\$45,978,142" and insert "\$47,199,221".

Explanation:

(This amendment provides a one-year lag in funding to support anticipated enrollment growth between FY 2004 and FY 2005.)

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	\$329,757	\$329,757	GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$46,352,659".

Page 185, line 43, strike "\$45,978,142" and insert "\$46,307,899".

Explanation:

(This amendment provides additional funding for student financial aid based on anticipated tuition increases in FY 2005. Although the state currently meets 35 percent of remaining need, on average, across all public colleges and universities, several institutions fall short of the state average. Incremental funding reflected in amendments to the 2004-06 budget, as introduced, in combination with the funds already included in the introduced budget are provided with the intent of meeting at least 35 percent of remaining need at all institutions while continuing to move all institutions to the state goal of meeting at least 50 percent of remaining need.)

Item 247 #10s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	(\$114,672)	(\$348,461)	GF
	\$114,672	\$348,461	NGF

Language:

Explanation:

(This amendment applies the fund split policies adopted by the Joint Subcommittee Studying Higher Education Funding Policies to reflect the appropriate general and nongeneral fund share of academic program enhancements at the institution.)

Item 247 #11s

Education: Higher Education	FY 04-05	FY 05-06	
Virginia State University	\$1,525,854	\$1,519,763	NGF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$47,548,756".
Page 185, line 43, strike "\$45,978,142" and insert "\$47,497,905".

Explanation:

(This amendment provides a technical adjustment to the institution's nongeneral fund revenues in order to reconcile appropriated funding with anticipated revenues based on current FY 2004 tuition and enrollment levels. As introduced, the institution's base budget included increases in tuition revenue that are addressed through separate nongeneral fund adjustments herein.)

Item 251 #1s

Education: Higher Education	FY 04-05	FY 05-06	
Cooperative Extension And	\$20,117	\$37,138	GF
Agricultural Research Services	\$741	\$1,368	NGF

Language:

Page 187, line 34, strike "\$7,275,641" and insert "\$7,296,499".
Page 187, line 34, strike "\$8,083,452" and insert "\$8,121,958".
Page 188, line 18, insert:

"D. Out of this appropriation, \$20,117 is provided in the first year and \$37,138 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Explanation:

(This amendment is self-explanatory.)

Item 254 #2s

Education: Other	FY 04-05	FY 05-06	
Jamestown-Yorktown Foundation	\$153,000	\$362,000	GF

\$153,000	\$362,000	NGF
3.00	7.00	FTE

Language:

Page 189, line 14, strike "\$12,086,638" and insert "\$12,392,638".

Page 189, line 14, strike "\$12,216,411" and insert "\$12,940,411".

Explanation:

(This amendment provides operating funds to support security improvements, technology programming, and administrative costs related to the upcoming 2007 Commemoration.)

Item 255 #1s

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 259 #1s

Education: Other

The Library Of Virginia

FY 04-05

\$250,000

FY 05-06

\$250,000 GF

Language:

Page 194, line 1, strike "\$16,191,477" and insert "\$16,441,477".

Page 194, line 1, strike "\$16,191,477" and insert "\$16,441,477".

Explanation:

(This amendment partially restores funding to local public libraries.)

Item 260 #1s

Education: Other

The Library Of Virginia

Language

Language:

Page 194, strike lines 14-18.

Explanation:

(This amendment deletes language proposed by the Governor that would allow the Library of Virginia to use any appropriated funds to purchase licenses for online databases that can be accessed by public libraries statewide.)

Item 262 #1s

Education: Other

Language:

Page 195, strike lines 27 through 33.

Explanation:

(This amendment deletes language making the additional appropriation of \$210,000 the first year and \$430,000 the second year for grants for the arts contingent on enactment of the Governor's tax proposal.)

Item 264 #1s

Education: Other

Virginia Museum Of Fine Arts

Language

Language:

Page 196, Line 27, insert:

“D. Notwithstanding any other provisions of law, the payment to the City of Richmond for payment in lieu of taxes for FY 2005 and FY 2006 shall not exceed \$158,513.”

Explanation:

(This amendment caps the payments in lieu of taxes paid by the Virginia Museum of Fine Arts at the level in effect on July 1, 2003.)

Item 265 #2s

Education: Higher Education

Eastern Virginia Medical School

FY 04-05

\$370,481

FY 05-06

\$370,481

GF

Language:

Page 196, line 36, strike "\$11,847,875" and insert "\$12,218,356".

Page 196, line 36, strike "\$11,847,875" and insert "\$12,218,356".

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 267 #1s

Education: Higher Education	FY 04-05	FY 05-06	
Institute For Advanced Learning And Research	\$2,080,839	\$2,080,839	GF

Language:

Page 198, line 39, strike "\$1,521,681" and insert "\$3,602,520".

Page 198, line 39, strike "\$1,521,681" and insert "\$3,602,520".

Page 198, line 45, strike "\$1,521,681 in the first year and \$1,521,681 in the second year" and insert "\$3,062,520 in the first year and \$5,609,281 in the second year"

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.)

Item 268 #1s

Education: Higher Education	FY 04-05	FY 05-06	
Roanoke Higher Education Authority	\$179,463	\$179,463	GF

Language:

Page 199, line 21, strike "\$618,075" and insert "\$797,538".

Page 199, line 21, strike "\$618,075" and insert "\$797,538".

Explanation:

(This amendment provides funding for the Roanoke Higher Education Center to provide additional workforce development, technology training, and higher education programs.)

Item 269 #1s

Education: Higher Education	FY 04-05	FY 05-06	
Southeastern Universities Research Association, Incorporated	\$0	\$0	GFLanguage

Language:

Page 200, line 19, insert "C. Pursuant to Item 506 F. of this Act, a three-year grant totaling \$500,000 each year shall be provided to the Authority through the Commonwealth Technology Research Fund to support the development of the Hampton Roads Research Institute."

Explanation:

(This amendment provides funding for the Hampton Roads Research Institute, a non-profit, multi-institution collaborative research enterprise.)

Item 270 #1s

Education: Higher Education

Virginia College Building Authority

Language

Language:

Page 201, lines 30 and 31, strike "\$52,168,843" and insert "\$53,668,843"
Page 202, line 4, strike "\$500,000" in each year and insert "\$2,000,000" in each year.

Explanation:

(This amendment increases the authorization for the Institute for Advanced Learning and Research in Danville to purchase \$2 million annually in academic and research equipment through the Higher Education Equipment Trust Fund. A companion amendment in the Treasury Board provides the additional debt service required to support the lease payments on the \$2 million annual authorization.)

Item 272 #2s

Finance

Department Of Accounts

Language

Language:

Page 203, line 43, strike "The" and insert "A.The"
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 forty-eight hours of their initial run after the close of the business month."

Explanation:

(This amendment requires the Department of Accounts to provide monthly and year-end revenue and expenditure reports generated by the Commonwealth's financial and accounting systems when those reports become available and in a spreadsheet or other interactive electronic form. The current delivery method results in lengthy delays and provides information in formats that cannot be analyzed by computer spreadsheets and other software.)

Item 274 #1s

Finance	FY 04-05	FY 05-06	
Department Of Accounts	(\$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 transfers funding for the proposed school review program to the Office of Education. A companion amendment to Item 135 provides \$1.0 million GF the first year to continue these reviews as a pilot program under the Secretary of Education.)

Item 274 #2s

Finance	FY 04-05	FY 05-06	
Department Of Accounts	\$450,000	\$450,000	GF
	5.00	5.00	FTE

Language:

Page 204, line 7, strike "\$5,757,749" and insert "\$6,207,749".
 Page 204, line 7, strike "\$6,577,749" and insert "\$7,027,749".

Explanation:

(This amendment provides \$450,000 GF and 5.00 FTE employees the first year and \$450,000 GF and 5.00 FTE employees the second year to address financial control issues raised in the report by the Auditor of Public Accounts.)

Item 280 #1s

Finance	FY 04-05	FY 05-06	
Department Of Accounts Transfer Payments	\$0	\$100,000,000	GF

Language:

Page 207, line 10, strike "\$87,000,000" and insert "\$187,000,000".

Explanation:

(This amendment provides \$100.0 million the second year for an additional deposit to the Revenue Stabilization Fund. A companion amendment to SB 29 provides \$100.0 million for an additional deposit in FY 2004.)

Item 282 #1s

Finance	FY 04-05	FY 05-06	
Department Of Accounts Transfer Payments	(\$640,000)	(\$1,980,000)	GF

Language:

Page 207, line 49, strike "\$2,500,000" and insert "\$1,860,000".

Page 207, line 49, strike "\$3,110,000" and insert "\$1,130,000".

Explanation:

(This amendment reduces the General Fund appropriation for the Line of Duty Act to reflect the modernization of the program under the provisions of Senate Bill 284 of the 2004 session.)

Item 283 #1s

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, following "Virginia" insert "and Title 2.2, Chapter 26, Article 8, Code of Virginia".

Page 209, following line 9, insert:

"D.1. The Department of Planning and Budget shall provide staffing and operational support for the Commonwealth Competition Council. Other state agencies and institutions of the Commonwealth shall assist the Commonwealth Competition Council in its work, upon request of the chairman of the Council.

2. There is hereby created on the books of the Comptroller a special, nonreverting fund known as the "Commonwealth Competition Council Savings Recovery Fund." The special fund appropriation in this item provides \$250,000 each year from the Fund to cover the costs of the staffing and operational support that the Department of Planning and Budget provides to the council.

3. Prior to April 1 of 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 in which the 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 such savings recommendations and shall certify to the State Comptroller by June 1 each year the total of any savings realized by state agencies or institutions as a result of the recommendations of the Commonwealth Competition Council. By July 1 of each year, the State Comptroller shall transfer 10 percent of such certified savings to the Commonwealth Competition Council Savings Recovery Fund for support of the Council's operations. If such savings have since accrued to the benefit of the general fund of the Commonwealth, either by subsequent budgetary action or by reversion, at the time of such certification 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 in accordance with the above provisions shall not exceed \$500,000 in any 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 #1s

Finance

Department Of Taxation

Language

Language:

Page 214, after line 29, insert:

"H. Notwithstanding § 58.1-439.12:01 D of Senate Bill 537 (2004 Session), the department is authorized to prorate, with no repayment necessary in succeeding fiscal years, the amount of award each eligible corporation receives to match the maximum allocation of tax credits stipulated in § 58.1-439.12:01 C of Senate Bill 537."

Explanation:

(This amendment authorizes the Department of Taxation to prorate tax credits for cigarettes manufactured and exported in a given year if there is an oversubscription of tax credits in that year. The amendment also declares that in such situations the amount of the unawarded tax credit shall not be paid in future years.)

Item 286 #2s

Finance

Department Of Taxation

FY 04-05

(\$251,326)

FY 05-06

(\$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 Taxation. The recent postage increase was not generally budgeted.)

Item 286 #3s

Finance	FY 04-05	FY 05-06	
Department Of Taxation	(\$2,408,376)	(\$1,551,529)	GF
	-20.00	-20.00	FTE

Language:

Page 210, line 11, strike "\$47,996,407" and insert "\$45,588,031".

Page 210, line 11, strike "\$47,903,407" and insert "\$46,351,878".

Explanation:

(This amendment reduces the proposed increase in the Department of Taxation to implement the Governor's tax reform package.)

Item 286 #4s

Finance	FY 04-05	FY 05-06	
Department Of Taxation	(\$854,951)	(\$871,030)	GF

Language:

Page 210, line 11, strike "\$47,996,407" and insert "\$47,141,456".

Page 210, line 11, strike "\$47,903,407" and insert "\$47,032,377".

Explanation:

(This amendment reduces the technology funding in the introduced budget for computer hardware and software including personal computers, printers, monitors and network equipment.)

Item 290 #1s

Finance	FY 04-05	FY 05-06	
Department Of The Treasury	\$1,124,883	\$0	GF

Language:

Page 216, line 33, strike "\$7,387,807" and insert "\$8,512,690".

Page 216, after line 54, insert:

"C.1 From the amounts appropriated in Insurance Services, there shall be paid for the relief of Julius Earl Ruffin from the general fund, upon execution of a release of all

claims he may have against the Commonwealth or any agency, instrumentality, officer, employee, or political subdivision, (i) the sum of \$500,000 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 (ii) an annuity for the primary benefit of Julius Earl Ruffin providing for equal monthly payments for a period certain of thirty years commencing on or before September 1, 2004, in the cumulative amount of \$1,000,000.

2. The State Treasurer shall purchase the annuity 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, and 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 for the relief of Julius Ruffin who was wrongly incarcerated for 21 years before being exonerated through DNA technology. The total cost to the state from this \$1.5 million compensation will be approximately \$1,124,883.)

Item 290 #2s

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.)

Item 295.10 #1s

Finance	FY 04-05	FY 05-06	
Treasury Board	\$12,378,875	\$12,878,875	GF

Language:

Page 220, following line 35

"295.10. Capital Repairs and Improvements	\$12,378,875	\$12,878,875
Revolving Fund		
Fund Sources: General	\$12,378,875	\$12,878,875."

The appropriation to this item is the initial deposit of \$12,378,875 GF the first year and \$12,878,87 GF the second year to the Capital Repairs and Improvements Revolving Fund, as provided for in Item C-194.1 of this act. Upon attaining a cash balance sufficient to sustain revolving loans of \$25,000,000 annually, the Virginia Public Building Authority may make loans from the fund to address necessary repairs, improvements and to address deferred maintenance as provided for in Item C-194.1."

Explanation:

(This amendment provides for a deposit of \$12.4 million GF the first year and \$12.9 million GF the second year as initial capital contributions to the Capital Repairs and Improvements Revolving Fund. This represents 2 percent of the new tax-supported debt to be issued in the 2004-2006 biennium.)

Item 296 #1s

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"

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 \$2 million a year.)

Item 296 #1s

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 #7s

Finance	FY 04-05	FY 05-06	
Treasury Board	\$929,277	\$5,052,529	GF

Language:

Page 220, line 36, strike "\$299,294,769" and insert "\$300,224,046".
 Page 220, line 36, strike "\$345,609,242" and insert "\$350,661,771".

Explanation:

(This amendment provides \$0.9 million GF the first year and \$5.1 million GF the second year for the debt service on projects authorized in the 2004-06 budget, as introduced.)

Item 298 #2s

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, with agencies assisting as requested,

shall study the availability of obstetrical services throughout the Commonwealth. In conducting the study, the Secretary shall: (i) assess the current availability of obstetrical services in the Commonwealth and identify any areas of the Commonwealth where there is inadequate access to such services; (ii) identify the main reasons why there are areas of the Commonwealth where there is inadequate access to obstetrical care; (iii) identify any specific problems regarding access to obstetrical care for Medicaid and FAMIS enrollees; (iv) evaluate the current availability and affordability of malpractice insurance for obstetricians and assess the degree to which this may be contributing to the lack of access to obstetrical care in certain areas of the Commonwealth; and (v) recommend actions that can be taken to improve access to obstetrical care throughout the Commonwealth. The Bureau of Insurance shall assist the Secretary in conducting this study and provide support and information regarding the availability of malpractice insurance and the trends in such premiums over the last ten years and future projections. The Secretary shall report the findings of the study to the Governor, and to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2004."

Explanation:

(This amendment requires the Secretary of Health and Human Resources to conduct a study of obstetrical services in the Commonwealth in order to determine what future course of action is prudent.)

Item 299 #1s

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 the 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 is self-explanatory.)

Item 301 #1s

Health And Human Resources

FY 04-05

FY 05-06

Department For The Aging

\$70,191

\$70,191 GF

Language:

Page 232, line 16, strike "\$26,433,352" and insert "\$26,503,543".

Page 232, line 16, strike "\$26,573,352" and insert "\$26,643,543".

Page 233, line 24, strike "\$329,809" and insert "\$400,000".

Page 233, line 25, strike "\$329,809" and insert "\$400,000".

Explanation:

(This amendment restores funding to the Pharmacy Connect Program in Southwest Virginia that was reduced by the General Assembly in 2003. 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 #2s

Health And Human Resources

FY 04-05

FY 05-06

Department For The Aging

\$1,000,000

\$1,000,000 GF

Language:

Page 232, line 16, strike "\$26,433,352" and insert "\$27,433,352".

Page 232, line 16, strike "\$26,573,352" and insert "\$27,573,352".

Page 233, after line 39, insert:

"K. Out of this appropriation, \$1,000,000 from the general fund each year shall be provided to area agencies on aging to meet the documented needs of the elderly in local communities."

Explanation:

(This amendment restores \$1.0 million from the general fund each year to meet the documented needs of local area agencies on aging such as transportation services, in-home care, adult day health and respite care. Funding for area agencies on aging was reduced by \$1.4 million each year in 2003.)

Health And Human Resources	FY 04-05	FY 05-06	
Department For The Aging	\$200,000	\$200,000	GF

Language:

Page 232, line 16, strike "\$26,433,352" and insert "\$26,633,352".
 Page 232, line 16, strike "\$26,573,352" and insert "\$26,773,352".

Explanation:

(This amendment provides \$200,000 each year from the general fund to the Department for the Aging for care coordination (case management) programs offered by area agencies on aging. Care coordination services are designed to link elderly Virginians with community resources allowing these individuals to "age in place" in their own homes.)

Health And Human Resources	
Department For The Aging	Language

Language:

Page 232, strike lines 48 through 52.
 Page 233, strike lines 1 and 2.

Explanation:

(This amendment eliminates language in the introduced budget making the additional funding for the Virginia Public Guardian and Conservator Program contingent upon the Governor's proposed tax plan. The introduced budget added \$110,000 in the first year and \$250,000 in 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 addressing contingency funding for Olmstead initiatives.)

Health And Human Resources	FY 04-05	FY 05-06
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Page 236, line 44, strike "\$25,000" and insert "\$50,000".
Page 236, line 45, strike "\$25,000" and insert "\$50,000".

Explanation:

(This amendment provides \$25,000 from the general fund each year to provide additional scholarships for dental students and loan repayments for dentists who agree to serve in underserved areas of the Commonwealth.)

Item 306 #5s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Health	\$560,568	\$560,568	GF
	(\$560,568)	(\$560,568)	NGF

Language:

Page 235, line 41, strike "\$220,396" and insert "\$780,964".
Page 235, strike line 42 and insert "fund each year".
Page 236, strike line 43.
Page 236, strike "nongeneral funds the second year".

Explanation:

(This amendment restores \$560,568 from the general fund each year for medical scholarships and loan repayments that were to be financed with license fee revenues pursuant to action taken by the 2003 General Assembly.)

Item 307 #2s

Health And Human Resources	
Department Of Health	Language

Language:

Page 238, line 2, after "services" insert a period.
Page 238, delete lines 3 through 6.

Explanation:

(This amendment removes language making the deposit of \$13,800,000 each year into the special revenue fund for emergency medical services contingent upon passage of the Governor's tax plan.)

Item 310 #1s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Health	\$48,500	\$48,500	GF

Language:

Page 238, line 34, strike "\$89,997,059" and insert "\$90,045,559".

Page 238, line 34, strike "\$91,107,059" and insert "\$91,155,559".

Page 239, after line 15, insert:

"D. Out of this appropriation, \$48,500 from the general fund each year shall be used to purchase prescription medications for individuals who have drug-resistant tuberculosis and require prolonged treatment services."

Explanation:

(This amendment provides \$48,500 from the general fund each year to purchase an intensive drug treatment regimen for low-income Virginians with drug-resistant tuberculosis who require prolonged treatment.)

Item 310 #2s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Health	\$51,500	\$51,500	GF

Language:

Page 238, line 34, strike "\$89,997,059" and insert "\$90,048,559".

Page 238, line 34, strike "\$91,107,059" and insert "\$91,158,559".

Page 239, after line 15, insert:

"D. Out of this appropriation, \$51,500 from the general fund each year 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 is self-explanatory.)

Item 311 #1s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Health	\$225,000	\$225,000	GF

Language:

Page 239, line 16, strike "\$2,926,102" and insert "\$3,151,102".
Page 239, line 16, strike "\$2,926,102" and insert "\$3,151,102".
Page 239, line 26, strike "\$333,072" and insert "\$558,072".
Page 239, line 27, strike "\$333,072" and insert "\$558,072".

Explanation:

(This amendment restores \$225,000 from the general fund each year for regional health planning agencies that provide local input to the certificate of public need process. Funding for the planning agencies was reduced by \$547,615 each year in 2003.)

Item 311 #2s

Health And Human Resources

FY 04-05

FY 05-06

Department Of Health

\$60,000

\$60,000 GF

1.00

1.00 FTE

Language:

Page 239, line 16, strike "\$2,926,102" and insert "\$2,986,102".
Page 239, line 16, strike "\$2,926,102" and insert "\$2,986,102".

Explanation:

(This amendment provides \$60,000 each year to the Department of Health to add a staff member for an administrative hearing officer within the Division of Certificate of Public Need.)

Item 312 #1s

Health And Human Resources

FY 04-05

FY 05-06

Department Of Health

\$110,000

\$110,000 GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,286,490".
Page 240, line 15, strike "\$5,176,490" and insert "\$5,286,490".
Page 242, after line 30, insert:
"C. Out of this appropriation, \$110,000 from the general fund each year shall be

transferred to 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. 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 312 #2s

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 240, line 22, strike "\$125,000" and insert "\$225,000".
- Page 240, line 23, strike "\$125,000" and insert "\$225,000".

Explanation:

(This amendment restores \$100,000 each year from the general fund for the Comprehensive Health Investment Project (CHIP) of Virginia to draw down federal matching funds and serve an additional 250 individuals on the waiting list for services. General fund support for CHIP of Virginia was reduced by \$321,700 each year in 2003.)

Item 312 #3s

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 from the general fund each year shall be provided to the Virginia Primary Care Association to provide gap coverage for obstetrical services in rural communities at risk of losing obstetrical services."

Explanation:

(This amendment provides funding to the Virginia Primary Care Association to provide gap coverage to rural communities at risk of losing obstetrical services. The funding would be provided in the 2004-06 biennium only until such time as federal grants are awarded to assist in providing these services.)

Item 314 #3s

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 each year from federal 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 TANF block grant 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 #5s

Health And Human Resources

Department Of Health

FY 04-05

\$250,000

FY 05-06

\$250,000 GF

Language:

Page 242, line 31, strike "\$166,547,101" and insert "\$166,797,101".

Page 242, line 31, strike "\$166,547,101" and insert "\$166,797,101".

Page 242, line 52, strike "\$1,800,571" and insert "\$2,050,571".

Page 242, line 53, strike "\$1,800,571" and insert "\$2,050,571".

Page 243, after line 29, insert:

"3. Of this appropriation, \$250,000 each year from the general fund shall be paid to the Virginia Health Care Foundation to expand the Pharmacy Connect program to unserved or underserved regions of the Commonwealth."

Explanation:

(This amendment provides \$250,000 each year from the general fund to the Virginia Health Care Foundation to solicit proposals to expand the Pharmacy Connect programs 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 322 #2s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$300,000	\$200,000	GF
Services	\$300,000	\$200,000	NGF
	2.00	2.00	FTE

Language:

Page 246, line 25, strike "\$75,013,771" and insert "\$75,613,771".

Page 246, line 25, strike "\$75,013,728" and insert "\$75,413,728".

Page 248, after line 17, insert:

"G. Included in this appropriation is \$300,000 from the general fund and \$300,000 from nongeneral funds in the first year and \$200,000 from the general fund and \$200,000 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/FAMIS managed care plans and from the DMAS Medicaid Management Information System. The study objectives 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 \$300,000 GF and \$300,000 NGF in FY 2005 and \$200,000 GF and \$200,000 NGF in FY 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. The need for additional analytical capacity at the department is critical as Medicaid spending has transitioned from fee for service claims data to a capitation-based approach to providing health care services.)

Item 322 #3s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$250,000	\$150,000	GF
Services	\$250,000	\$150,000	NGF
	2.00	2.00	FTE

Language:

Page 246, line 25, strike "\$75,013,771" and insert "\$75,513,771".

Page 246, line 25, strike "\$75,013,728" and insert "\$75,313,728".

Explanation:

(This amendment provides \$150,000 each year from the general fund and \$150,000 each year from nongeneral funds and two positions to facilitate the implementation and ongoing operation of the mental retardation waiver program. An additional \$100,000 from the general fund and \$100,000 from nongeneral funds is provided in the first year only for systems costs related to the MR waiver expansion.)

Item 322 #4s

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 study 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 HMOs 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 #5s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$638,100	\$638,100	GF
Services	\$314,400	\$314,400	NGF
	4.00	4.00	FTE

Language:

Page 246, line 25, strike "\$75,013,771" and insert "\$75,966,271".

Page 246, line 25, strike "\$75,013,728" and insert "\$75,966,228".

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 Services) 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 shall have the authority to enact emergency regulations under Section 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 326 #3s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$3,992,156	\$4,210,160	GF
Services	\$3,992,156	\$4,210,160	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,065,082,889".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,437,052,939".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$3,992,156 from the general fund and \$3,992,156 from nongeneral funds the first year and \$4,210,160 from the general fund and \$4,210,160 from nongeneral funds the second year shall be used to increase the rates paid for the community-based Medicaid mental retardation waiver program by three percent on July 1, 2004."

Explanation:

(This amendment provides an increase of three percent on July 1, 2004 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.)

Item 326 #7s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$1,638,577	\$2,515,325	GF
Services	\$1,638,577	\$2,515,325	NGF

Language:

- Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,060,375,731".
- Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,433,663,269".
- Page 264, line 35, strike "\$344,756" and insert "\$2,328,089".
- Page 264, line 35, strike "\$459,675" and insert "\$3,434,675".
- Page 264, line 36, strike "\$344,756" and insert "\$2,328,089".
- Page 264, line 37, strike "\$459,675" and insert "\$3,434,675".
- Page 264, line 39, strike "is" and insert a period.
- Page 264, delete lines 40 through 43.

Explanation:

(This amendment provides funding for 117 new community-based Medicaid developmental disabilities (DD) waiver slots in FY 2005 and an additional 58 DD waiver slots in FY 2006 for a total of 175 DD waivers by the end of the biennium. Language that made this increase contingent upon passage of the Governor's tax proposal is eliminated in order to guarantee that additional DD waivers will be provided.)

Item 326 #8s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$22,000,000	\$22,000,000	GF
Services	\$22,000,000	\$22,000,000	NGF

Language:

- Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,101,098,577".
- Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,472,632,619".
- Page 251, after line 45, insert:
 "3. Of this amount, \$22,000,000 from the general fund each year and \$22,000,000 from the federal trust fund each year shall be used to add 880 new waiver slots under the Mental Retardation Waiver Program beginning July 1, 2004. Any unexpended appropriations for this purpose shall not cancel but be available in the following fiscal year."

Explanation:

(This amendment provides an increase of \$22.0 million from the general fund and \$22.0 million from federal funds each year to provide 880 new community-based mental retardation waiver slots. This funding will substantially reduce the urgent care waiting list, and it replaces any funding provided in the 2004-06 budget, as introduced,

for the same purposes. This initiative is part of the "Virginia Investment Act.")

Item 326 #10s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$2,500,000	\$2,500,000	GF
Services	\$2,500,000	\$2,500,000	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,062,098,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,433,632,619".

Page 258, line 59, strike "\$18,000,000" and insert "\$15,500,000"

Page 259, after line 12, insert:

"7. The Department of Medical Assistance Services shall make available under the Medicaid Preferred Drug List Program, without prior authorization, antidepressants and antianxiety medications used for the treatment of mental illness."

Explanation:

(This amendment exempts antidepressants and antianxiety medications used for the treatment of mental illness from the Preferred Drug List program.)

Item 326 #20s

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 256, strike line 19.

Page 256, line 20, strike "Medicaid and Medicare Services for a" and insert:

"The Department of Medical Assistance Services shall discontinue efforts to seek approval of a".

Page 256, line 28, strike "eliminate" and insert "restore the".

Page 256, line 32, strike "The Department shall implement these necessary".

Page 256, strike lines 33 through 34, and insert:

"The Department shall study the impact of expanding elderly case management services to a statewide service. The Department shall report the results of its study to the Chairmen of the House Appropriations and Senate Finance Committees and the Department of Planning and Budget no later than December 15, 2004. The

Department shall seek the input of appropriate agencies in conducting the study, including the Department for the Aging and the Area Agencies on Aging."

Explanation:

(This amendment directs the Department of Medical Assistance Services to restore elderly case management services to the State Plan for Medical Assistance Services 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 #22s

Health And Human Resources

Department Of Medical Assistance
Services

Language

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 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 whether the AIDS Waiver remains as a separate program or is combined with the Elderly and Disabled Waiver program. If the AIDS Waiver were terminated, it is possible that recipients of these services would lose nutritional supplements and case management services.)

Item 326 #25s

Health And Human Resources

Department Of Medical Assistance
Services

FY 04-05

\$250,000

\$250,000

FY 05-06

\$250,000 GF

\$250,000 NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,057,598,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,429,132,619".

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to provide an increase of \$250,000 from the general fund each year and \$250,000 from nongeneral funds each year to enhance reimbursements to inpatient hospitals with exceptionally high Medicaid utilization, specifically those inpatient hospitals with Medicaid utilization rates over 50 percent of their Neonatal Intensive Care Unit (NICU) patient populations. The enhanced reimbursements shall be proportionally distributed to the inpatient hospitals based on each hospital's share of the total NICU Medicaid patient days of the hospitals eligible for the enhanced reimbursements. In the event a hospital qualifying for this program would receive a reimbursement rate in excess of the federal upper payment limit for such facilities, they shall be determined ineligible for the additional payment. 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 Medicaid reimbursements to inpatient hospitals with exceptionally high Medicaid utilization, specifically those 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. Hospitals that would receive payments in excess of their federal upper payment limit under this provision are ineligible for the additional amount.)

Item 326 #28s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$11,492,974	GF
Services	\$0	\$11,492,974	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,451,618,567".

Page 264, line 6, strike "75" and insert "79".

Page 264, line 6, after "percent" insert ", effective July 1, 2005".

Page 264, line 7, strike "\$9,125,000" and insert "\$20,617,974".

Page 264, line 8, strike "\$9,125,000" and insert "\$20,617,974".

Page 264, line 9, strike "for the adjustment" and insert "is for this purpose."

Page 264, delete lines 10 through 13.

Explanation:

(This amendment increases the Medicaid reimbursement for inpatient hospitals from 75 percent in the Governor's introduced budget to 79 percent of allowable costs on July 1, 2005. Language that made this increase contingent upon passage of the Governor's tax proposal is eliminated in order to guarantee that inpatient hospital services will be increased.)

Item 326 #29s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$5,395,530	GF
Services	\$0	\$5,395,530	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,439,423,679".

Page 264, line 18, strike "\$3" and insert "\$4.66".

Page 264, line 21, strike "\$3" and insert "\$4.66".

Page 264, line 27, strike "\$9,740,987" and insert "\$15,136,517".

Page 264, line 28, strike "\$9,740,987" and insert "\$15,136,517".

Page 264, line 29, after "funds" insert "is for this purpose."

Page 264, delete lines 30 through 33.

Explanation:

(This amendment increases Medicaid per diem payments by \$1.66 per nursing facility resident. The introduced bill included an increase of \$3.00 per patient per day. Language that made this increase contingent upon passage of the Governor's tax proposal is eliminated in order to guarantee that nursing home providers will receive the increase.)

Item 326 #30s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$1,449,104	GF
Services	\$0	\$1,449,104	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,431,530,827".

Page 264, line 47, insert:

"BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to increase the dispensing fee paid to pharmacists 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 from \$3.75 to \$4.00 per prescription per month. The dispensing fee was reduced by \$0.50 per prescription per month by the 2003 General Assembly.)

Item 326 #31s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$280,604	\$297,437	GF
Services	\$280,604	\$297,437	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,057,659,785".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,429,227,493".

Page 264, line 47, insert:

"BBB. The Department of Medical Assistance Services shall have the authority to amend the State Plan for Medical Assistance Services to increase reimbursements to physicians delivering services to recipients in hospital emergency rooms effective July 1, 2004. Out of this appropriation, the expenditure of \$280,604 the first year and \$297,437 the second year from the general fund and \$280,604 the first year and \$297,437 the second year from nongeneral funds shall be used to increase reimbursements by 4 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 4 percent in the first year of the biennium.)

Item 326 #39s

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services may make available to its enrollees 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 permits but does not require the department to make available new methods of providing medication to Medicaid recipients. The new delivery methods are designed to be more effective in improving compliance with drug treatment, reducing medication errors, or decreasing medication abuse.)

Item 326 #40s

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 264, after line 47, insert:

"BBB. Contingent upon (i) receiving approval by the Robert Wood Johnson (RWJ) Foundation for a Cash and Counseling Demonstration and Evaluation grant, or (ii) an appropriation for a fiscal agent and staff to implement the program, the Department of Medical Assistance Services shall request a §1115 Research and Demonstration Waiver from the Centers for Medicare and Medicaid services. The waiver application shall include the location of the two demonstration sites as Lynchburg and Winchester. The Department shall promulgate emergency regulations to become effective within 280 days or less after receiving approval from the Centers for Medicare and Medicaid Services."

Explanation:

(This amendment directs the Department of Medical Assistance Services to seek approval for a research and demonstration waiver from the federal government to pilot a "Cash and Counseling" program. Cash and counseling, a type of consumer-directed care, is a new federal initiative designed to address the growing shortage of community-based Medicaid providers. Cash and counseling programs allow recipients to draw resources from accounts funded by Medicaid in order to

arrange for approved services under the program.)

Item 326 #41s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$6,000,000	GF
Services	\$0	\$6,000,000	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,440,632,619".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$6,000,000 from the general fund and \$6,000,000 from nongeneral funds shall be used to increase personal care provider rates offered under community-based Medicaid waiver programs by 10 percent on July 1, 2005."

Explanation:

(This amendment provides \$6.0 million from the general fund and \$6.0 million from nongeneral funds the second year to increase the statewide rate paid for personal care services under Medicaid community-based waiver programs from \$13.38/hour to \$14.72 in northern Virginia and \$11.36/hour to \$12.50/hour in the rest of the state, to reimburse providers for the actual cost of the services they provide. The current reimbursement rate is \$3.40/hour less than the actual cost of providing services in 1997, according to a study conducted by the Department of Medical Assistance Services.)

Item 326 #46s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$2,666,667	\$4,000,000	GF
Services	\$2,666,667	\$4,000,000	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, after line 45, insert:

"3. The appropriation includes \$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 for 160 new Mental Retardation Home and Community-based Waiver slots for individuals who are residing in mental retardation

training centers, have been determined to be ready for discharge, and have chosen to be served in the community."

Explanation:

(This amendment provides funding and adds language for 160 new Mental Retardation Home and Community-based Waiver slots in the Department of Medical Assistance Services for individuals residing in mental retardation training centers who are waiting to be discharged. A companion amendment in Item 332 transfers the funding 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 #47s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance Services	\$2,000,000	\$0	GF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,059,098,577".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$2,000,000 from the general fund in the first year is provided for start-up costs related to the development of mental retardation waiver services. Any unexpended appropriations as of June 30, 2005 shall not expire but be available for these purposes until June 30, 2006."

Explanation:

(This amendment adds \$2.0 million from the general fund for the biennium to provide funding for the start-up costs of new mental retardation waiver services. Funding may be provided for items such as lease payments, renovations, staff training, and the purchase of equipment.)

Item 326 #48s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$21,800,000	(\$76,400,000)	GF

Services (\$21,800,000) \$76,400,000 NGF

Language:

Page 264, line 46, strike "\$310,700,000" and insert "\$288,900,000".

Page 264, line 46, strike "\$276,300,000" and insert "\$352,700,000".

Explanation:

(This amendment provides an increase of \$21.8 million GF the first year and a decrease of \$76.4 million GF the second year and a decrease of \$21.8 million NGF the first year and an increase of \$76.4 million NGF the second year as a result of different approaches to taxing cigarettes and tobacco products reflected in the introduced bill and Senate Bill 465. Whereas the introduced bill raised cigarette taxes to 25 cents per pack effective July 1, 2004, Senate Bill 465 raises cigarette taxes to 20 cents per pack on July 1, 2004 and 35 cents per pack on July 1 2005. Senate Bill 465 also imposes a tax on tobacco products. The amendment also adjusts budget language decreasing the first year deposit into the Virginia Health Care Fund by \$21.8 million and increasing the second year deposit by \$76.4 million).

Item 326 #49s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	\$5,837,400	GF
Services	\$0	\$5,837,400	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,440,307,419".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$5,837,400 from the general fund and \$5,837,400 from nongeneral funds the second year shall be provided for 600 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 Services, and affected constituents."

Explanation:

(This amendment provides \$5.8 million from the general fund in the second year and matching federal Medicaid dollars to create a new Day Support Waiver program for 600 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 for the acquisition, retention, or improvement of self-help, socialization, and adaptive skills. These services are typically offered in a nonresidential setting that facilitates peer interaction and community and social integration. 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 MR waiver program by 880 slots, will provide services for almost 1,500 individuals with mental retardation.)

Item 330 #1s

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 268, after line 50, insert:

"L. Beginning on November 1, 2004, 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 detailing implementation of the Department's plan to contract with participating private providers, 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 to state hospitals."

Explanation:

(This amendment requires a report on the department's contracts with private mental health providers beginning November 1, 2004.)

Item 330 #2s

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 on the web-based internet site being designed by the Department of Mental Health, Mental Retardation, and Substance Abuse Services. This is a recommendation of the Joint Commission on Health Care."

Explanation:

(This amendment is a recommendation of the Joint Commission on Health Care, and it is self-explanatory.)

Item 330 #4s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Mental Health, Mental Retardation And Substance Abuse Services	\$0	(\$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, funding will be maintained at \$325,000 each year -- the amount proposed in the Governor's introduced budget.)

Item 330 #5s

Health And Human Resources	
Department Of Mental Health, Mental Retardation And Substance Abuse Services	Language

Language:

Page 268, after line 50, insert:

"L.1. Notwithstanding the Commissioner's discretion to grant licenses pursuant to

this chapter or any Board regulation regarding licensing, no initial license shall be granted by the Commissioner to a provider of treatment for persons with opiate addiction through the use of the controlled substance, methadone, or other opioid replacements, if such provider is to be located within one-half mile of a public or private licensed day care center or a public or private K-12 school, except when such service is provided by a hospital licensed by the Board of Health or the Commissioner of the Department of Mental Health, Mental Retardation or Substance Abuse Services or owned or operated by an agency of the Commonwealth.

2. Further, upon receiving notice of a proposal for or an application to obtain initial licensure from a provider of treatment for persons with opiate addiction through the use of the controlled substance, methadone, or other opioid replacements, the Commissioner shall, within 15 days of such receipt, notify the local governing body of and the community services board serving the jurisdiction in which the facility is to be located of such proposal or application and its proposed location.

Within 30 days of the date of the notice, local governing bodies and community services boards shall submit to the Commissioner comments on such proposals or applications. The local governing body shall notify the Commissioner within 30 days of the date of the notice concerning the compliance of the applicant with this section and any applicable local ordinances.

3. No license shall be issued by the Commissioner to such provider until the conditions of this section have been met, ie., local governing body and community services board comments have been received and the local governing body has determined compliance with the provisions of this section and any relevant local ordinances.

4. No existing provider that has made application for licensure and obtained a certificate of occupancy or has received a license in accordance with the law and regulations in effect on January 1, 2004, shall be required to comply with the provisions of this section.

5. The provisions of this act shall not apply to the jurisdictions located in Planning District 8."

Explanation:

(This amendment imposes restrictions on the location of methadone clinics.)

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 268, delete 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 #7s

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

FY 04-05

\$150,000

2.00

FY 05-06

\$150,000

2.00

GF

FTE

Language:

Page 266, line 18, strike "\$18,433,014" and insert "\$18,583,014".

Page 266, line 18, strike "\$18,107,290" and insert "\$18,257,290".

Explanation:

(This amendment provides \$150,000 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 332 #2s

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance

FY 04-05

(\$2,666,667)

FY 05-06

(\$4,000,000)

GF

Abuse Services

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.

Explanation:

(This 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.)

Item 332 #3s

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, delete "is contingent upon the" and insert a period.

Page 269, strike lines 38 through 40.

Explanation:

(This amendment eliminates language in the introduced budget making the additional funding to discharge 77 long-term mental disabled patients from state facilities and treat with specialized services contingent upon the Governor's proposed tax plan. The introduced budget added \$3.6 million from the general fund in the first year and \$5.4 million from the general fund in the second year to allow for the discharge of 77 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 addressing contingency funding for Olmstead initiatives.)

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, after "hospitals", strike "is" and insert a period.

Page 269, strike lines 45 through 48.

Explanation:

(This amendment eliminates language in the introduced budget making the additional funding to purchase private psychiatric inpatient treatment beds in community hospitals contingent upon 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 addressing contingency funding for Olmstead initiatives.)

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

FY 04-05

\$200,000

FY 05-06

\$400,000 GF

Language:

Page 269, line 5, strike "\$24,269,206" and insert "\$24,469,206".

Page 269, line 5, strike "\$27,608,206" and insert "\$28,008,206".

Page 269, after line 48, insert:

"F. Out of this appropriation, \$200,000 the first year and \$400,000 the second year from the general fund shall be used to develop a pilot program to divert forensic admissions of jail inmates from state mental health facilities, when clinically appropriate, and provide services to mentally ill persons in regional jail settings."

Explanation:

(This amendment provides \$200,000 the first year and \$400,000 the second year from the general fund to provide mental health treatment services, including the provision of psychotropic medication, to selected inmates from a moderate to high volume regional jail, thereby eliminating extended wait times for the initiation of services, and diverting admissions from state facilities.)

Item 334 #2s

Health And Human Resources	FY 04-05	FY 05-06	
Grants To Localities	\$1,000,000	\$1,500,000	GF

Language:

Page 270, line 14, strike "\$227,576,495" and insert "\$228,576,495".

Page 270, line 14, strike "\$228,232,745" and insert "\$229,732,745".

Page 272, after line 43, insert:

"Q. Out of this appropriation, \$1,000,000 in the first year and \$1,500,000 the second year from the general fund is for Part C-Early Intervention Services for infants and toddlers."

Explanation:

(This amendment provides \$1.0 million the first year and \$1.5 million the second year from the general fund for Part C Early Intervention Services, which provide 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 8 percent annually.)

Item 334 #13s

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.

Explanation:

(This amendment eliminates language in the introduced budget making the

additional funding for community mental health services for children and adolescents contingent upon the Governor's proposed tax plan. The introduced budget added \$2.0 million from the general fund each year of the biennium to expand the mental health services for children and adolescents with serious emotional disturbances and related disorders. Funding is adjusted in language to reflect the full amount of funding for these services over the biennium. This is one of several amendments addressing contingency funding for Olmstead initiatives.)

Item 334 #14s

Health And Human Resources

Grants To Localities

Language

Language:

Page 272, line 38, after "fund" insert "is".

Page 272, line 40, after "(PACT)", strike:

"is contingent upon the passage into law of the" and insert a period.

Page 272, delete lines 41 through 43.

Explanation:

(This amendment eliminates language in the introduced budget making the additional funding for three new programs of assertive community treatment (PACT) to treat seriously mentally ill individuals contingent upon 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 who are in need of intensive treatment services in order to avoid placement in state mental health facilities. This is one of several amendments addressing contingency funding for Olmstead initiatives.)

Item 346 #1s

Health And Human Resources

Virginia Center For Behavioral
Rehabilitation

FY 04-05

\$0
0.00

FY 05-06

(\$1,991,000) GF
-41.00 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 slower than anticipated.)

Item 349 #5s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Rehabilitative Services	\$800,000	\$800,000	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,739,471".
Page 276, line 37, strike "\$83,939,471" and insert "\$84,739,471".
Page 277, line 15, strike "\$3,611,786" and insert "\$4,554,538".
Page 277, line 16, strike "\$3,754,538" and insert "\$4,554,538".

Explanation:

(This amendment provides an increase of \$800,000 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 adjusts budget language that makes a general fund appropriation for centers for independent living services in the first year to accurately reflect the current level of funding. This latter change is technical.)

Item 349 #8s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Rehabilitative Services	\$1,568,750	\$1,568,750	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$85,508,221".
Page 276, line 37, strike "\$83,939,471" and insert "\$85,508,221".
Page 277, line 23, after "D." insert "1".

Page 277, line 24, strike "\$1,119,926" and insert "\$2,832,388".

Page 277, line 24, strike "\$1,263,638" and insert "\$2,832,388".

Page 277, after line 27, insert:

“2. Of this amount, \$1,568,750 from the general fund each year shall be used to provide a continuum of brain injury services to individuals in unserved or underserved regions of the Commonwealth. Up to \$250,000 each year shall be awarded to successful applicants. Organizations currently receiving more than \$250,000 each year are ineligible for additional assistance under this section. To be determined eligible for a grant under this section, organizations shall submit plans to match 50 percent of general fund support with non-state funding each year.

3. Beginning November 1, 2005, grant recipients shall submit annual reports 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 up to \$1.6 million each year from the general fund to ensure that access to brain injury services is provided statewide. Eligible applicants must submit plans to match at least one-half of estimated spending with non-state resources. Recipients are required to submit annual reports beginning November 1, 2005. This amendment also adjusts budget language that makes a general fund appropriation for brain injury services in the first year to accurately reflect the current level of funding. This latter change is technical.)

Item 349 #9s

Health And Human Resources

Department Of Rehabilitative
Services

Language

Language:

Page 277, after line 43, insert:

“H.1. For 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 grant awards from the fund to have a plan for self-sufficiency at the end of the two- or three-year grant cycle. Also, it allows the Commissioner to redistribute unspent grant awards from prior years for new research activities.)

Item 349 #10s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Rehabilitative Services	\$300,000	\$300,000	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,239,471".

Page 276, line 37, strike "\$83,939,471" and insert "\$84,239,471".

Page 277, line 3, strike "\$3,385,210" and insert "\$3,976,210".

Page 277, line 4, strike "\$3,676,210" and insert "\$3,976,210".

Explanation:

(This amendment provides \$300,000 from the general fund each year to restore funding for sheltered workshops that was reduced in 2003. Funding is used to provide vocational activities to individuals with physical disabilities. This amendment also adjusts budget language that makes a general fund appropriation for sheltered workshops in the first year to accurately reflect the current level of funding. The latter change is technical.)

Item 350 #1s

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 #2s

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 allays their concerns about the impact of food stamp receipt on their immigration sponsors and status."

Explanation:

(This amendment is self-explanatory.)

Item 354 #4s

Health And Human Resources

Department Of Social Services

FY 04-05

\$100,000

FY 05-06

\$100,000 GF

Language:

Page 279, line 10, strike "\$46,868,606" and insert "\$46,968,606".

Page 279, line 10, strike "\$46,873,490" and insert "\$46,973,490".

Page 281, line 14, strike "\$100,000" and insert, "\$200,000".

Page 281, line 15, strike "\$100,000" and insert, "\$200,000".

Explanation:

(This amendment adds \$100,000 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 are taking care of a person who is aged, infirm, or disabled.)

Item 354 #5s

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 (1) identify the need for language assistance by analyzing the following factors: (a) the number or proportion of LEP persons in the eligible service population, (b) the frequency of contact with such persons, (c) the nature and importance of the program, activity or service, and (d) the costs of providing language assistance and resources available; (2) translate vital documents into the language of each frequently encountered LEP group eligible to be served; (3) provide accurate and timely oral interpreter services; and (4) 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 355 #1s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$1,000,000	\$1,000,000	GF

Language:

Page 281, line 18, strike "\$49,487,126" and insert "\$50,487,126".

Page 281, line 18, strike "\$47,445,246" and insert "\$48,445,246".

Page 282, after line 2, insert:

"3. Out of this appropriation, \$1,000,000 from the general fund each year shall be distributed according to the formula in this section."

Explanation:

(This amendment provides an additional \$1.0 million each year from the general fund for 26 community action agencies that serve approximately 114,000 Virginians each year.)

Item 356 #3s

Health And Human Resources
Department Of Social Services

Language

Language:

Page 283, line 8, strike "\$3,900,000" and insert "\$9,200,000".

Page 283, line 9, strike "\$3,900,000" and insert "\$4,900,000".

Explanation:

(This amendment restores \$5.3 million the first year and \$1.0 million the second year from the federal TANF block grant for the TANF Child Support Supplement. The TANF-funded child support supplement is equivalent to the amount that a child support obligor pays to the state on behalf of the child. On average, the child support supplement is \$129 each month. The Governor's introduced budget funded the supplement at \$3.9 million. A companion amendment to item 362 restores funding for the program.)

Item 356 #7s

Health And Human Resources
Department Of Social Services

Language

Language:

Page 284, after line 4, insert:

"I.1. Local departments of social services shall provide to eligible Temporary Assistance to Needy Families (TANF) recipients, under the administrative supervision of the Commissioner of Social Services, pre-employment and employment-related training services from the federal TANF grant funds appropriated for that purpose.

2. A limited number of local departments of social services are encouraged to participate in a pilot program to purchase employment-related training and placement services for TANF recipients from employment services organizations and the local workforce investment boards. The Commissioner of Social Services shall issue policy guidance for the development and operation of the pilot programs to purchase employment related training and placement services for TANF recipients from employment services organizations and the local workforce investment boards.

3. The pilot training and placement services for TANF recipients from employment services organizations and the local workforce investment boards shall be evaluated during a two-year period to assess the pre-employment and employment-related training services provided to the TANF recipients."

Explanation:

(This amendment ensures that funding for employment and training services is provided through local departments of social services. Language also allows a limited number of local departments to purchase employment-related training and placement services for TANF recipients from employment service organizations and local workforce investment boards consistent with policy guidance to be issued by the Commissioner of the Department of Social Services.

Item 356 #10s

Health And Human Resources

FY 04-05

FY 05-06

Department Of Social Services

\$10,349,238
(\$10,349,238)

\$10,349,239 GF
(\$10,349,238) NGF

Language:

Page 282, line 11, strike "\$155,397,676" and insert "\$155,397,677".

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 GF 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.)

Item 356 #11s

Health And Human Resources

Department Of Social Services

Language

Language:

Page 283, delete lines 43 through 59.

Page 284, delete lines 1 through 4.

Explanation:

(This amendment removes language that would have allowed the Department of Social Services to create a separate state program, the Virginia Kinship Care Program, funded with general fund dollars that count toward the state's TANF maintenance of effort requirement.)

Item 357 #3s

Health And Human Resources

Department Of Social Services

Language

Language:

Page 285, after line 35, insert:

"J. From the federal TANF 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.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 285, after line 35, insert:

"J. From the federal TANF 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.)

Health And Human Resources

Department Of Social Services

FY 04-05

(\$10,349,238)

FY 05-06

(\$10,349,239) 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 "\$153,288,096".

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 GF 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.)

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$200,000	\$200,000	GF

Language:

Page 284, line 5, strike "\$152,196,355" and insert "\$152,396,355".

Page 284, line 5, strike "\$163,637,335" and insert "\$163,837,335".

Explanation:

(This amendment provides \$200,000 each year from the general fund to provide funding for additional child welfare services that are anticipated as a result of passage of Senate Bill 486. The bill includes in the definition of abuse or neglect 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 357 #9s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$100,000	\$100,000	GF

Language:

Page 284, line 5, strike "\$152,196,355" and insert "\$152,296,355".

Page 284, line 5, strike "\$163,637,335" and insert "\$163,737,335".

Page 285, line 18, strike "\$584,980" and insert "\$684,980".

Page 285, line 21, strike "\$584,980" and insert "\$684,980".

Explanation:

(This amendment restores \$100,000 from the general fund each year for the Healthy Families Virginia program. General fund support for the program was reduced by \$1.6 million each year in 2003, limiting the program's flexibility to match other nongeneral fund resources even though federal TANF dollars were used to replace the reduction in general fund support.)

Item 359 #1s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$0	\$6,363,878	GF

Language:

Page 286, line 22, strike "\$20,098,755" and insert "\$26,462,633".

Page 286, line 33, strike "\$866" and insert "\$938".

Explanation:

(This amendment adds \$6.4 million from the general fund in the second year to increase the current monthly rate for approved assisted living facilities from \$866 to \$938 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.)

Item 360 #2s

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 \$2,550,000 each year from the federal TANF block grant for employment and training and other services for hard-to-serve recipients to promote self-sufficiency."

Explanation:

(This amendment restores an earmark of \$2.6 million each year from the federal TANF block grant for services provided to hard-to-serve recipients. The introduced budget eliminated the TANF earmark for these funds.)

Item 360 #4s

Health And Human Resources

Department Of Social Services

Language

Language:

Page 288, after line 3, insert:

"D. From the federal TANF grant, \$637,500 each year shall be made available to approved Centers for Employment Training."

Explanation:

(This amendment restores an earmark of \$637,500 each year from the federal TANF block grant for existing Centers for Employment and Training (CET). CETs provide education and skilled training to low income individuals to facilitate their placement in unsubsidized employment.)

Item 360 #4s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$10,349,238	\$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 NGF 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 362 #2s

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Social Services	\$4,300,000	\$2,150,000	GF
	\$4,300,000	\$2,150,000	NGF

Language:

Page 288, line 53, strike "\$306,249,218" and insert "\$314,849,218".

Page 288, line 53, strike "\$306,249,218" and insert "\$310,549,218".

Explanation:

(This amendment provides \$4,300,000 the first year and \$2,150,000 the second

year from the general fund to match federal child care development fund dollars in order to leverage \$8.6 million in TANF-funded child day care services the first year and \$4.3 million the second year. The freed-up TANF dollars will be used to restore 10 percent reductions that were included in the Governor's introduced budget, fully fund the TANF child support supplement in the first year, and add \$1.0 million to funding in the second year.)

Item 362 #3s

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 the earmark of \$1,062,500 from the federal TANF block grant for domestic violence grants that are used to fund Family Violence Service Programs. A companion amendment restores funding for the program.)

Item 362 #8s

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 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 proposed budget included the funding but not the earmark.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 291, after line 20, insert:

"O. The Commissioner, in consultation with local departments of social services, shall develop a plan to implement and finance the federally required local Child and Family Services Review Performance Improvement Plan."

Explanation:

(This amendment requires the Commissioner of Social Services to develop a plan to implement and finance the Child and Family Services Review Performance Improvement Plan.)

Health And Human Resources

Department Of Social Services

FY 04-05

\$650,000

FY 05-06

\$650,000 GF

Language:

Page 288, line 53, strike "\$306,249,218" and insert "\$306,899,218".

Page 288, line 53, strike "\$306,249,218" and insert "\$306,899,218".

Page 290, line 57, strike "\$541,578" and insert "\$1,191,578".

Page 290, line 57, strike "\$541,578" and insert "\$1,191,578".

Explanation:

(This amendment provides an increase of \$650,000 each year from the general fund for services to victims of domestic violence to reflect the dedication of one-half of the current \$20.00 from the marriage license tax contained within Senate Bill 237.)

Health And Human Resources

Department Of Social Services

Language

Language:

Page 292, line 49, strike "\$4,838,528" and insert \$4,857,697"

Page 292, line 50, strike "\$12,887" and insert "\$51,225"

Page 292, delete lines 51 through 59 and insert:

"2. Unless otherwise set out in this Act, federal TANF block grant funding will be provided to state agencies and other provider organizations in the first and second year at the same level as provided in fiscal year 2004."

Page 293, delete lines 1 through 7.

Explanation:

(This amendment eliminates the TANF-funded competitive grant program that was included in the Governor's introduced budget, restores funding for state agencies and provider organizations that was reduced, and adjusts the projected TANF reserve balances.)

Item 379 #2s

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."

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 #1s

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 #1s

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$15,000	\$0	GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$22,753,678".

Page 299, after line 57, insert:

"I. Included in the amounts for Flood Plain Management is \$15,000 in the first year for the operations and expenses of the Rappahannock River Basin Commission."

Explanation:

(This amendment provides funds for expenses of Rappahannock River Basin Commission meetings.)

Item 382 #7s

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$200,000	\$200,000	GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$22,938,678".

Page 298, line 25, strike "\$20,977,511" and insert "\$21,177,511".

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 FY 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 #11s

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$150,000	\$150,000	GF

Language:

- Page 298, line 25, strike "\$22,738,678" and insert "\$22,888,678".
- Page 298, line 25, strike "\$20,977,511" and insert "\$21,127,511".
- Page 298, line 45, strike "\$50,000" and insert "\$200,000".
- Page 298, line 46, strike "\$50,000" and insert "\$200,000".

Explanation:

(This amendment provides an additional \$150,000 each year from general funds to rehabilitate flood control dams operated and maintained by Soil and Water Conservation Districts, and will match federal funds.)

Item 382 #12s

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$6,906,250	\$6,906,250	NGF

Language:

- Page 298, line 25, strike "\$22,738,678" and insert "\$29,644,928".
- Page 298, line 25, strike "\$20,977,511" and insert "\$27,883,761".
- Page 299, after line 57, insert:

"I.1. Out of the amounts for Statewide Non-Point Source Pollution Control, \$6,906,250 from nongeneral funds each year shall be deposited to the Virginia Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997, Title 10.1, Chapter 21.1, Code of Virginia. The sources of funds for these nongeneral fund deposits is the Virginia Natural and Historic Resources Fund pursuant to the "Virginia Investment Act" (Senate Bill 635, 2004 Session).

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 non-point source programs. The Department shall coordinate this review with the requirements of HJR 72 (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 the nongeneral funds from the Virginia Natural and Historic Resources Fund pursuant to the "Virginia Investment Act" (SB 635, 2004 Session). These funds will be used for programs that reduce nonpoint source pollution from urban and agricultural sources. The amendment also mandates a review of Soil and Water Conservation District nonpoint source programs.)

Item 382 #13s

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. The Department of Conservation and Recreation (DCR) shall assume the responsibilities and budget resources of the Chesapeake Bay Local Assistance Department (CBLAD) appropriated herein effective July 1, 2004. The resources of the former Department shall continue within DCR to provide technical and financial assistance to localities pursuant to the Chesapeake Bay Preservation Act (§ 10.1-2100, et. seq.) The Chesapeake Bay Local Assistance Board shall continue as a collegial body.

2. The Secretary of Natural Resources shall prepare an agency reorganization plan to be submitted to the Chairmen of the Senate Finance and House Appropriations Committees by August 31, 2004. In developing the plan the Secretary shall consult with Tidewater localities and Tidewater Soil and Water Conservation Districts.

3. The plan shall include necessary steps to ensure that the purposes of the Chesapeake Bay Preservation Act are implemented by DCR, with former CBLAD resources and personnel constituting either a new division within DCR or a component of an existing division. The plan shall also identify any positions that will be eliminated or other actions needed to achieve the policy goals and cost savings.

4. It is the intent of the General Assembly that legislation in the 2005 Session effectuating the merger 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 #14s

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$315,000 4.00	\$315,000 4.00	NGF FTE

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$23,053,678".

Page 298, line 25, strike "\$20,977,511" and insert "\$21,292,511".

Page 299, after line 57, insert:

"I. Pursuant to §10.1-2135.C.3, Code of Virginia, the amount for Land Management includes \$315,000 each year from the Virginia Natural and Historic Resources Fund to implement the land conservation and nonpoint water quality programs funded by the "Virginia Investment Act" (SB 635, 2004 Session). These funds shall be distributed by the Director as follows: \$100,000 annually to the Virginia Outdoors Foundation for inspection and management of conservation easements, \$60,000 annually to implement SB 523 (2004 Session), and \$155,000 annually to support other programs within the Department of Conservation and Recreation that receive funds from the Virginia Land Conservation Fund and the Water Quality Improvement Fund."

Explanation:

(This amendment appropriates operational funding for the support of grant programs under the Virginia Land Conservation Fund and the Water Quality Improvement Fund. The source of the funding is from SB 635 (2004 Session).)

Item 382 #15s

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$500,000	\$500,000	NGF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$23,238,678".

Page 298, line 25, strike "\$20,977,511" and insert "\$21,477,511".

Page 299, after line 57, insert:

"I. Notwithstanding the distribution specified in §10.1-2135.C.1, Code of Virginia, from the allocation intended for the Department of Conservation and Recreation for the Water Quality Improvement Fund, the Comptroller shall transfer from the sales and use tax revenue deposited into the Virginia Natural and Historic Resources Fund: \$500,000 the first year and \$500,000 the second year for grants to local Soil and Water Conservation Districts to assist in the development of agricultural conservation plans. These amounts shall be counted against the Department's annual transfer from the Virginia Natural and Historic Resources Fund for nonpoint source programs."

Explanation:

(This amendment provides for local assistance grants to 13 Soil and Water Conservation Districts in the coastal plain region of Virginia. The funds will be used to support 12 local district employees who will assist farmers in developing the agricultural conservation plans required under the Chesapeake Bay Preservation Act. The funds come from an earmark of the Department's new nonpoint source water quality funds provided by the "Virginia Investment Act" (SB 635, 2004 Session).)

Item 382 #16s

Natural Resources

Department Of Conservation And
Recreation

Language

Language:

Page 299, after line 57, insert:

"I. The Department shall provide mileage compensation to citizen members of the Roanoke River Basin Commission for travel to and from Commission meetings."

Explanation:

(This amendment is self-explanatory.)

Item 382 #17s

Natural Resources

FY 04-05

FY 05-06

Department Of Conservation And
Recreation

\$1,102,500

\$0 GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$23,841,178".

Page 299, line 21, strike "\$1,917,500", and insert "\$3,020,000".

Explanation:

(This amendment makes the general fund deposit by the Department of Conservation and Recreation (DCR) into the Water Quality Improvement Fund for nonpoint sources equal to the deposit provided by the Department of Environmental Quality (DEQ) for point sources. A companion amendment in Item 388 subtracts funding from from DEQ for the appropriation made under this amendment. Both agencies will receive \$3,020,000 from the general fund for the biennium.)

Item 383 #2s

Natural Resources

Department Of Conservation And
Recreation

Language

Language:

Page 300, line 18, strike "the".

Page 300, line 19, strike "Commonwealth's matching share of support".

Page 300, line 21, strike "not to exceed", and insert "up to".

Page 300, line 21, after "year and", and insert "up to".

Explanation:

(This amendment guarantees Breaks Interstate Park will receive up to the maximum amount appropriated by Virginia regardless of the matching amount paid by Kentucky.)

Item 383 #10s

Natural Resources

Department Of Conservation And
Recreation

Language

Language:

Page 301, after line 50, insert:

"L. From nongeneral funds provided by the Virginia Natural and Historic Resources Fund for the Virginia Land Conservation Fund, the Virginia Land Conservation Foundation may provide a grant to the Nature Conservancy of up to \$1,000,000 to acquire a permanent easement on approximately 2,000 acres in Powhatan County owned by the Sisters of the Blessed Sacrament. This appropriation is contingent on written certification to the Chairmen of the House Appropriations and Senate Finance Committees, by the Secretary of Natural Resources that this property presently represents the best use of these land conservation funds, and that matching funds will be made available to secure the easement. Certification by the Secretary must be made sixty days prior to the purchase of the easement."

Explanation:

(This amendment authorizes the Virginia Land Conservation Foundation to award a grant to purchase a permanent easement on approximately 2,000 acres in Powhatan County. If certified by the Secretary of Natural Resources, and if matching funds are made available, the award will be made to the Nature Conservancy.)

Item 383 #11s

Natural Resources

Department Of Conservation And
Recreation

Language

Language:

Page 301, following 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 sixty days prior to any alterations to the property that are pursuant to development of a state park."

Explanation:

(This amendment is self-explanatory.)

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$14,812,500	\$14,812,500	NGF

Language:

Page 300, line 1, strike "\$25,666,442" and insert "\$40,478,942".

Page 300, line 1, strike "\$25,666,442" and insert "\$40,478,942".

Page 301, line 15, strike "H.", and insert "H.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 for Open Space Lands is \$14,821,500 from nongeneral funds each year to be deposited into the Virginia Land Conservation Fund, §10.1-1012, Code of Virginia. The source of these nongeneral funds is the Virginia Natural and Historic Resources Fund pursuant to the "Virginia Investment Act" (SB 635, 2004 Session).

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: 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 under section "I.2" above; projects funded, with their scores on the new grant review criteria developed in section "I.2" above, expenditures from, interest earned by, and financial obligations of the Virginia Land Conservation Fund."

Explanation:

(This amendment appropriates \$14,821,500 nongeneral fund 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. The source of funds is the "Virginia Investment Act" (SB 635, 2004 Session).)

Item 383 #15s

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$569,476 14.00	\$521,476 14.00	GF FTE

Language:

Page 300, line 1, strike "\$25,666,442" and insert "\$26,235,918".
 Page 300, line 1, strike "\$25,666,442" and insert "\$26,187,918".

Explanation:

(This amendment restores ten park ranger positions that were eliminated in recent budget cuts. The amendment also provides funds for four new rangers. These fourteen positions will support park operations throughout the Commonwealth. Without additional staff, the Department of Conservation and Recreation will not be able to meet the security, visitor service, interpretive, and maintenance needs that will result from increased park attendance as the 2002 General Obligation Bond projects are developed.)

Item 381 #1c

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$50,000	\$50,000	GF

Language:

Page 302, line 6, strike "\$19,202,376" and insert "\$19,252,376".
 Page 302, line 6, strike "\$19,200,627" and insert "\$19,250,627".
 Page 302, line 20, strike "Notwithstanding", and insert "A. Notwithstanding"
 Page 302, after line 25, insert:

"B. Out of the appropriation for Administrative and Support Services, \$50,000 is provided each year from the general fund for a review of the efficiency and effectiveness of the Department's pollution permit programs, pursuant to Senate Bill 365 (2004 Session)."

Explanation:

(This amendment provides general funds for the Department to contract for a study of its water and waste permit programs. The study is to identify ways of lowering program costs in the long run so that the permit fees paid by localities and private industry may be reduced. The study is mandated by Senate Bill 365 (2004 Session) which authorized a new permit fee schedule.)

Item 385 #1s

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$400,000 \$6,030,427	\$400,000 \$6,030,427	GF NGF

Language:

Page 302, line 26, strike "\$35,095,230" and insert "\$41,525,657".
 Page 302, line 26, strike "\$35,012,786" and insert "\$41,443,213".
 Page 303, strike lines 32 to 47.

Explanation:

(This amendment provides the additional funds needed to operate Virginia's mandatory state and federal water pollution and waste permit programs. SB 365 (2004 Session) implements a new permit fee schedule which will go into effect July 1, 2004. The permit fees are the source of the nongeneral funds.)

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	(\$150,000)	(\$150,000)	GF

Language:

Page 303, line 48, strike "\$8,339,506" and insert "\$8,189,506".

Page 303, line 48, strike "\$8,371,076" and insert "\$8,221,076".

Explanation:

(This amendment reduces the general funds available for water supply planning in the Department. With this adjustment, the recommended budget will include a total annual increase of \$350,000 and seven FTE positions each year for this program.)

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$1,700,000	\$0	NGF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$62,003,091".

Page 305, after line 14, insert:

"F. Notwithstanding the distribution specified in §10.1-2135, the Comptroller shall transfer \$1,700,000 from the Natural and Historic Resources Fund in the first year to the Combined Sewer Overflow Matching Fund, §62.1-241.12, Code of Virginia. From the Combined Sewer Overflow Matching Fund, the City of Richmond shall receive \$1,300,000 in the first year, and the City of Lynchburg shall receive \$400,000 in the first year to match federal funds received by each city. This appropriation shall count against the Department's transfer in the first year from the Virginia Natural and Historic Resources Fund for point-source programs."

Explanation:

(This amendment provides matching funds for an equivalent amount of federal funds to modernize the sewer systems of Richmond and Lynchburg as required under

federal clean water regulations. The Cities of Richmond and Lynchburg maintain the final two combined sewer overflow systems remaining in Virginia, and without these modifications raw sewage will continue to enter the James River during heavy rainfalls. Funding comes from an earmark of the new point source water quality funding provided by the "Virginia Investment Act" (SB 635, 2004 Session.)

Item 388 #4s

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$197,000	\$265,126	GF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$60,500,091".

Page 304, line 18, strike "\$54,419,021" and insert "\$54,684,147".

Page 304, line 50, strike "\$100,000 the first year", and insert "\$297,000 the first year from the general fund and \$256,126 the second year".

Page 304, line 54, strike and Virginia Beach" and insert "Virginia Beach, and the Elizabeth River Restoration Trust".

Explanation:

(This amendment provides matching funds for a restoration project that will include \$7 million in federal support to clean up toxic sediment in the Elizabeth River and \$5 million from private sources to implement a watershed action plan. Funding will support pre-construction engineering, design, a feasibility study, and establishment of the trust fund to leverage mitigation dollars.)

Item 388 #5s

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$600,000	\$0	NGF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$60,903,091".

Page 305, after line 14, insert:

"F. Included in the amount for Construction Assistance is \$600,000 from nongeneral funds in the first year for public water needs assessment planning in the Lenowisco,

Cumberland Plateau, and Mount Rogers Planning District Commissions in the amount of \$200,000 per planning district."

Explanation:

(This amendment funds planning studies for localities in Southwest Virginia with inadequate wastewater treatment facilities. The communities involved face potential sanctions by the U.S. Environmental Protection Agency and these funds will facilitate the ultimate construction of more efficient regional treatment facilities.)

Item 388 #6s

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$5,706,250	\$7,406,250	NGF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$66,009,341".

Page 304, line 18, strike "\$54,419,021" and insert "\$61,825,271".

Page 305, after line 14, insert:

"F.1. Out of the amounts for Environmental Technical and Financial Assistance, \$5,706,250 from nongeneral funds in the first year and \$7,406,250 from nongeneral funds in the second year shall be deposited to the Virginia Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997, Title 10.1, Chapter 21.1, Code of Virginia. The source of funds for these nongeneral fund deposits is the Virginia Natural and Historic Resources Fund pursuant to the "Virginia Investment Act" (SB 635, 2004 Session).

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 out 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 "F.2.(1)".

Explanation:

(This amendment appropriates the nongeneral funds for point source programs

from the Virginia Natural and Historic Resources Fund pursuant to the "Virginia Investment Act" (SB 635, 2004 Session). These funds will be used to provide grants to localities to upgrade their waste water 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 #7s

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$60,000	\$60,000	NGF
	1.00	1.00	FTE

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$60,363,091".

Page 304, line 18, strike "\$54,419,021" and insert "\$54,479,021".

Page 305, after line 14, insert:

"F. Pursuant to §10.1-2135.C.3, Code of Virginia, the amount for Environmental Technical and Financial Assistance includes \$60,000 each year from the Virginia Natural and Historic Resources Fund for operating expenses of the point source water quality programs funded by the Water Quality Improvement Fund, including grants to localities for waste water treatment facility upgrades."

Explanation:

(This amendment provides nongeneral funds and one position for the operational support of Water Quality Improvement Fund grant programs. The source of the funding is from the "Virginia Investment Act" (SB 635, 2004 Session).)

Item 388 #8s

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	(\$1,102,500)	\$0	GF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$59,200,591".

Page 305, line 3, strike "\$5,752,500", and insert "\$3,020,000".

Explanation:

(This amendment reduces the portion of the Water Quality Improvement Fund (WQIF) that is allocated to the Department of Environmental Quality (DEQ). A Companion amendment in Item 382 adds these general funds to the Department of Conservation and Recreation (DCR). Another companion amendment in Item 388 adjusts the Department of Environmental Quality's general fund WQIF appropriation pursuant to Senate Bill 635 (2004 Session). The net result is that both DCR and DEQ receive the same \$3,020,000 deposit to the WQIF from the general fund revenue surplus in FY 2003.)

Item 388 #9s

Natural Resources	FY 04-05	FY 05-06
Department Of Environmental Quality	(\$1,630,000)	\$0 GF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$58,673,091".
 Page 305, strike lines 8 to 14.

Explanation:

(This amendment adjusts the general fund deposit to the Water Quality Improvement Fund pursuant to the "Virginia Investment Act" (SB 635, 2004 Session). The "Virginia Investment Act" retains the unreserved, unreappropriated general fund balances previously dedicated to the WQIF and replaces them with a \$14,821,500 general fund deposit. These additional funds are appropriated in companion amendments in Items 382 and 388. The amendment also removes language earmarking a recordation fee for the Virginia Natural and Historic Resources Fund.)

Item 393 #1s

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. To offset the costs of supervising visitors at hatcheries, the Department may charge a fee of up to \$1.00 per visitor."

Explanation:

(This amendment is self-explanatory.)

Item 393 #4s

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 to 35.

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. The Senate budget includes an 8.5 percent nongeneral fund increase for the Department.)

Item 399 #1s

Natural Resources	FY 04-05	FY 05-06	
Marine Resources Commission	\$637,000	\$511,500	GF
	10.00	10.00	FTE

Language:

Page 310, line 19, strike "\$11,451,099" and insert "\$12,088,099".

Page 310, line 19, strike "\$11,451,099" and insert "\$11,962,599".

Explanation:

(This amendment provides general funds for ten new entry level police officers for the Marine Resources Commission. The Commission's police force has been reduced by 19 percent since 1980 and has had multiple responsibilities added since then including: national fisheries enforcement, boat accident investigations, safety and

homeland security operations. During national terrorism Orange Alerts the Commission is unable to maintain regular patrols because it must divert officers from normal operations. There currently are no midnight patrols on Virginia's 5,000 miles of tidal coastline. With these new positions the agency will re-establish midnight shift patrols.)

Item 400 #1s

Natural Resources

Marine Resources Commission

Language

Language:

Page 311, line 28, strike "Out" insert "A. Out".

Page 311, after line 32, insert "B. The Marine Resources Commission shall not resume the collection of fees and royalties for the use of state-owned submerged bottomlands assessed by the Commission under the provisions of §28.2-1206.B, Code of Virginia until such time as the collection of those fees is expressly authorized by the General Assembly. This prohibition shall not prevent the assessment and collection of fees for the removal of state-owned bottom lands under §28.2-1206.C of the Code of Virginia."

Explanation:

(This amendment prevents the Marine Resources Commission from collecting fees and royalties already assessed for the private use of state-owned bottom lands until expressly authorized by the General Assembly. This prohibition does not affect fees associated with the removal of state-owned bottom land material.)

Item 402 #1s

Natural Resources

Virginia Museum Of Natural History

FY 04-05

\$0

FY 05-06

(\$56,829) GF

Language:

Page 312, line 2, strike "\$2,149,293" and insert "\$2,092,464".

Page 312, after line 11, strike "Out" and insert "A. Out".

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 #2s

Public Safety

Commonwealth's Attorneys'
Services Council

Language

Language:

Page 313, strike lines 28-34.

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 410 #3s

Public Safety

Department Of Corrections, Central
Activities

Language

Language:

Page 316, following 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 #1s

Public Safety	FY 04-05	FY 05-06	
Division Of Community	\$926,551	\$1,463,224	GF
Corrections	25.00	25.00	FTE

Language:

Page 317, line 40, strike "\$58,809,844" and insert "\$59,736,395".
 Page 317, line 40, strike "\$58,809,844" and insert "\$60,273,068".

Explanation:

(This amendment provides \$926,551 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, during fiscal year 2005. The Board of Corrections' standard for caseloads is 60 cases per officer.)

Item 416 #1s

Public Safety	
Division Of Community	Language
Corrections	

Language:

Page 319, following line 19, insert:
 "4. The Pamunkey Regional Jail Authority, in order to proceed in planning for an

expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session."

Explanation:

(This amendment provides an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, to permit the proposed expansion project for the Pamunkey Regional Jail to be considered by the Board of Corrections. A companion amendment to House Bill 29 directs that the required plans be submitted to the Board of Corrections not later than May 1, 2004, for expedited review.)

Item 416 #2s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, following line 19, insert:

"4. The Hampton Roads Regional Jail Authority, and its member jurisdictions, in order to proceed with the planning study for expansion of the secure detention space at the Hampton Roads Regional Jail complex and/or within the local jurisdictions, to serve the projected requirements for the region. Specific capital project recommendations resulting from this study shall be subject to the approval of the General Assembly prior to final approval by the Board of Corrections."

Explanation:

(This amendment provides an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, to permit the Hampton Roads Regional Jail Authority and its member jurisdictions to initiate a planning study to determine the future needs for additional facilities to be located at the regional jail complex and/or within the local jurisdictions.)

Item 416 #3s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, following line 19, insert:

"4. The Portsmouth City Jail, in order to proceed in planning for replacement facilities, to consist of secure detention space to be constructed at the Hampton Roads Regional Jail complex. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Hampton Roads Regional Jail Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session."

Explanation:

(This amendment provides an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, to permit the proposed Portsmouth City Jail replacement project at the Hampton Roads Regional Jail complex to be considered by the Board of Corrections. A companion amendment to House Bill 29 directs that the required plans be submitted to the Board of Corrections not later than May 1, 2004, for expedited review.)

Item 416 #4s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, following line 19, insert:

"4. The County of Gloucester, in order to proceed in planning for an expansion project for the Gloucester County Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the County may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session."

Explanation:

(This amendment provides an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, to permit the proposed expansion project for the Gloucester County Jail to be considered by the Board of Corrections. A companion amendment to House Bill 29 directs that the required plans be submitted to the Board of Corrections not later than May 1, 2004, for expedited review.)

Item 416 #5s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, following line 19, insert:

"4. The County of Roanoke and City of Salem, in order to proceed in planning for an expansion project for the Roanoke County-Salem Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, Roanoke County and the City of Salem may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session."

Explanation:

(This amendment provides an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, to permit the proposed expansion project for the Roanoke County-Salem Jail to be considered by the Board of Corrections. A companion amendment to House Bill 29 directs that the required plans be submitted to the Board of Corrections not later than May 1, 2004, for expedited review.)

Item 416 #7s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, following line 19, insert:

"4. The County of Pittsylvania, in order to proceed in planning for a renovation project for the Pittsylvania County Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, Pittsylvania County may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session."

Explanation:

(This amendment provides an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, to permit the proposed expansion project for the Pittsylvania County Jail to be considered by the Board of Corrections. A companion amendment to House Bill 29 directs that the required plans be submitted to the Board of Corrections not later than May 1, 2004, for expedited review.)

Item 416 #8s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, following line 19, insert:

"4. The Riverside Regional Jail Authority, in order to proceed in planning for an expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session."

Explanation:

(This amendment provides an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, to permit the proposed expansion project for the Riverside Regional Jail to be considered by the Board of Corrections. A companion amendment to House Bill 29 directs that the required

plans be submitted to the Board of Corrections not later than May 1, 2004, for expedited review.)

Item 416 #9s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, strike line 9 and insert:

"for an expansion project involving the development of a new community corrections facility with approximately 204 beds and a 120-bed expansion to the existing regional jail."

Explanation:

(This amendment clarifies an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, by describing the proposed expansion project for the Clarke-Fauquier-Frederick-Winchester Regional Adult Detention Center. A companion amendment to House Bill 29 directs that the required plans be submitted to the Board of Corrections not later than May 1, 2004, for expedited review.)

Item 416 #11s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, line 20, insert:

"C. 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."

Explanation:

(This amendment expresses the intent of the General Assembly that the Commonwealth only contribute its limited resources to proposed jail facilities that are

intended to house local and state offenders.)

Item 416 #12s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, following line 19, insert:

"4. The Rappahannock Regional Jail Authority, in order to proceed in planning for an expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session."

Explanation:

(This amendment provides an exception to the moratorium on approval by the Board of Corrections of new jail construction projects, to permit the proposed expansion project for the Rappahannock Regional Jail to be considered by the Board of Corrections. A companion amendment to House Bill 29 directs that the required plans be submitted to the Board of Corrections not later than May 1, 2004, for expedited review.)

Item 416 #13s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, line 20, insert:

"C. 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 expresses the intent of the General Assembly that the Board of Corrections require the use of Community Custody Facility Standards, unless more expensive construction standards are justified in a particular case.)

Item 416 #14s

Public Safety

Division Of Community
Corrections

Language

Language:

Page 319, following 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 #1s

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 included in Part 4 of this Act to this Item. Placing the language within the appropriation for the Department of Corrections makes this policy more accessible to other state agencies and to the public. A companion amendment deletes the language from General Provisions.)

Item 420 #1s

Public Safety

Division Of Institutions

FY 04-05

\$894,000

15.00

FY 05-06

\$894,000

15.00

GF

FTE

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$405,980,042".

Page 320, line 18, strike "\$407,600,523" and insert "\$408,494,523".

Explanation:

(This amendment provides \$894,000 each year from the general fund to restore 15 psychologists for adult correctional facilities. A total of 30 positions were eliminated by the 2002 General Assembly, of which 15 were restored by the 2003 General Assembly. This amendment restores the remaining 15 positions.)

Item 420 #2s

Public Safety	FY 04-05	FY 05-06	
Division Of Institutions	(\$635,408)	(\$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 #3s

Public Safety	FY 04-05	FY 05-06	
Division Of Institutions	\$1,445,715	\$1,445,715	GF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$406,531,757".

Page 320, line 18, strike "\$407,600,523" and insert "\$409,046,238".

Explanation:

(This amendment provides \$1,445,715 each year from the general fund to cover the full biennial cost of the 100 new correctional officers authorized by the 2003 General Assembly. This amendment results in the addition of 33 new correctional officers to enhance security in state correctional facilities.)

Item 420 #4s

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. would be 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 would be increased by \$200,000 each year. The source of the special funds is profits from prison commissary operations.)

Item 420 #5s

Public Safety

Division Of Institutions

Language

Language:

Page 321, line 31, after "D." insert "1."

Page 321, line 31, strike "may" and insert "shall".

Page 321, following 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. 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 427 #1s

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice	\$433,260	\$519,912	GF
Services	12.00	12.00	FTE

Language:

Page 324, line 13, strike "\$27,463,414" and insert "\$27,896,674".

Page 324, line 13, strike "\$27,463,414" and insert "\$27,983,326".

Explanation:

(This amendment provides \$433,260 the first year, \$519,912 the second year, and 12 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 #2g

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice	\$101,620	\$101,620	GF
Services			

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,521,798".

Page 324, line 40, strike "\$65,420,178" and insert "\$65,521,798".

Page 325, line 21, strike "\$914,585" and insert "\$1,016,205".

Page 325, line 21, strike "\$914,585" and insert "\$1,016,205".

Explanation:

(This amendment restores \$101,620 each year from the general fund for regional criminal justice training academies, to meet current training standards for local law enforcement officers.)

Item 430 #3s

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice	\$220,000	\$220,000	GF
Services			

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 #8s

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice Services	\$146,250	\$146,250	GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,566,428".

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 "975,000" and "975,000".

Explanation:

(This amendment restores \$146,250 each year from the general fund for the Court-Appointed Special Advocate (CASA) program.)

Item 430 #10s

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice Services	\$2,184,000	\$2,184,000	GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$67,604,178".

Page 324, line 40, strike "\$65,420,178" and insert "\$67,604,178".

Page 325, line 42, strike "18,620,828" and insert "20,804,828".

Page 325, line 43, strike "18,620,828" and insert "20,804,828".

Page 326, strike lines 22-40.

Explanation:

(This amendment provides \$2,184,000 each 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 52 local probation officers, thereby increasing caseloads by an estimated 2,000 offenders statewide. 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 430 #11s

Public Safety	FY 04-05	FY 05-06	
Department Of Criminal Justice	\$83,600	\$75,850	GF
Services	1.00	1.00	FTE

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,503,778".

Page 324, line 40, strike "\$65,420,178" and insert "\$65,496,028".

Explanation:

(This amendment provides \$83,600 the first year, \$75,850 the second year, and one position from the general fund to administer the Domestic Violence Victim Fund created pursuant to Senate Bill 237 of the 2004 General Assembly. This amendment is contingent upon final passage of Senate Bill 237.)

Item 432 #2s

Public Safety	
Department Of Criminal Justice	Language
Services	

Language:

Page 328, strike lines 12-18.

Page 328, line 19, strike "C" and insert "B".

Explanation:

(This amendment eliminates language that makes the additional funding contained in the introduced budget for state aid to localities with police departments contingent upon passage of the Governor's tax proposal.)

Item 436 #2s

Public Safety	FY 04-05	FY 05-06
Department Of Fire Programs	(\$1,250,000)	\$0 GF

Language:

Page 329, line 32, strike "\$18,373,574" and insert "\$17,123,574".

Explanation:

(This amendment eliminates \$1,250,000 from the general fund the first year, which was included in the budget as introduced to pay the local match for a new federal grant program. The new Staffing for Adequate Firefighters and Emergency Response (SAFER) program provides federal grants to localities to hire additional first responders. The required local match rate increases to 100 percent over the period of the grant award. No general funds were included in the introduced budget for the increased second year match requirement.)

Item 441 #1s

Public Safety	FY 04-05	FY 05-06
Department Of Juvenile Justice	\$788,289	\$788,289 GF

Language:

Page 331, line 41, strike "\$51,878,246" and insert "\$52,666,535".

Page 331, line 41, strike "\$51,878,246" and insert "\$52,666,535".

Explanation:

(This amendment provides \$788,289 each year from the general fund to enable the department to fill 15 juvenile correctional officer positions which have been left vacant intentionally to generate savings required by previous budget cuts.)

Item 445 #1s

Public Safety		
Department Of Juvenile Justice		Language

Language:

Page 334, strike lines 18-25.

Explanation:

(This amendment eliminates language that makes the additional funding contained in the introduced budget for juvenile correctional officers contingent upon passage of the Governor's tax proposal.)

Item 445.1 #1s

Public Safety	FY 04-05	FY 05-06	
Department Of Juvenile Justice	\$175,887	\$0	GF

Language:

Page 334, following line 25, insert:

"445.1 Corrections Special Reserve Fund (35900).....\$175,887.....\$0
 Corrections Operating Special Reserve (35901).....\$175,887.....\$0

A. From the appropriation in this Item, \$175,887 the first year is provided for the estimated increase in the operating costs of juvenile correctional facilities resulting from the enactment of Senate Bill 339, as engrossed.

B. The funds shall be paid into the Corrections Special Reserve Fund, established in accordance with Section 30-19.1:4 of the Code of Virginia."

Explanation:

(This amendment provides \$175,887 the first year from the general fund to address the impact on juvenile correctional center bedspace of Senate Bill 339, as engrossed. This amendment is contingent upon final passage of Senate Bill 339.)

Item 456 #4s

Public Safety	
Department Of State Police	Language

Language:

Page 338, line 11, strike line 11 and insert "This appropriation includes"
 Page 338, line 15, after "sworn personnel" 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 #1s

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, following 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 #1s

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, 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 #2s

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, following line 56, insert:

"D. 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.)

Item 463 #4s

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, following 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 2003 Acts of the Assembly, 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 #5s

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 342, following line 56, insert:

"D. The Department of Human Resource Management shall review and may approve all compensation actions for employees of the Virginia Information Technologies Agency."

Explanation:

(This amendment requires the Department of Human Resource Management to review and approve all compensation actions for employees of the Virginia Information Technologies Agency.)

Item 466 #1s

Technology

Virginia Information Technologies
Agency

FY 04-05
(\$7,279,630)

FY 05-06
(\$600,000) GF

Language:

Page 343, line 30, strike "\$14,932,851" and insert "\$7,653,221".

Page 343, line 30, strike "\$8,185,999" and insert "\$7,585,999".

Page 344, strike lines 49 to 56.

Explanation:

(This amendment removes a proposed increase in general fund support for programs traditionally funded through charges for services to state agencies.)

Item 470 #1s

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 introduced 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 #1s

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 475 #2s

Transportation

Department Of Motor Vehicles

Language

Language:

Page 351, line 44, insert "A." before "The".

Page 351, after line 46, insert:

"B. The Auditor of Public Accounts shall conduct a follow-up status review of his November 13, 2003, report entitled "Department of Motor Vehicles Cost Analysis Special Report." The report shall specifically address the progress of the Department

of Motor Vehicles' efforts to implement the cost methodology and develop effective productivity measures as recommended. In addition, the Auditor should report on the changes to the Department of Motor Vehicles budget processes to ensure that these activities include the development and monitoring of the budget, including all funding sources and overall financial policy. The Auditor shall submit his findings and any recommendations by December 1, 2004, to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and to the Chairmen of the Senate Committees on Transportation and Finance.

C. The Department of Motor Vehicles 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) 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 Auditor to conduct a follow-up review of the agency's efforts to implement the Auditor's recommendations from the 2003 report. The amendment also requires the agency to work with the Secretary of Transportation to support efforts promoting greater performance and accountability in state government by developing performance goals and strategies for the 2005 Session.)

Item 482 #1s

Transportation	FY 04-05	FY 05-06	
Department Of Rail And Public Transportation	\$408,000	\$408,000	NGF

Language:

Page 353, line 27, strike "\$155,507,039" and insert "\$155,915,039".
 Page 353, line 27, strike "\$252,963,017" and insert "\$253,371,017".
 Page 354, after line 58, insert:

"I. Out of the amounts for this Item, \$408,000 the first year and \$408,000 the second year shall be provided to the Greater Richmond Transit Company (GRTC) to

continue two express bus operations of GRTC routes previously approved by the Board of Supervisors of Chesterfield County. To receive the funding, Chesterfield County shall match such monies on a dollar-for-dollar basis, and shall communicate its decision to participate in the program to the department no later than 30 days after enactment of this act. If the County elects not to participate, then the monies shall be made available for other programs and projects."

Explanation:

(This amendment provides up to \$816,000 of nongeneral fund moneys to support bus service between the City of Richmond and Chesterfield County on Routes 60 and 360. To receive the funding, the County must provide a dollar-for-dollar match.)

Item 482 #3s

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 #3s

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 355, line 6, insert "A." before "Out".

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 to the Chairmen of 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 483 #4s

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 355, line 6, before "Out" insert "A.".

Page 355, after line 14, insert:

"B. The department shall develop cost estimates for establishing commuter rail service in time for the Jamestown 2007 Commemoration from Richmond City's Main Street Station to the City of Williamsburg via the Richmond International Airport. The estimates shall be submitted by December 30, 2004 to the Secretary of Transportation and to the Chairmen of the Senate Finance and Transportation Committees and to the Chairmen of the House Appropriations and Transportation Committees."

Explanation:

(This amendment directs the agency to prepare cost estimates for establishing commuter rail service from Richmond to Williamsburg via the Richmond Airport. The estimates are to be submitted to the Transportation Secretary and to the General Assembly prior to the 2005 Session.)

Item 484 #3s

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 capital 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 to the Chairmen of 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.)

Item 484 #4s

Transportation

Department Of Transportation

Language

Language:

Page 356, after line 26, insert:

"G. The department is authorized to donate the Marion Residency to the Town of Marion or to Smyth County for economic development purposes."

Explanation:

(This amendment authorizes the department to donate the Marion Residency to either Marion or Smyth County for economic development purposes.)

Item 488 #3s

Transportation

Department Of Transportation

Language

Language:

Page 357, after line 48 insert:

"C.1. The department shall adhere to the policy set by the 2002 Session of the General Assembly concerning the application of tolls or user fees on Interstate 81 in signing any comprehensive agreement pursuant to the Public-Private Transportation Act of 1995. State law prohibits the imposition of tolls or user fees on Interstate 81 on passenger cars, pickup or panel trucks, and motorcycles as such terms are defined in § 46.2-200, Code of Virginia. Unless the Federal Highway Administration exercises its authority to approve a pilot project for Interstate 81 permitting the use of tolls on passenger cars, this policy continues.

2. It is the intent of the General Assembly that the Commonwealth Transportation Board proceed with the environmental study of the Interstate 81 reconstruction project and that this study consider and incorporate the mitigating impacts of various rail options on the environment."

Explanation:

(This amendment directs the Department of Transportation to follow policy set by the General Assembly to restrict the use of tolls on Interstate 81 in any Public-Private Transportation Act project. This policy can only be overridden by action taken by the federal government. Moreover, the required environmental study will have to consider the impacts of various rail options on the project.)

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 monies."

Explanation:

(This amendment provides \$100,000 from VDOT's federal funds to support transportation planning activities done by the Northern Virginia Transportation Authority.)

Transportation

Department Of Transportation

Language

Language:

Page 360, after line 23, insert:

"3. Contingent upon the availability of additional revenues, projects identified as part of the U.S. Route 58 Corridor Development Program shall be afforded the highest priority in terms of funding within their respective districts."

Explanation:

(This amendment is self-explanatory.)

Transportation

Department Of Transportation

FY 04-05

(\$167,839,911)

FY 05-06

(\$179,040,289)

GF

Language:

Page 359, line 2, strike "\$469,767,289" and insert "\$301,927,378".
Page 359, line 2, strike "\$512,134,870" and insert "\$333,094,581".
Page 363, strike lines 10 through 27.

Explanation:

(This amendment removes general fund revenues from the Priority Trust Fund.)

Item 502 #2s

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 2002 Acts of Assembly."

Explanation:

(This amendment appropriates to the Tobacco Indemnification and Community Revitalization Endowment the monies realized from any securitization of the entity's portion of the Master Settlement Agreement.)

Item 502 #3s

Central Appropriations

Central Appropriations

Language

Language:

Page 369, after line 57, insert:

"E. The Tobacco Indemnification and Community Revitalization Commission shall develop recommendations on how Virginia Non-Participating Manufacturers (NPM) to the Master Settlement Agreement (MSA) may join the MSA in a manner that will not lead to a loss of jobs by the NPMs and will maximize revenue for the Commonwealth. In developing the recommendations the Commission shall examine these measures from the 2004 Session -- Senate Bill 649, Senate Bill 675, House Bill 345, and House Bill 1428 -- as well as manufacturers assessment proposals suggested

by the NPMs. Recommendations shall be submitted to the Senate Committees on Finance and Agriculture, Conservation and Natural Resources, the House Committees on Appropriations and Agriculture, Chesapeake and Natural Resources, the Governor and the Attorney General by November 1, 2004."

Explanation:

(This amendment directs the Tobacco Indemnification and Community Revitalization Commission to review legislation from the 2004 Session as well as proposals suggested by Non-Participating Manufacturers (NPM) for the NPMs to join the Master Settlement Agreement in such a manner as not to jeopardize jobs and revenue for Virginia.)

Item 504 #1s

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 lines 25 to 49.

Explanation:

(This amendment eliminates contingent funds for extending the Car Tax Relief reimbursements beyond 70 percent.)

Item 505 #3s

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, following line 39, insert:

"P.1. In addition to the increase authorized in paragraphs F to L of 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, and Combined District Courts.

2. The Senate Finance Committee's Subcommittee on General Government and the House Appropriations Committee's Subcommittee on Compensation and Retirement shall review the compensation and benefits provided to judges and justices. The subcommittees shall provide their joint findings and recommendations to the Chairmen of the Senate Finance Committee and the House Appropriations Committee and the Chief Justice of the Supreme Court by November 1, 2004. The Executive Secretary of the Supreme Court and the Director of the Department of Human Resource Management shall provide such assistance as may be required."

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, and Combined District Courts.)

Item 505 #5s

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$5,628,521	\$5,628,521	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$17,687,214".

Page 370, line 50, strike "\$116,397,852" and insert "\$122,026,373".

Page 372, following line 45, insert:

"F. In lieu of the salary increases authorized in paragraphs F to L of this Act, sworn officers of the Virginia Department of State Police shall receive an increase in base salary and related employee benefits equal to 6.42 percent on July 1, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this Act, to bring the starting salary for State Troopers to \$33,000 per year."

Explanation:

(This amendment provides \$5.6 million GF the first year and \$5.6 million GF the second year to bring the starting salary for State Police officers to \$33,000 annually.)

Item 505 #7s

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$18,552,158	\$18,552,158	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$30,610,851".

Page 370, line 50, strike "\$116,397,852" and insert "\$134,950,010".

Page 372, following line 45, insert:

"F. In lieu of the salary increases authorized in paragraphs F to L of this Act, sheriffs, deputy sheriffs and regional jail officers shall receive an increase in base salary and related employee benefits equal to 6.42 percent on July 1, 2004."

Explanation:

(This amendment provides \$18.6 million GF the first year and \$18.6 million GF the second year to provide a salary increase for sheriffs and deputy sheriffs consistent with that provided for State Police officers.)

Item 505 #8s

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$26,950,128	\$49,753,994	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$39,008,821".

Page 370, line 50, strike "\$116,397,852" and insert "\$166,151,846".

Page 372, line 48, strike "2005" and insert "2004".

Page 372 line 54 strike " \$28,354,907" and insert "\$26,950,128" and "\$49,753,994".

Explanation:

(This amendment provides a 3.0 percent salary increase for state classified employees on November 25, 2004.)

Item 505 #9s

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$8,351,502	\$12,602,567	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$20,410,195".

Page 370, line 50, strike "\$116,397,852" and insert "\$129,000,419".

Page 372, line 52, strike "2005" and insert "2004".

Page 374 line 55 strike " \$12,408,550" and insert "\$8,351,502" and "\$12,602,567".

Explanation:

(This amendment provides a 3.0 percent salary increase for state-supported local employees on December 1, 2004.)

Item 505 #10s

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$397,880	\$397,880	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$12,456,573".

Page 370, line 50, strike "\$116,397,852" and insert "\$116,795,732".

Page 372, following line 45, insert:

"F. Sworn officers of the Capitol Police Department shall receive an increase in base salary and related employee benefits to implement the Capitol Police Pay Plan on November 25, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this Act to bring the starting salary for Capitol Police Officers to a level that is competitive with campus police."

Explanation:

(This amendment provides \$0.4 million GF the first year and \$0.4 million GF the second year to bring the starting salary for Capitol Police Officers to a level that is competitive with campus police.)

Item 505 #11s

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.

Explanation:

(This amendment eliminates the proposed FY 2006 3 percent salary increase for all public employees.)

Item 505 #12s

Central Appropriations

Central Appropriations

FY 04-05

(\$3,593,030)

FY 05-06

(\$2,254,819) GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$8,465,663".

Page 370, line 50, strike "\$116,397,852" and insert "\$114,143,033".

Page 376, strike lines 13 to 39.

Explanation:

(This amendment reverses the pooling of state employee and teacher retirement groups. A companion amendment to Item 145 captures the savings from use of the lower teacher retirement rate recommended by the Governor for teacher retirement.)

Item 505 #13s

Central Appropriations

Central Appropriations

FY 04-05

\$4,538,250

FY 05-06

\$4,538,250 GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$16,596,943".

Page 370, line 50, strike "\$116,397,852" and insert "\$120,936,102".

Page 372, following line 45, insert:

"F. Included in the amounts for Compensation Supplements is \$4,538,250 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."

Explanation:

(This amendment provides \$4.5 million GF the first year and \$4.5 million GF the second year to address salary compression issues for sworn officers of the Virginia Department of State Police.)

Item 506 #1s

Central Appropriations

Central Appropriations

FY 04-05

\$238,500

FY 05-06

\$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.)

Item 506 #5s

Central Appropriations

Central Appropriations

Language

Language:

Page 378, line 40, insert:

"4. Out of these funds, the Center for Innovative Technology shall provide a three-year grant totaling \$500,000 each year to the Southeastern Universities Research Association, Inc. for the development of the Hampton Roads Research Institute."

Explanation:

(This amendment earmarks \$500,000 each year from the Commonwealth Technology Research Fund for the development of the Hampton Roads Research Institute.)

Item 506 #7s

Central Appropriations

Central Appropriations

Language

Language:

Page 378, line 9, after "law.", insert:

"In accordance with Chapters 1019 and 1044, 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 authorizes funding for infrastructure improvements for the APM terminal project.)

Item 507 #1s

Central Appropriations

Central Appropriations

Language

Language:

Page 379, strike lines 43-52.

Page 380, strike lines 1-5 and insert:

"A. This appropriation includes \$2,510,000 in each year from the general fund for implementing the Statewide Agencies Radio System (STARS) project.

B. This appropriation includes \$123,599 the first year and \$244,359 the second year from the general fund for the replacement of the existing two-way radio system at the Department of Forestry."

Explanation:

(This amendment eliminates language that makes the additional funding contained in the introduced budget contingent upon passage of the Governor's tax proposal.)

Item 507 #2s

Central Appropriations

Central Appropriations

Language

Language:

Page 380, line 2, strike "is contingent upon the passage into law of the".

Page 380, strike lines 3 through 5 and insert ".".

Explanation:

(This amendment removes the Governor's contingency language affecting funding to replace the Forestry Department's two-way radio system. The budget provides an

initial outlay of \$367,958 for the replacement program.)

Item 522 #1s

Independent Agencies	FY 04-05	FY 05-06	
Virginia Retirement System	\$350,000	\$50,000	NGF
	1.00	1.00	FTE

Language:

Page 386, line 2, strike "\$22,651,837" and insert "\$23,001,837".

Page 386, line 2, strike "\$23,943,701" and insert "\$23,993,701".

Page 386, following line 34, insert:

"Upon final approval of Senate Bill 284, introduced during the 2004 General Assembly Session, the Virginia Retirement System shall reimburse the Department of Human Resource Management for reasonable costs incurred in the administration of health insurance benefits related to the Line of Duty Act as mutually agreed upon by the Director of the Virginia Retirement System and the Director of the Department of Human Resource Management."

Explanation:

(This amendment provides \$350,000 NGF the first year and 1.00 FTE position and \$50,000 NGF the second year for start-up and administrative costs for implementing the modernization of the Line of Duty Act, as provided for in SB 284.)

Item 527 #1s

Independent Agencies	FY 04-05	FY 05-06	
Virginia Office For Protection And Advocacy	(\$55,000)	(\$55,000)	GF

Language:

Page 387, line 38, strike "\$1,226,106" and insert "\$1,171,106".

Page 387, line 38, strike "\$1,226,106" and insert "\$1,171,106".

Explanation:

(This amendment reduces the office's general fund administrative funding by \$55,000 each year.)

Item 527 #1s

General Conditions

General Conditions

Language

Language:

Page 392, following line 25, insert:

"9. A deposit equal to two percent of the annual value of any tax-supported debt issued by the Treasury Board, Virginia Public Building Authority or Virginia College Building Authority on or after July 1, 2004 shall be paid into the Capital Repairs and Improvements Revolving Fund up to the limits specified in Item C-194.1 of this act. The Treasurer of Virginia shall require these deposits as part of the bond covenants; however the covenants shall clearly state that any deposits required to the Capital Repair and Improvement Fund shall not come either directly or indirectly from debt proceeds."

Explanation:

(This amendment requires that any tax supported debt authorized after July 1, 2004 will require deposits to the Capital Repairs and Improvements Revolving Fund.)

General Conditions

General Conditions

Language

Language:

Page 393, following 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 Committee and the House Appropriations Committee no less than thirty 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 #3s

General Conditions

General Conditions

Language

Language:

Page 393, following 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 or the perception of 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-3.1 #1s

Administration

Department Of General Services

FY 04-05

\$0

FY 05-06

\$2,497,000 NGF

Language:

Page 393, following line 25, insert:

"C-3.1. Improvements: Demolition of the

\$2,497,000

8th Street Office Building
Fund Sources: Bond Proceeds

\$2,497,000".

Explanation:

(This amendment provides \$2.5 million the second year from VPBA bonds for demolition of the 8th Street Office Building.)

Item C-6.10 #1s

Commerce And Trade

FY 04-05

FY 05-06

Department Of Forestry

\$546,000

\$0 NGF

Language:

Page 394, following line 12, insert:

"C-6.10. New Construction: Abingdon
Shop and Cold Storage

\$546,000

Fund Sources: Bond Proceeds

\$546,000".

Explanation:

(This amendment provides \$0.5 million from VPBA bonds the first year for construction of the Abingdon Shop and Cold Storage facility.)

Item C-6.10 #2s

Commerce And Trade

FY 04-05

FY 05-06

Department Of Forestry

\$1,076,000

\$0 NGF

Language:

Page 394, following line 12, insert:

"C-6.10. New Construction: Abingdon
Shop and Cold Storage

\$1,076,000

Fund Sources: Bond Proceeds

\$1,076,000".

Explanation:

(This amendment provides \$1.1 million from VPBA bonds the first year for construction of area offices in Grayson and Carroll Counties.)

Item C-15.1 #3s

Education: Higher Education

The College Of William And Mary
In Virginia

FY 04-05
\$40,000,000

FY 05-06
\$0 NGF

Language:

Page 395, line 13, insert:

"C-15.1. New Construction: School of Business Building (16648)

Fund Sources: Bond Proceeds \$40,000,000". \$40,000,000".

"1. Subject to Section 4-4.01x of this act and approval of a Final Project Proposal by the Commonwealth of Virginia, 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 or facilities 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 or facilities to provide classroom, faculty office, and other operational related academic and support space for the College's School of Business. The facility, or facilities, 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 or facilities 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 or facilities by including the facility or facilities in the College's facility inventory and managing its operation and maintenance, and by otherwise supporting the facility or facilities 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 #1s

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, line 14, insert:
 "C-15.10. New Construction: Parking Deck \$2,821,000
 Supplement
 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, 2000 Acts of Assembly, for a 550-space parking deck at the College. The College seeks to increase its total 9(d) authorization to \$10,164,000.)

Item C-15.10 #2s

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, line 14, insert:

"C-15.10. Acquisition: Emergency
Generators
Fund Sources: Bond Proceeds \$1,600,000
\$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-17.1 #1s

Education: Higher Education

Virginia Institute Of Marine Science

FY 04-05

\$2,000,000

FY 05-06

\$0 NGF

Language:

Page 395, following line 27, insert:

"C-17.1. New Construction: Field Support
Center
Fund Sources: Bond Proceeds \$2,000,000
\$2,000,000".

Explanation:

(This amendment provides \$2.0 million from VCBA bonds for construction of a new field support center at the Virginia Institute of Marine Science.)

Item C-17.1 #5s

Education: Higher Education

Virginia Institute Of Marine Science

FY 04-05

\$2,000,000

FY 05-06

\$0 NGF

Language:

Page 395, following line 27, insert:

"C-17.1. Improvements: Maury Hall
Renovation
Fund Sources: Higher Education Operating
\$2,000,000
\$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.)

Education: Higher Education

George Mason University

Language

Language:

Page 395, line 34, insert:

"A. 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 the Treasury Board Guidelines issued pursuant to 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

B. The General Assembly authorizes George Mason University to enter into a written agreement with a public or private entity to design, construct and finance an addition to the 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 A of this item.

C. In the event that the Krasnow Institute project is financed through alternative financing and 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; however, such project must still comply with state building permit requirements, environmental reviews and permits, and the provisions of the Virginia uniform Building Code."

Explanation:

(This amendment authorizes George Mason University to pursue a public-private partnership and alternative financing options to construct a conference center for the Krasnow Institute. The amendment also stipulates that if the facility is owned or leased by a private entity that it would receive the same exemptions from local zoning ordinances received by facilities owned by the University.)

Education: Higher Education

George Mason University

Language

Language:

Page 396, line 10, insert:

"A. 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 the Treasury Board Guidelines issued pursuant to 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

B. The General Assembly authorizes George Mason University to enter into a 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 A of this item.

C. In the event that the Conference Center for the Institute for Conflict Analysis and Resolution project is financed through alternative financing and constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project must still comply with state building permit requirements, environmental reviews and permits, and the provisions of the Virginia uniform Building Code."

Explanation:

(This amendment authorizes George Mason University to pursue a public-private partnership and alternative financing options to construct a conference center for the Institute for Conflict Analysis and Resolution. The amendment also stipulates that if the facility is owned or leased by a private entity that it would receive the same exemptions from local zoning ordinances received by facilities owned by the University.)

Item C-28 #1s

Education: Higher Education

George Mason University

FY 04-05

(\$1,942,000)

FY 05-06

\$0 NGF

Language:

Page 396, line 28, strike "\$1,942,000" and insert "\$0".

Explanation:

(This amendment eliminates \$1.9 million in VCBA bond authority for the renovation of three academic buildings on the Fairfax Campus of George Mason University.)

Item C-29.10 #1s

Education: Higher Education

George Mason University

FY 04-05

\$3,325,000

FY 05-06

\$0 NGF

Language:

Page 397, line 4, insert:

"C-29.10. Improvements: North Loop

\$3,325,000

Utility Infrastructure Supplement

Fund Sources: Bond Proceeds

\$3,325,000".

Explanation:

(This amendment provides \$3.3 million from 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-29.20 #1s

Education: Higher Education

George Mason University

FY 04-05

\$1,750,000

FY 05-06

\$0 NGF

Language:

Page 397, line 4, insert:

"C-29.20. New Construction: Prince

\$1,750,000

William IIIA Supplement

Fund Sources: Bond Proceeds

\$1,750,000".

Explanation:

(This amendment provides \$1.8 million from VCBA bonds to supplement funding for the Prince William IIIA project to provide additional IT security, furnishings, and equipment.)

Item C-29.20 #2s

Education: Higher Education	FY 04-05	FY 05-06
George Mason University	\$1,500,000	\$0 NGF

Language:

Page 397, line 4, insert:

"C-29.20. New Construction: Prince William IIIA Supplement	\$1,500,000
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Fund Sources: Higher Education Operating	\$1,500,000".
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Explanation:

(This amendment provides \$1.5 million NGF the first year to supplement funding for the renovation of the Patriot Center at George Mason University. This brings the total project authorization to \$8.5 million)

Item C-29.20 #3s

Education: Higher Education	FY 04-05	FY 05-06
George Mason University	\$1,500,000	\$0 NGF

Language:

Page 397, line 4, insert:

"C-29.20. New Construction: Center for the Arts	\$1,500,000
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Fund Sources: Higher Education Operating	\$1,500,000".
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Explanation:

(This amendment provides \$1.5 million NGF for an addition to the Center for the arts at George Mason University.)

Item C-34.1 #1s

Education: Higher Education	FY 04-05	FY 05-06
James Madison University	\$13,600,000	\$0 NGF

Language:

Page 397, following line 26, insert:

"C-34.1. New Construction: Parking Deck	\$13,600,000
-----------------------------------------	--------------

Fund Sources: Bond Proceeds	\$13,600,000".
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Explanation:

(This amendment provides \$13.6 million the first year from 9(d) bonds for construction of a new 750 car parking deck at James Madison University.)

Item C-34.1 #2s

Education: Higher Education

James Madison University

FY 04-05

\$8,000,000

FY 05-06

\$0 NGF

Language:

Page 397, following line 26, insert:

"C-34.1. New Construction: Planning and Construction of New Student Recreation Fields

\$8,000,000

Fund Sources: Higher Education Operating

\$8,000,000".

Explanation:

(This amendment provides \$8.0 million NGF the first year for planning and construction of new student recreation fields at James Madison University.)

Item C-39 #2s

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 from 9(d) bonds to supplement a previous \$20.0 million in 9(d) authorization provided in the introduced budget for construction of a new Convocation Center at Mary Washington college. Total project cost is estimated at \$25.0 million.)

Item C-40 #3s

Education: Higher Education

FY 04-05

FY 05-06

Mary Washington College \$1,000,000 \$0 NGF

Language:

Page 398, line 11, strike "\$5,000,000" and insert "\$6,000,000".

Explanation:

(This amendment provides \$1.0 million from 9(d) bonds to supplement \$5.0 million in 9(d) debt authorization provided in the 2004-06 budget, as introduced, for construction of a new parking deck at Mary Washington College. Total project cost is estimated at \$6.0 million.)

Item C-41.1 #1s

Education: Higher Education

FY 04-05

FY 05-06

Mary Washington College

\$1,500,000

\$0 NGF

Language:

Page 398, following line 15, insert:

"C-41.1. Improvements: Dodd Hall
Auditorium Renovation

\$1,500,000

Fund Sources: Bond Proceeds

\$1,500,000".

Explanation:

(This amendment provides \$1.5 million from VCBA bonds the first year for renovation of the Dodd Hall Auditorium at Mary Washington College.)

Item C-41.1 #3s

Education: Higher Education

FY 04-05

FY 05-06

Mary Washington College

\$1,100,000

\$0 NGF

Language:

Page 398, following line 15, insert:

"C-41.1. Acquisition: Property Acquisition
Fund Sources: Higher Education Operating

\$1,100,000

\$1,100,000".

Explanation:

(This amendment provides \$1.1 million NGF the first year for the acquisition of

property within the boundaries of Mary Washington College's master plan when it becomes available.)

Item C-41.1 #4s

Education: Higher Education	FY 04-05	FY 05-06
Mary Washington College	\$1,500,000	\$1,500,000 NGF

Language:

Page 398, following line 15, insert:

"C-41.1. 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 the first year and \$1.5 million the second year from private gifts for construction of a bell tower at Mary Washington College.)

Item C-42 #1s

Education: Higher Education	FY 04-05	FY 05-06
Norfolk State University	(\$1,469,000)	(\$1,469,000) GF

Language:

Page 398, line 19, strike "\$1,469,000" and insert "\$0".

Page 398, line 19, strike "\$1,469,000" and insert "\$0".

Explanation:

(This amendment eliminates the proposed separate appropriation of \$1.5 million GF each year to Norfolk State University for maintenance reserve. A companion amendment to Item C-194.20 provides increased funding for the purposes of building maintenance from the Capital Repairs and Improvements Fund.)

Item C-43 #1s

Education: Higher Education
Norfolk State University

Language

Language:

Page 398, following line 22, insert:

"This project shall be funded from \$1,416,000 in 9(d) bonds and \$1,584,000 in Virginia College Building Authority bonds."

Explanation:

(This amendment changes \$1.4 million of the funding for improvements to student technology infrastructure at Norfolk State University from VCBA bonds to 9(d) bonds.)

Item C-43.1 #11s

Education: Higher Education	FY 04-05	FY 05-06
Norfolk State University	\$0	\$3,850,000 NGF

Language:

Page 398, following line 25, insert:

"C-43.1. New Construction: Police and \$3,850,000

Public Safety Building

Fund Sources: Bond Proceeds \$3,850,000".

Explanation:

(This amendment provides \$3.9 million from VCBA bonds to construct a new police and public safety building at Norfolk State University.)

Item C-46 #1s

Education: Higher Education	FY 04-05	FY 05-06
Old Dominion University	(\$2,287,000)	\$0 NGF

Language:

Page 399, line 2, strike "\$6,860,000" and insert "\$4,573,000".

Explanation:

(This amendment reduces funding for expansion of Old Dominion University's Teletechnet Facilities at community colleges by \$2.3 million from VCBA bonds. A total of \$4.6 million from VCBA bonds will remain for this project.)

Item C-52.1 #1s

Education: Higher Education	FY 04-05	FY 05-06
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Old Dominion University \$0 \$16,500,000 NGF

Language:

Page 399, following line 26, insert:

"C-52.1. Improvements: Health and Physical Education Building \$16,500,000

Fund Sources: Bond Proceeds \$16,500,000".

Page 398, following line 22, insert:

"This project shall be funded from \$12,982,000 in 9(d) bonds and \$3,518,000 in Virginia College Building Authority bonds."

Explanation:

(This amendment provides \$3.5 million from VCBA bonds and \$13.0 million for 9(d) bonds for renovation of the Health and Physical Education Building at Old Dominion University.)

Item C-52.1 #3s

Education: Higher Education

FY 04-05

FY 05-06

Old Dominion University

\$1,020,869

\$0 NGF

Language:

Page 399, following line 26, insert:

"C-52.1. Improvements: 43rd Street \$1,020,869

Fund Sources: Higher Education Operating \$1,020,869".

Explanation:

(This amendment provides \$1.0 million NGF improvements to 43rd Street at Old Dominion University.)

Item C-52.1 #4s

Education: Higher Education

Old Dominion University

Language

Language:

Page 399, following line 26, insert:

"C-52.1. 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-55.1 #1s

Education: Higher Education

Radford University

FY 04-05

\$670,000

FY 05-06

\$0 NGF

Language:

Page 398, following line 25, insert:

"C-55.1. Planning: Heth Hall renovation

\$670,000

Fund Sources: Higher Education Operating

\$670,000".

Explanation:

(This amendment provides \$670,000 NGF the first year to begin planning for the renovation of Heth Hall at Radford University.)

Item C-58 #1s

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 2004-06 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 #1s

Education: Higher Education

University Of Virginia

Language

Language:

Page 400, strike lines 37 to 39.

Page 401, strike lines 1 to 6.

Explanation:

(This amendment strikes language that would have allowed the University of Virginia to issue short-term debt to jump-start capital projects.)

Item C-67.1 #1s

Education: Higher Education

University Of Virginia

FY 04-05

\$3,500,000

FY 05-06

\$0 NGF

Language:

Page 399, following line 26, insert:

"C-67.1. New Construction: Campbell Hall
Addition

\$3,500,000

Fund Sources: Higher Education Operating

\$3,500,000".

Explanation:

(This amendment provides \$3.5 million NGF to supplement previous authorizations for renovation of Campbell Hall at the University of Virginia. Total project cost is estimated at \$8.5 million.)

Item C-82 #2s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Commonwealth University	\$3,000,000	\$0 NGF

Language:

Explanation:

(This amendment provides \$3.0 million from private funds to supplement \$11.3 million in VCBA authority provided in the 2004-06 budget, as introduced, for construction of a new School of Nursing Building at Virginia Commonwealth University. Total project cost is estimated at \$14.3 million.)

Item C-67.1 #3s

Education: Higher Education	FY 04-05	FY 05-06
University Of Virginia	\$2,200,000	\$0 NGF

Language:

Page 401, following line 6, insert:

"C-67.1. Improvements: Varsity Hall
Renovation

Fund Sources: Higher Education Operating \$2,200,000".

Explanation:

(This amendment provides \$2.2 million NGF for renovation of Varsity Hall at the University of Virginia.)

Item C-67.1 #4s

Education: Higher Education	FY 04-05	FY 05-06
University Of Virginia	\$15,000,000	\$0 NGF

Language:

Page 401, following line 6, insert:

"C-67.1. Acquisition: Advanced Research
Technology Facility

Fund Sources: Bond Proceeds \$15,000,000".

Explanation:

(This amendment provides \$15.0 million from 9(d) bonds for acquisition or lease of the Advanced Research Technology Facility at the University of Virginia.)

Item C-67.1 #5s

Education: Higher Education	FY 04-05	FY 05-06
University Of Virginia	\$24,000,000	\$0 NGF

Language:

Page 399, following line 26, insert:

"C-67.1. New Construction: Expand University Hospital

Fund Sources: Bond Proceeds \$24,000,000".

Explanation:

(This amendment provides \$24.0 million from 9(d) bonds to supplement previous authorizations for expansion of University Hospital at the University of Virginia. Total project cost is estimated at \$89.6 million.)

Item C-74 #1s

Education: Higher Education

University Of Virginia's College At Wise

Language

Language:

Page 401, following line 36, insert:

"This project shall be funded from \$799,000 in 9(d) bonds."

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 from 9(d) bonds.)

Item C-80.1 #1s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Commonwealth University	\$5,000,000	\$0 NGF

Language:

Page 401, following line 6, insert:

"C-80.1. Improvements: Hunton Hall Renovation	\$5,000,000
Fund Sources: Bond Proceeds	\$5,000,000".

Explanation:

(This amendment provides \$5.0 million from 9(d) bonds for renovation of Hunton Hall at Virginia Commonwealth University's MCV Campus for use as a student center. Debt service will be paid from student fees.)

Item C-80.1 #3s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Commonwealth University	\$2,000,000	\$0 NGF

Language:

Page 402, following line 23, insert:

"C-80.1. Planning: New School of Business	\$2,000,000
	\$1,000,000
Fund Sources: Higher Education Operating	\$1,000,000".

Explanation:

(This amendment provides \$2.0 million from private funds to plan for construction of a new School of Business Building at Virginia Commonwealth University.)

Item C-80.1 #4s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Commonwealth University	\$0	\$14,000,000 NGF

Language:

Page 401, following line 6, insert:

"C-80.1. New Construction: Monroe Campus Parking Deck	\$14,000,000
Fund Sources: Bond Proceeds	\$14,000,000".

Explanation:

(This amendment provides \$14.0 million from 9(d) bonds for construction of a new 800 car parking deck at Virginia Commonwealth University's Monroe Campus.

Debt service will be paid from parking revenues.)

Item C-84 #1s

Education: Higher Education

Virginia Commonwealth University

Language

Language:

Page 402, following line 33, insert:

"This project shall be funded from \$2,500,000 in 9(d) bonds."

Explanation:

(This amendment changes the fund source for the acquisition of buffer properties at VCU from \$2.5 million from VCBA bonds to \$2.5 million from 9(d) bonds.)

Item C-98 #1s

Education: Higher Education

Virginia Community College
System

FY 04-05

(\$683,000)

FY 05-06

\$0 NGF

Language:

Page 404, line 25, strike "\$725,000" and insert "\$42,000".

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 for in Item C-108.1.)

Item C-108.10 #1s

Education: Higher Education

Virginia Community College
System

FY 04-05

\$1,834,000

FY 05-06

\$0 NGF

Language:

Page 405, following line 33, insert:

"C-108.10. New Construction: Construct
Science Building Addition, Blue Ridge

\$1,834,000

Community College
Fund Sources: Bond Proceeds \$1,834,000".

Explanation:

(This amendment provides \$1.8 million from VCBA bonds for an addition to the Science Building at Blue Ridge Community College.)

Item C-108.10 #2s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$0	\$4,160,000 NGF

Language:

Page 405, following line 33, insert:
"C-108.10. New Construction: Blackwater Building, Tidewater Community College \$4,160,000
Fund Sources: Bond Proceeds \$4,160,000".

Explanation:

(This amendment provides \$4.2 million from VCBA bonds for the Blackwater Building at Tidewater Community College.)

Item C-108.1 #3s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$0	\$9,149,475 NGF

Language:

Page 405, following line 33, insert:
"C-108.1. Improvements: Major Building Systems Repair and Replacement \$9,149,475
Fund Sources: Bond Proceeds \$9,149,475".

Explanation:

(This amendment provides \$9.1 million from VCBA bonds for replacement and repair of major building systems such as roofs and mechanical systems at various

community colleges.)

Item C-108.10 #3s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$1,465,290	\$0 NGF

Language:

Page 405, following line 33, insert:

"C-108.10. Improvements: Renovate the Top Floor of Galax Hall, Wytheville Community College

Fund Sources: Bond Proceeds \$1,465,290".

Explanation:

(This amendment provides \$1.5 million from VCBA bonds for the renovation of the top floor of Galax Hall at Wytheville Community College.)

Item C-108.1 #3s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Community College System	\$400,000	\$0 NGF

Language:

Page 405, line 34, insert:

"C-108.1. Improvements: Bookstore, Blue Ridge Community College

Fund Sources: Higher Education Operating \$400,000".

Explanation:

(This amendment provides nongeneral fund authorization to renovate the bookstore at Blue Ridge Community College.)

Item C-119.10 #1s

Education: Higher Education	FY 04-05	FY 05-06
Virginia Military Institute	\$1,590,000	\$0 GF

Language:

Page 408, following line 30, insert:

"C-119.10. Planning: Renovation of
Kilborne Hall

Fund Sources: General \$1,590,000
\$1,590,000".

Explanation:

(This amendment provides \$1.6 million GF the first year for planning the renovation of Kilborne Hall at VMI.)

Item C-122.10 #1s

Education: Higher Education

Virginia Polytechnic Institute And
State University

FY 04-05

\$2,750,000

FY 05-06

\$0 GF

Language:

Page 408, following line 30, insert:

"C-122.10. Planning: Renovation of
Campus Heating Plant

Fund Sources: General \$2,750,000
\$2,750,000".

Explanation:

(This amendment provides \$2.8 million GF the first year for planning the renovation of the campus heating plant at Virginia Tech.)

Item C-124 #1s

Education: Higher Education

Virginia State University

FY 04-05

(\$1,202,000)

FY 05-06

(\$1,202,000) GF

Language:

Page 409, line 14, strike "\$1,202,000" and insert "\$0".

Page 409, line 14, strike "\$1,202,000" and insert "\$0".

Explanation:

(This amendment eliminates the proposed separate appropriation of \$1.2 million

each year to Virginia State University for maintenance reserve. A companion amendment to Item C-194.20 provides increased funding for the purposes of building maintenance from the Capital Repairs and Improvements Fund.)

Item C-125 #1s

Education: Higher Education

Virginia State University

Language

Language:

Page 409, following line 21, insert:

"This project shall be funded from \$429,000 of non-general funds."

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 NGF.)

Item C-125.1 #1s

Education: Other

Frontier Culture Museum Of
Virginia

FY 04-05

\$0

FY 05-06

\$375,000 NGF

Language:

Page 409, following line 24, insert:

"C-125.1. New Construction: Site

\$375,000

Improvements Wetlands Mill and Bowman
House Sites

Fund Sources: Bond Proceeds

\$375,000".

Explanation:

(This amendment provides \$0.4 million the second year from VPBA bonds to the Frontier Culture Museum of Virginia for site improvements at the Wetlands Mill and Bowman House sites.)

Item C-126 #1s

Education: Other

Jamestown-Yorktown Foundation

Language

Language:

Page 409, following line 18, insert:

"This project shall be funded from \$265,000 in nongeneral fund cash."

Explanation:

(This amendment changes the fund source for construction of the Powhatan Indian Village by the Jamestown Yorktown Foundation from \$0.3 million of VPBA bonds to \$0.3 million of private funds.)

Item C-133.10 #1s

Education: Other

FY 04-05

FY 05-06

The Science Museum Of Virginia

\$0

\$500,000 NGF

Language:

Page 410, following line 22, insert:

"C-133.10. Improvements: Replace Exhibits

\$500,000

Fund Sources: Bond Proceeds

\$500,000".

Explanation:

(This amendment provides \$0.5 million the second year from VPBA bonds to the Science Museum of Virginia for replacement of exhibits.)

Item C-135.10 #1s

Education: Other

FY 04-05

FY 05-06

Virginia Museum Of Fine Arts

\$1,792,000

\$0 NGF

Language:

Page 410, following line 22, insert:

"C-135.10. Improvements: Upgrade

\$1,792,000

Security System

Fund Sources: Bond Proceeds

\$1,792,000".

Explanation:

(This amendment provides \$1.8 million from VPBA bonds the first year to the Virginia Museum of Fine Arts to upgrade the security system.)

Item C-137 #1s

Health And Human Resources	FY 04-05	FY 05-06
Department Of Mental Health,	\$3,000,000	\$0 GF
Mental Retardation And Substance Abuse Services	(\$9,500,000)	(\$22,300,000) NGF

Language:

Page 411, line 11, strike "\$9,500,000" and insert "\$3,000,000".

Page 411, line 11, strike "\$22,300,000" and insert "\$0".

Explanation:

(This amendment provides \$3.0 million from the general fund to plan the permanent facility for sexually violent predators. Sufficient funds are available to keep the project on schedule.)

Item C-154.10 #1s

Natural Resources	FY 04-05	FY 05-06
Virginia Museum Of Natural History	\$0	\$2,000,000 NGF

Language:

Page 410, following 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 non-general funds raised locally."

Explanation:

(This amendment provides \$2.0 million the second year from VPBA bonds to the Virginia Museum of Natural History to acquire exhibits for the new museum building.)

Item C-161 #1s

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.)

Item C-161.1 #1s

Public Safety

Department Of Corrections, Central Activities

FY 04-05
\$73,553,000

FY 05-06
\$0 NGF

Language:

Page 415, following line 3, insert:

"C-161.1. New Construction: Construct Medium Security Correctional Facility in Pittsylvania County
Fund Sources: Bond Proceeds

\$73,553,000

\$73,553,000".

Explanation:

(This amendment authorizes \$73.6 million from 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.)

Item C-184 #1s

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 #1s

Central Appropriations
Central Capital Outlay

FY 04-05
(\$20,000,000)

FY 05-06
(\$20,000,000) GF

Language:

Page 420, line 6, strike "\$25,000,000" and insert "\$5,000,000".

Page 420, line 6, strike "\$25,000,000" and insert "\$5,000,000".

2004-2006 Appropriations

Agency Code	Agency Name	Project Code	FY 2005	FY 2006
123	Department of Military Affairs	10893	\$36,634	\$36,634
127	Department of Emergency Management	15989	\$4,517	\$4,517
140	Department of Criminal Justice Services	16320	\$4,517	\$4,517
146	The Science Museum of Virginia	13634	\$58,269	\$58,269
156	Department of State Police	10886	\$13,414	\$13,414
161	Department of Taxation	15994	\$11,919	\$11,919
194	Department of General Services	14260	\$177,325	\$177,325
199	Department of Conservation And Recreation	16646	\$42,844	\$42,844
203	Woodrow Wilson Rehabilitation Center	10885	\$75,493	\$75,493
204	The College of William And Mary In Virginia	12713	\$178,553	\$178,553
207	University of Virginia	12704	\$565,994	\$565,994
208	Virginia Polytechnic Institute and State University	12707	\$584,393	\$584,393
211	Virginia Military Institute	12732	\$97,114	\$97,114
212	Virginia State University	12733	\$217,195	\$217,195
213	Norfolk State University	12724	\$265,440	\$265,440
214	Longwood University	12722	\$105,587	\$105,587
215	Mary Washington College	12723	\$43,727	\$43,727
216	James Madison University	12718	\$168,091	\$168,091
217	Radford University	12731	\$71,450	\$71,450
221	Old Dominion University	12710	\$115,379	\$115,379
236	Virginia Commonwealth University	12708	\$366,949	\$366,949
238	Virginia Museum of Fine Arts	13633	\$55,304	\$55,304
239	Frontier Culture Museum of Virginia	15045	\$7,003	\$7,003
241	Richard Bland College	12716	\$4,517	\$4,517
242	Christopher Newport University	12719	\$32,066	\$32,066
246	University of Virginia's College at Wise	12706	\$22,841	\$22,841
247	George Mason University	12712	\$203,653	\$203,653

260	Virginia Community College System	12611	\$423,256	\$423,256
268	Virginia Institute of Marine Science	12331	\$29,545	\$29,545
301	Department of Agriculture and Consumer Services	12253	\$12,221	\$12,221
402	Marine Resources Commission	16498	\$4,517	\$4,517
409	Department of Mines, Minerals and Energy	13096	\$4,517	\$4,517
411	Department of Forestry	13986	\$10,950	\$10,950
417	Gunston Hall	12382	\$4,977	\$4,977
425	Jamestown-Yorktown Foundation	13605	\$46,053	\$46,053
702	Department for the Blind and Vision Impaired	13942	\$16,959	\$16,959
720	Department of Mental Health, Mental Retardation and Substance Abuse Services	10880	\$466,390	\$466,390
777	Department of Juvenile Justice	15081	\$137,206	\$137,206
799	Department of Corrections	10887	\$304,187	\$304,187
942	Virginia Museum of Natural History	14439	\$4,517	\$4,517
948	Southwest Virginia Higher Education Center	16499	\$4,517	\$4,517
	Total		\$5,000,000	\$5,000,000

Explanation:

(This amendment reduces the amount appropriated for the Central Maintenance Reserve Account by \$20 million GF the first year and \$20 million GF the second year. The primary purpose of the Maintenance Reserve Account will be assumed by the Capital Repairs and Improvements Fund established in Item C-194.20.)

Item C-194.20 #1s

Central Appropriations	FY 04-05	FY 05-06	
Central Capital Outlay	\$30,171,000	\$22,671,000	GF
	\$19,829,000	\$52,329,000	NGF

Language:

Page 421, following line 36, insert

"C-194.20. Improvements: Capital Repairs and Improvements

Fund Sources: General \$30,171,000 \$22,671,000

Bond Proceeds \$19,829,000". \$52,329,000".

A.1. A total of \$50,000,000 for FY 2005 and \$75,000,000 for FY 2006 from a combination of general funds and Virginia Public Building Authority bonds is provided to state agencies and institutions for Capital Repairs and Improvements

subprojects.

The Director of the Department of Planning and Budget is hereby directed to transfer to agencies and institutions the following sums:

2004-2006 Appropriations

Agency Code	Agency Name	Project Code	FY 2005
123	Department of Military Affairs	10893	\$366,340
127	Department of Emergency Management	15989	\$45,174
140	Department of Criminal Justice Services	16320	\$45,174
146	The Science Museum of Virginia	13634	\$582,689
156	Department of State Police	10886	\$134,140
161	Department of Taxation	15994	\$119,190
194	Department of General Services	14260	\$1,773,254
199	Department of Conservation And Recreation	16646	\$428,436
203	Woodrow Wilson Rehabilitation Center	10885	\$754,933
204	The College of William And Mary In Virginia	12713	\$1,785,534
207	University of Virginia	12704	\$5,659,936
208	Virginia Polytechnic Institute and State University	12707	\$5,843,930
211	Virginia Military Institute	12732	\$971,143
212	Virginia State University	12733	\$2,171,949
213	Norfolk State University	12724	\$2,654,404
214	Longwood University	12722	\$1,055,871
215	Mary Washington College	12723	\$437,268
216	James Madison University	12718	\$1,680,906
217	Radford University	12731	\$714,495
221	Old Dominion University	12710	\$1,153,786
236	Virginia Commonwealth University	12708	\$3,669,490
238	Virginia Museum of Fine Arts	13633	\$553,036
239	Frontier Culture Museum of Virginia	15045	\$70,030
241	Richard Bland College	12716	\$45,174
242	Christopher Newport University	12719	\$320,662
246	University of Virginia's College at Wise	12706	\$228,409
247	George Mason University	12712	\$2,036,533
260	Virginia Community College System	12611	\$4,232,561
268	Virginia Institute of Marine Science	12331	\$295,446

301	Department of Agriculture and Consumer Services	12253	\$122,206
402	Marine Resources Commission	16498	\$45,174
409	Department of Mines, Minerals and Energy	13096	\$45,174
411	Department of Forestry	13986	\$109,499
417	Gunston Hall	12382	\$49,765
425	Jamestown-Yorktown Foundation	13605	\$460,525
702	Department for the Blind and Vision Impaired	13942	\$169,591
720	Department of Mental Health, Mental Retardation and Substance Abuse Services	10880	\$4,663,899
777	Department of Juvenile Justice	15081	\$1,372,057
799	Department of Corrections	10887	\$3,041,871
942	Virginia Museum of Natural History	14439	\$45,174
948	Southwest Virginia Higher Education Center	16499	\$45,174
	Total		\$50,000,000

2. The distribution of funds for the purposes of this item for FY 2006 shall be based on the findings and recommendations of the audit of deferred maintenance required by Item 2 of this act.

B. Agencies and institutions of higher education may use capital repair and improvement funds in the first year to plan subprojects to be funded from allocations in the second year. Any agency or institution of higher education which has not expended or contractually obligated itself in a legally binding manner to expend its biennial appropriation for capital repair and improvement funds by June 30, 2006, shall revert the unobligated balance to the fund. Such balances shall be reallocated for the next fiscal year. For good cause, the Director of the Department of Planning and Budget may grant exceptions to this requirement.

C. Agencies and institutions of higher education may use capital repair and improvement funds to address major physical plant deficiencies such as: 1) roof repair and replacement, 2) heating and cooling system repair and replacement, 3) major electrical system repair and replacement, or 4) such other deficiencies as the Director, Department of Planning and Budget may approve, provided however that all projects undertaken shall have an estimated useful life of not less than fifteen years."

Explanation:

(This amendment provides \$50.0 million in FY 2005 and \$75.0 million in FY 2006 from the general fund and VPBA bonds to address the backlog of major deferred maintenance projects at state facilities.)

Central Appropriations	FY 04-05	FY 05-06
Central Capital Outlay	\$300,000	\$0 GF

Language:

Page 421, following line 36, insert:

"C-194.20. Improvements: Capital Repairs and Improvements

Fund Sources: General \$300,000".

"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.

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.

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 will work with agencies and institutions to ensure that they are properly accumulating information.

The Auditor of Public Accounts will oversee the collection, analysis, and prioritization of the data needed to audit deferred maintenance costs. All state agencies and institutions will work with and assist the Auditor of Public Accounts to collect this data in relation to their agency.

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. "

Explanation:

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

Item C-194.1 #2s

Central Appropriations

Central Capital Outlay

Language

Language:

Page 421, following line 36, Insert

"C-194.1. Improvements: Capital Repairs
and Improvements

Fund Sources:

"A. All tax-supported debt issued by the Treasury Board, the Virginia Public Building Board and the Virginia College Building Board under the provisions of Virginia's Constitution, Article 10 Sections 9(b) and 9(d) after July, 2004 shall require the creation of a Capital Repairs and Improvements Revolving Fund, and require payment into the Fund in accordance with the following provisions.

B.1. Except as provided in subparagraph B.3. of this item, the Commonwealth shall annually pay into the Capital Repairs and Improvements Revolving Fund an amount equal to two percent of the accumulated balance of all new outstanding debt issued after July 1, 2004. This deposit shall not exceed \$30 million annually. For purposes of this computation, the Commonwealth shall include all tax-supported debt issued by the Treasury Board, the Virginia Public Building Board and the Virginia College Building Board under the provisions of Virginia's Constitution, Article 10 Sections 9(b), and 9(d).

2. Funds for this deposit shall not be derived either directly or indirectly from debt, but shall be made from revenues available for appropriation.

3. No deposits to the Capital Repairs and Improvements Revolving Fund shall be required in any fiscal year in which the General Assembly of Virginia appropriates

funds from the Revenue Stabilization Fund authorized by Article 10 Sections 8 of the Constitution of Virginia.

C. By November 1 each year, the Auditor of Public Accounts shall compute the maximum balance of the fund, and the Governor shall adjust the payment into the fund in the budget prepared in accordance with Section 2.2-1508 of the Code of Virginia. The maximum balance of the fund shall not exceed 2.25 percent of value of the Commonwealth's capital assets excluding land and infrastructure before accumulated depreciation and the total capital assets of state supported institutions of higher education excluding land and assets not funded by the debt described above before accumulated depreciation as reported by the State Comptroller in his annual Comprehensive Financial Report. The maximum balance of the fund shall include both the cash and investment balances in the fund and the net realizable value of any other assets.

D. The Auditor of Public Accounts shall, as part of his computation in C. above, certify that:

1. None of the projects financed by the Capital Repairs and Improvements Revolving Fund represented new construction or expansion of any existing capital asset, and
2. All complied with the Authority's policies and regulations for such projects.

E. The Authority shall maintain the Capital Repairs and Improvements Revolving Fund and receive payments into the Fund as previously described. The Authority shall adopt policies and regulations for the Capital Repairs and Improvements Revolving Fund for purposes of setting the following:

1. Definition and criteria for projects qualifying for loans and
2. Procedures for making and repaying fund loans.

These policies and regulations shall be based on recommendations from a committee comprised of the Secretary of Finance, State Treasurer, Director of the Department of General Services, the Auditor of Public Accounts, a staff representative of the State Council of Higher Education, a representative of the State Council of Higher Education's Finance Advisory Committee and staff representatives of the Senate Finance and House Appropriation Committees as designated by their respective Chairmen. The Capital Repairs and Improvements Revolving Fund may receive other

appropriations made directly to it by the General Assembly."

Explanation:

(This amendment authorizes the Virginia Public Building Authority to create the Capital Repairs and Improvements Revolving Fund.)

Item C-195 #1s

Central Appropriations

Central Capital Outlay

FY 04-05
(\$7,500,000)

FY 05-06
\$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. The primary purpose of this account will be assumed by the Capital Repairs and Improvements Fund established in item C-194.20.)

Item 3-1.01 #1s

Transfers

Interfund Transfers

Language

Language:

Page 437, strike lines 23 through 26.

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 #1s

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."

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.)

Item 3-1.01 #3s

Transfers

Interfund Transfers

Language

Language:

Page 432, line 20, strike "Winegrowers Advisory" and insert "Wine".

Explanation:

(This amendment implements the changes made in Senate Bill 310, creating the Virginia Wine Board.)

Item 3-1.01 #4s

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 for promotion and marketing.)

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 monies from DRPT to the general fund for central services charges.)

Transfers

Interfund Transfers

Language

Language:

Page 438, after line 28, insert:

"FF. Pursuant to the "Virginia Investment Act" (SB 635, 2004 Session), the Comptroller shall transfer \$30,000,000 annually from the general fund to the Virginia Natural and Historic Resources Fund. For fiscal year 2005 only, notwithstanding the transfer schedule in §58.1-638.F., the Comptroller shall transfer from the general fund to the Virginia Natural and Historic Resources Fund, \$10,000,000 on or before July 31, 2004, and an additional \$5,000,000 on or before December 31, 2004, and an additional \$15,000,000 on or before June 30, 2005. For fiscal year 2006, the Comptroller shall transfer from the general fund to the Virginia Natural and Historic Resources Fund, \$15,000,000 on or before December 31, 2005 and an additional \$15,000,000 on or before June 30, 2006."

Explanation:

(This amendment transfers a portion of the one cent sales tax provided by the "Virginia Investment Act" (SB 635, 2004 Session) to the Virginia Natural and Historic Resources Fund. The transfer amounts to \$30.0 million annually. These funds are appropriated in Items 382 and 388.)

Transfers

Interfund Transfers

Language

Language:

Page 435, line 28, after "indicated.", strike the remainder of the line.

Page 435, strike lines 29 through 31.

Page 436, strike lines 21 through 61.

Page 437, strike lines 1 through 6.

Explanation:

(This amendment directs the Comptroller to transfer \$18.5 million the first year and \$11.3 million the second year of nongeneral funds to the general fund. The amendment deletes contingent language authorizing the Comptroller to transfer greater amounts if the Governor's tax package is not enacted.)

Item 3-6.01 #3s

Adjustments and Modifications to Fees

Recordation Tax Fee

Language

Language:

Page 440, line 43, after "Virginia." strike the rest of the line.

Page 440, strike lines 44-45.

Page 441, line 1, after "shall consist of", insert:

"funds pursuant to Senate Bill 635 (2004 Session), other"

Explanation:

(This amendment reverses the transfer of the recordation tax fee from the general fund. General funds identified in the Virginia Investment Act (Senate Bill 635, 2004 Session) replace these funds.)

Item 3-6.02 #1s

Adjustments and Modifications to Fees

Motor Vehicle Fees

Language

Language:

Page 441, strike lines 11 through 13.

Explanation:

(This amendment removes dated language related to driver's license charges, fee discounts, and incentives.)

Item 3-7.01 #1s

Withholding General Fund Revenues for Revenue Stabilization

Language

Language:

Page 441, after line 13, insert:

"After satisfying all other claims against the certified general fund revenue surplus required by law, the State Comptroller shall reserve 25 percent of the remaining portion of the general fund revenue surplus. This reserve shall be held available for appropriation by the General Assembly for deposit into the Revenue Stabilization Fund or for other uses."

Explanation:

(This amendment requires the Comptroller to reserve 25 percent of the general fund surplus so that additional deposits may be made to the rainy day fund. This reserved revenue is not automatically deposited into the rainy day fund but is available to the General Assembly to deposit into the fund when it appropriates the general revenue.)

Item 4-0.00 #1s

General Provisions

Language

Language:

Page 442, after line 1 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. Monies 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 monies 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 monies 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 monies, 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. Monies 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 monies to the Chairmen of the House Appropriations and Senate Finance Committees.

2. Monies 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. Monies 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. Monies 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 for the above-stated purpose, the Governor shall not withhold allotments of appropriations for:

a) More than 10 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 two 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 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.
- e) 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.

6. 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.

7. 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 monies is authorized elsewhere in this act or is required to:

- 1) address a threat to life or safety, health or property or
- 2) provide for unbudgeted increases in costs for statutory required services or federally mandated services, 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) provide additional funding resulting from 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. 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.

§ 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 twenty-four 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 reappropriated 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 ten (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 TUITION AND FEES:

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. Appropriations in this act for Educational and General Programs are provided to meet the Commonwealth's interest in maintaining quality, access, and affordability at its institutions of higher education. General fund appropriations recognize the Commonwealth's share of the cost of education for Virginia students and allow institutions to minimize tuition increases to in-state students. To further ensure that tuition and fees be kept as low as possible, governing boards shall continue to eliminate factors that increase the cost of higher education without increasing its quality or effectiveness.

3.a) The State Council of Higher Education shall develop and enforce uniform guidelines for reporting student enrollments and the domiciliary status of students.

b) The determination of proper tuition, fees and charges shall be made by the Board of Visitors or other governing bodies of institutions of higher education, subject to the provisions of this act. However, that the tuition and fee charges to

nonresident students shall be not less than 100 percent of the average cost of education as calculated by the State Council of Higher Education. The State Council of Higher Education 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.

4. 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. Tuition policy for Virginia resident undergraduates at the public colleges and universities shall be established in the Appropriation Act.

5. 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.

6. The governing boards of the institutions of higher education shall seek cost-savings in areas supported by non-Educational and General fees such that the total cost of higher education be kept as low as possible.

7.a) The Director, Department of Planning and Budget, shall appropriate and allot tuition and educational and general fee revenues in addition to those appropriated to the Educational and General programs of this act, provided that the additional revenue is applied solely to the operating programs of the Educational and General programs to expand student access, improve instructional quality, operate and maintain classrooms and laboratories, and meet other high-priority, mission-specific purposes and that the request for additional nongeneral fund budget authority is consistent with budget items adopted in this act.

b) The Director, Department of Planning and Budget shall report all increases of appropriation authority on a quarterly basis to the House Appropriations and Senate Finance Committees.

8. It is the intent of the General Assembly that any institution of higher education granting new tuition waivers to in-state or out-of-state students not authorized by the Code of Virginia must absorb the cost of any discretionary waivers.

9. 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.

10. Unless otherwise provided, additional general fund and nongeneral fund appropriations in the Educational and General Program appropriations in Part I of this act are based on in-state students paying 30 percent of the cost of their education at Virginia's community colleges and 40 percent of the cost of their education at the other public institutions of higher education.

11. The State Council of Higher Education shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than June 30 of each year on the tuition and fee charges at each public institution of higher education.

c. 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 monies is fully documented by the institution to the Governor prior to each fiscal year and prior to allotment.
3. The monies 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 monies 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 monies, 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 § 4-2.02a.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 monies for the conduct and enhancement of research and research-related

requirements. Such monies 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, 2003 Acts of Assembly, 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, 2003 Acts of Assembly. 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 monies 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 monies in excess of its general fund appropriations, nor shall it obligate or expend monies 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 monies 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 statutory required services 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 are: 1) 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 monies 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 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 1996 Acts of Assembly, 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, 2003 Acts of Assembly, 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 institution has 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.

c.1. 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.

g. 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.

h. 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.

i. 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).

j. 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".

Strike Pages 467 through 475.

Page 476 strike lines 1 through 22.

"§ 4-6.00 POSITIONS AND EMPLOYMENT

§ 4-6.01 EMPLOYEE SALARIES AND WAGES

a. Executive Branch Employees:

1. Classified Compensation Plan:

a. The compensation of classified employees in the Executive Branch shall be

governed by the Classified Compensation Plan authorized by §4-7.02 of Chapter 1073, 2000 Acts of Assembly, including applicable geographic and shift differentials. This plan shall be administered by the Department of Human Resource Management.

1. Except as otherwise provided for in this subdivision, any increases in the salary band assignment of any job role contained in the Classified Compensation Plan shall be effective beginning with the first pay period, defined as the pay period from June 25 through July 9, of the fiscal year if:

a) The agency certifies to the Secretary of Finance that funds are available within the agency's appropriation to cover the cost of the increase for the remainder of the current biennium and presents a plan for covering the subsequent biennial costs, and the Secretary concurs, or

b) Such funds are appropriated by the General Assembly.

2. If at any time the Secretary of Administration shall certify that such change in the salary band assignment for a job role is of an emergency nature and the Secretary of Finance shall certify that funds are available to cover the cost of the increase for the remainder of the biennium within the agency's appropriation, such change in compensation may be effective on a date agreed upon by these two Secretaries. The Secretary of Administration shall provide a monthly report of all such emergency changes in accordance with §4-8.00, Reporting Requirements.

b. Salary adjustments for any employee through a promotion, role change exceptional recruitment and retention incentive options, or in-range adjustment shall occur only if:

1. The agency has sufficient funds within its appropriation to cover the cost of the salary adjustment for the remainder of the current biennium, or

2. Such funds are appropriated by the General Assembly.

c. No changes to the salary band assignment of individual career group roles administered under the new pay plan that is authorized by the 2000 session of the General Assembly, or similar actions, shall be implemented at the option of affected agencies. Further, no changes in salary band assignments affecting classified employees of more than one agency shall become effective unless the

Secretary of Finance certifies that sufficient funds are available to provide such increase or plan to all affected employees supported from the general fund.

2. The compensation of Executive Branch Employees (other than faculty at institutions of higher education) not covered by the provisions of the Classified Compensation plan shall be administered in a manner consistent with that plan.

3. Faculty: Reserved for future use.

4. Cabinet Officers: Annual salaries of persons appointed to positions listed below shall be paid in the amounts shown.

	July 1, 2004 to April 24, 2005	April 25, 2005 to April 24, 2006	April 25, 2006 to June 30, 2006
Chief of Staff	\$131,391	\$131,391	\$135,333
Secretary of Administration	\$131,370	\$131,370	\$135,311
Secretary of Commerce and Trade	\$131,370	\$131,370	\$135,311
Secretary of the Commonwealth	\$131,370	\$131,370	\$135,311
Secretary of Education	\$131,370	\$131,370	\$135,311
Secretary of Finance	\$131,370	\$131,370	\$135,311
Secretary of Health and Human Resources	\$131,370	\$131,370	\$135,311
Secretary of Natural Resources	\$131,370	\$131,370	\$135,311
Secretary of Public Safety	\$131,370	\$131,370	\$135,311
Secretary of Technology	\$131,370	\$131,370	\$135,311
Secretary of Transportation	\$131,370	\$131,370	\$135,311

5. Executive Branch Agency Heads:

a. Incumbents: The annual salaries listed below shall be paid to the individual(s) who held the listed position on December 20, of the fiscal year listed.

	July 1, 2004 to April 24, 2005	April 25, 2005 to April 24, 2006	April 25, 2006 to June 30, 2006
Level I Range	\$95,572 -\$151,103	\$95,572 -\$151,103	\$98,439 -\$155,636
Commissioner, Department of Motor Vehicles	\$124,256	\$124,256	\$127,984
Commissioner, Department of Social Services	\$134,970	\$134,970	\$139,019
Commissioner of Mental Health, Mental Retardation and Substance Abuse Services	\$151,103	\$151,103	\$155,636
Commonwealth Transportation Commissioner	\$132,925	\$132,925	\$136,913
Director, Department of Corrections	\$126,666	\$126,666	\$130,466
Director, Department of Environmental Quality	\$130,369	\$130,369	\$134,280
Director, Department of Medical Assistance Services	\$127,463	\$127,463	\$131,287
Director, Department of Planning and Budget	\$119,609	\$119,609	\$123,197
State Health Commissioner	\$151,103	\$151,103	\$155,636
State Tax Commissioner	\$121,389	\$121,389	\$125,031
Superintendent of Public Instruction	\$146,535	\$146,535	\$150,931
Superintendent of State Police	\$125,347	\$125,347	\$129,107
	July 1, 2004 to	April 25, 2005 to	April 25, 2006 to

	April 24, 2005	April 24, 2006	June 30, 2006
Level II Range	\$83,107	\$83,107	\$85,600
	-\$131,394	-\$131,394	-\$135,336
Alcoholic Beverage Control Commissioners (two)	\$107,251	\$107,251	\$110,469
Chairman, Alcoholic Beverage Control Board	\$107,251	\$107,251	\$110,469
Commissioner, Department of Agriculture and Consumer Services	\$92,359	\$92,359	\$95,130
Commissioner, Virginia Employment Commission	\$107,251	\$107,251	\$110,469
Director, Department of Business Assistance	\$108,830	\$108,830	\$112,095
Director, Department of Charitable Gaming	\$95,016	\$95,016	\$97,866
Director, Department of General Services	\$119,224	\$119,224	\$122,801
Director, Department of Mines, Minerals and Energy	\$119,936	\$119,936	\$123,534
Director, Department of Human Resource Management	\$118,613	\$118,613	\$122,171
Director, Department of Juvenile Justice	\$131,394	\$131,394	\$135,336
Director, Department of Rail and Public Transportation	\$116,544	\$116,544	\$120,040
Executive Director, Motor Vehicle Dealer Board	\$94,533	\$94,533	\$97,369
Executive Director, Virginia Port Authority	\$117,952	\$117,952	\$121,491
State Comptroller	\$107,251	\$107,251	\$110,469
State Treasurer	\$115,188	\$115,188	\$118,644

	July 1, 2004 to April 24, 2005	April 25, 2005 to April 24, 2006	April 25, 2006 to June 30, 2006
Level III Range	\$72,268 -\$114,258	\$72,268 -\$114,258	\$74,436 -\$117,686
Adjutant General	\$100,277	\$100,277	\$103,285
Chairman, Virginia Parole Board	\$107,566	\$107,566	\$110,793
Members, Virginia Parole Board	\$90,440	\$90,440	\$93,153
Member, Virginia Parole Board	\$93,262	\$93,262	\$96,060
Commissioner, Department of Labor and Industry	\$108,127	\$108,127	\$111,371
Commissioner, Department of Rehabilitative Services	\$112,475	\$112,475	\$115,849
Commissioner, Marine Resources Commission	\$99,635	\$99,635	\$102,624
Coordinator, Department of Emergency Management	\$89,582	\$89,582	\$92,269
Director, Department of Aviation	\$97,138	\$97,138	\$100,052
Director, Department of Conservation and Recreation	\$110,057	\$110,057	\$113,359
Director, Department of Criminal Justice Services	\$106,851	\$106,851	\$110,057
Director, Department of Employment Dispute Resolution	\$91,514	\$91,514	\$94,259
Director, Department of Health Professions	\$104,602	\$104,602	\$107,740
Director, Department of Historic Resources	\$90,441	\$90,441	\$93,154

Director, Department of Housing and Community Development	\$101,813	\$101,813	\$104,867
Director, Department of Minority Business Enterprise	\$100,000	\$100,000	\$103,000
Director, The Science Museum of Virginia	\$105,441	\$105,441	\$108,604
Director, Virginia Liaison Office	\$99,694	\$99,694	\$102,685
Director, Virginia Museum of Fine Arts	\$109,499	\$109,499	\$112,784
Director, Virginia Museum of Natural History	\$90,441	\$90,441	\$93,154
Executive Director, Chesapeake Bay Local Assistance Department	\$93,262	\$93,262	\$96,060
Executive Director, Department of Game and Inland Fisheries	\$108,607	\$108,607	\$111,865
Executive Director, Jamestown-Yorktown Foundation	\$104,765	\$104,765	\$107,908
Executive Secretary, Virginia Racing Commission	\$88,132	\$88,132	\$90,776
Librarian of Virginia	\$114,258	\$114,258	\$117,686
State Forester, Department of Forestry	\$96,320	\$96,320	\$99,210
Superintendent, Department of Correctional Education	\$110,804	\$110,804	\$114,128
	July 1, 2004 to April 24, 2005	April 25, 2005 to April 24, 2006	April 25, 2006 to June 30, 2006
Level IV Range	\$62,843 -\$99,365	\$62,843 -\$99,365	\$64,728 -\$102,346

Administrator, Commonwealth's Attorneys' Services Council	\$80,422	\$80,422	\$82,835
Commissioner, Department for the Aging	\$81,105	\$81,105	\$83,538
Commissioner, Virginia Department for the Blind and Vision Impaired	\$76,596	\$76,596	\$78,894
Director, Office of Substance Abuse Prevention	\$86,913	\$86,913	\$89,520
Director, Department of Professional and Occupational Regulation	\$91,423	\$91,423	\$94,166
Director, Virginia-Israel Advisory Board	\$66,463	\$66,463	\$68,457
Executive Director, Board of Accountancy	\$76,688	\$76,688	\$78,989
Executive Director, Commonwealth Competition Council	\$93,688	\$93,688	\$96,499
Executive Director, Frontier Culture Museum of Virginia	\$86,913	\$86,913	\$89,520
Human Rights Director, Human Rights Council	\$80,982	\$80,982	\$83,411
Secretary, State Board of Elections	\$74,131	\$74,131	\$76,355

July 1, 2004	April 25, 2005	April 25, 2006
to	to	to
April 24, 2005	April 24, 2006	June 30, 2006

Level V Range	\$54,645	\$54,645	\$56,284
	-\$86,483	-\$86,483	-\$89,077
Commissioner, Department of Veterans Services	\$73,889	\$73,889	\$76,106
Director, Gunston Hall	\$70,565	\$70,565	\$72,682
Director, Virginia Department for the Deaf and	\$68,431	\$68,431	\$70,484

Hard-of-Hearing

Executive Director, Department of Fire Programs	\$83,869	\$83,869	\$86,385
Executive Director, Virginia Commission for the Arts	\$70,652	\$70,652	\$72,772
Chairman, Compensation Board	\$18,867	\$18,867	\$19,433

b. New Appointees: The annual salaries of persons appointed to positions listed in this subsection shall be established at:

1) No more than 15 percent above the appointee's pre-appointment salary, not to exceed the maximum for the salary range, or

2) The minimum for the salary range.

3) The basis for calculation of a new appointee's salary shall be the last full-time salary, or annualized wage, paid to such individual. If such salary or wage was in compensation for serving in an acting or otherwise temporary capacity, then the calculation shall be based upon the salary or wage of the last permanent position held by the appointee.

4) In proposing the salary for a new appointee as authorized in this subsection, it is the intent of the General Assembly that the maximum set out in §4-6.01.a.5.b.1) not be viewed as the normal increase for new appointees. The Governor shall be guided by criteria which provide a reasonable limit on the increase, considering the incumbent's potential contribution to the Commonwealth, and such other criteria as he may find useful.

c. Annual Salary Increases: In his budget proposals to the General Assembly, the Governor shall propose increases or decreases, if any, to the salaries of incumbents in the positions listed in this subsection.

1) Such proposals shall be:

a) Based on his evaluation of their individual performance,

b) No more than the maximum of the range of performance increases granted in that fiscal year for classified employees under the Classified Employee Pay Plan as set out in Item 511, of this Act,

c) No more than the maximum for the salary range, and

d) Shall be effective on the first day of the pay period next following the Governor's signature of the budget bill.

2) In making his proposals in the budget, the Governor shall provide the Chairmen of the House Appropriations Committee and the Senate Finance Committee with written justification of any increase that deviates from the average increase recommended for classified state employees under the Classified Employee Pay Plan as set out in Item 511, of this Act. Such justification shall be confidential and shall not be subject to the provisions of the Freedom of Information Act.

3) Incumbents with less than six months tenure in the position listed in this subsection shall not be eligible for the salary increase authorized by this subsection.

4) In proposing the annual salary increase authorized in this subsection, it is the intent of the General Assembly that the maximum set out in §4-6.01.a.5.c.1) b) above should be reserved for those agency heads who made an exceptional contribution to the operation of their agency. The Governor shall be guided by criteria which provide a reasonable limit on the increase, considering the incumbent's service to the Commonwealth, and such other criteria as he may find useful.

d. Competitive Salary Increases: At any time, the Governor may approve a salary increase for the incumbent in a position listed in this subsection, in response to a bona fide job offer from another employer.

1) Such competitive salary increase shall be:

a) Based on his evaluation of their individual performance,

- b) No more than the maximum of the salary range,
 - c) No more than 15 percent for any single competitive offer or for a combination of competitive offers in a single fiscal year, and
 - d) Temporary and provisional until the first day of the pay period next following the Governor's signature of the budget bill.
- 2) In approving a competitive offer, the Governor should be guided by criteria which provide a reasonable limit on the increase, considering the incumbent's service to the Commonwealth and the relative difficulty of finding a qualified replacement, and such other criteria as he may find useful.
- 3) In authorizing a competitive salary increase, the Governor shall provide the Chairmen of the House Appropriations Committee and the Senate Finance Committee with written justification for such increase. Such justification shall be confidential and shall not be subject to the provisions of the Freedom of Information Act.
- e. Performance Bonuses: At any time, the Governor may approve a performance bonus for the incumbent in a position listed in this subsection.
- 1) Such performance bonus shall be:
 - 1) Based on his evaluation of their individual performance,
 - 2) No greater than five percent of the annual salary for the incumbent, as listed in this Act, and
 - 2) Performance bonuses shall not be granted to any individual more than once in a twelve month period.
 - 3) In authorizing a performance bonus, the Governor shall provide;
 - a) The Chairmen of the House Appropriations Committee and the Senate Finance Committee with written justification. Such justification shall be confidential and shall not be subject to the provisions of the Freedom of Information Act.

b) Notification of performance bonuses to the Department of Human Resource Management for retention in its records.

f. Special Provisions for Executive Branch Agency Heads:

1) Except as may be otherwise provided in this Act, all incumbents holding positions listed in this § 4-6.01 shall be eligible for all fringe benefits provided to full-time classified state employees and, notwithstanding any provision to the contrary, the annual salary paid pursuant to this § 4-6.01 shall be included as creditable compensation for the calculation of such benefits.

2) If at any time the Administrator of the Commonwealth's Attorneys' Services Council serves on the faculty of a state-supported institution of higher education, the faculty appointment must be approved by the Council. Such institution shall pay one-half of the salary listed in § 4-6.01 c 6 of this act.

a) Further, such institution may provide compensation in addition to that listed in § 4-6.01 c 6; provided, however, that such additional compensation must be approved by the Council.

b) If the Administrator ceases to be a member of the faculty of a state-supported institution of higher education, the total salary listed in § 4-6.01 c 6 shall be paid from the Council's appropriation.

6. Presidents of Institutions of Higher Education:

a. Annual salaries of the presidents of the senior institutions of higher education, the President of Richard Bland College, the Chancellor of the University of Virginia's College at Wise, the Superintendent of the Virginia Military Institute, the Director of the Southwest Virginia Higher Education Center and the Chancellor of Community Colleges, as listed in this paragraph, shall be paid in the amounts shown.

July 1, 2004	April 25, 2005	April 25, 2006
to	to	to
April 24, 2005	April 24, 2006	June 30, 2006

STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA

Director, State Council of Higher Education for Virginia	\$148,062	\$148,062	\$152,504
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SOUTHWEST VIRGINIA HIGHER EDUCATION CENTER

Director, Southwest Virginia Higher Education Center	\$84,128	\$84,128	\$86,652
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VIRGINIA COMMUNITY COLLEGE SYSTEM

Chancellor of Community Colleges	\$143,795	\$143,795	\$148,109
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SENIOR COLLEGE PRESIDENTS' SALARIES

Chancellor, University of Virginia's College at Wise	\$112,271	\$112,271	\$115,639
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President, Christopher Newport University	\$112,466	\$112,466	\$115,840
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President, The College of William and Mary in Virginia	\$135,203	\$135,203	\$139,259
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President, George Mason University	\$127,514	\$127,514	\$131,339
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President, James Madison University	\$125,435	\$125,435	\$129,198
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President, Longwood University	\$120,476	\$120,476	\$124,090
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President, Mary Washington College	\$119,462	\$119,462	\$123,046
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President, Norfolk State University	\$123,489	\$123,489	\$127,194
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President, Old Dominion University	\$135,748	\$135,748	\$139,820
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President, Radford University	\$123,487	\$123,487	\$127,192
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President, Richard Bland College	\$105,795	\$105,795	\$108,969
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President, University of Virginia	\$150,069	\$150,069	\$154,571
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President, Virginia Commonwealth University	\$151,421	\$151,421	\$155,964
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President, Virginia Polytechnic Institute and State	\$151,421	\$151,421	\$155,964
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University

President, Virginia State University	\$123,487	\$123,487	\$127,192
Superintendent, Virginia Military Institute	\$122,347	\$122,347	\$126,017

b. The annual salaries of the presidents of the community colleges shall be fixed by the State Board for Community Colleges within a salary structure submitted to the Governor prior to June 1 each year for approval.

7. Salary Supplements:

a. No supplement to the salary of a state agency head, however titled, shall be paid except as specifically authorized in this subsection.

b. The appointing authority shall report approved supplements to the Department of Human Resource Management for retention in its records.

c. Higher Education:

1) The board of visitors shall report approved supplements to the Department of Human Resource Management for retention in its records.

2) The board of visitors of each institution of higher education may supplement the salary of its president from private gifts, endowment funds, or income from endowments and gifts. Supplements paid from other than the cited sources prior to June 30, 1997, may continue to be paid. In approving a supplement, the board of visitors shall be guided by criteria which provide a reasonable limit on the total additional income of a president. The criteria should include a consideration of additional income from outside sources including, but not being limited to, service on boards of directors or other such services.

3) The State Board for Community Colleges may supplement the salary of the Chancellor from any available appropriations of the Virginia Community College System. In approving a supplement, the State Board for Community Colleges shall be guided by criteria which provide a reasonable limit on the total additional income of the Chancellor. The criteria should include consideration of additional

income from outside sources including, but not being limited to, service on boards of directors or other such services.

c. Other Education Institutions: With the prior annual written approval of the Governor, the Board of Trustees of the Virginia Museum of Fine Arts, The Science Museum of Virginia, the Jamestown-Yorktown Foundation, and The Library Board may supplement the salary of the Director of each museum and the Librarian of Virginia from non-state funds. In approving a supplement, the Governor should be guided by criteria which provide a reasonable limit on the total additional income of the Director or Librarian of Virginia. The criteria should include, without limitation, a consideration of the salaries paid to similar officials at comparable museums and libraries of other states.

d. Virginia Port Authority: With the prior annual written approval of the Governor, the Board of Commissioners of the Virginia Port Authority may supplement the salaries of its Executive Director, its Senior Managing Director of Marketing Services and its marketing staff from non-state funds provided by any nonstock, nonprofit corporation which is authorized by the Virginia Port Authority to operate port facilities of the Commonwealth under its jurisdiction. In approving such supplements, the Governor should be guided by criteria which provide a reasonable limit on the total additional income of the Executive Director, the Senior Managing Director of Marketing Services and the marketing staff. The criteria should include, without limitation, a consideration of the salaries paid to similar officials at comparable ports of other states.

b. Legislative, Judicial and Independent Agency Employees:

1. The compensation of employees of Legislative, Judicial and Independent Agencies shall be administered in accordance with such pay plans as may be adopted by their respective appointing authorities.

a) No funds appropriated by this Act shall be expended for the implementation of a pay plan for employees of the judicial or independent agencies that has not been reviewed and approved by the compensation subcommittees of the House Appropriations Committee and the Senate Finance Committee.

b) No funds appropriated by this Act shall be expended for the implementation of a pay plan for employees of Legislative agencies that are under the jurisdiction of the Joint Rules Committee until such plan has been reviewed and approved by the

Committee. Such plan shall be provided to the compensation subcommittees of the House Appropriations Committee and the Senate Finance Committee.

2. Judges and Elected Agency Heads:

a) Annual salaries of persons appointed to positions listed below shall be paid in the amounts shown.

	July 1, 2004 to April 24, 2005	April 25, 2005 to April 24, 2006	April 25, 2006 to June 30, 2006
Supreme Court			
Chief Justice	\$144,465	\$144,465	\$148,799
Associate Justice (six)	\$135,505	\$135,505	\$139,507
Court of Appeals			
Chief Judge, Court of Appeals	\$129,730	\$129,730	\$133,592
Judge, Court of Appeals (ten)	\$128,730	\$128,730	\$132,592
Circuit Courts			
Judges	\$125,795	\$125,792	\$129,569
General District Courts			
Judges	\$113,214	\$113,214	\$116,610
Juvenile and Domestic Relations District Courts			
Judges	\$113,214	\$113,214	\$116,610
Combined District Courts			
Judges	\$113,214	\$113,214	\$116,610
Corporation Commission			
Chairman, State Corporation Commission	\$130,158	\$130,158	\$134,063
Members, State Corporation Commission (4)	\$128,730	\$128,730	\$132,594
Workers' Compensation Commission			
Chairman, Virginia Workers' Compensation Commission	\$128,436	\$128,436	\$132,289
Members, Virginia Workers' Compensation Commission (2)	\$125,796	\$125,796	\$129,570
General Assembly			
Clerk of the House	\$123,953	\$123,953	\$129,570

Clerk of the Senate	\$121,342	\$121,342	\$124,982
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b) Salaries of the judges in the Court of Appeals are to be 95 percent of the salaries of justices of the Supreme Court except for the Chief Judge, who shall receive an additional \$1,000 annually.

3. Agency Heads:

a) Incumbents. The annual salaries listed below shall be paid to the individual(s) who held the listed position on December 20, of the fiscal year listed.

	July 1, 2004 to April 24, 2005	April 25, 2005 to April 24, 2006	April 25, 2006 to June 30, 2006
Legislative and Judicial Level I	\$93,469 - \$147,778	\$93,469 - \$147,778	\$93,469 - \$147,778
Auditor of Public Accounts	\$137,487	\$137,487	\$141,612
Director, Division of Legislative Automated Systems	\$121,901	\$121,901	\$125,558
Director, Division of Legislative Services	\$121,458	\$121,458	\$125,102
Director, Joint Legislative Audit and Review Commission	\$138,358	\$138,358	\$142,509
Executive Secretary, Supreme Court of Virginia	\$128,099	\$128,099	\$131,942
Director, Judicial Inquiry and Review Commission	\$125,795	\$125,795	\$129,569
Director, Virginia State Bar	\$144,422	\$144,422	\$148,755
Director, Public Defender Commission	\$118,000	\$118,000	\$121,540
Legislative and Judicial Level II	\$70,678 - \$128,503	\$70,678 - \$128,503	\$70,678 - \$128,503
Chief, Division of Capitol Police	\$79,588	\$79,588	\$81,976
Executive Director, Virginia Alcohol Safety Action Program	\$90,298	\$90,298	\$93,007
Director, Virginia Criminal Sentencing Commission	\$97,651	\$97,651	\$100,581
Director, Board of Bar Examiners	\$125,000	\$125,000	\$128,750
Independent Range	\$81,278 - \$128,503	\$81,278 - \$128,503	\$81,278 - \$128,503
Director, State Lottery Department	\$124,919	\$124,919	\$128,667
Executive Director, Virginia College Savings Plan	\$127,729	\$127,729	\$131,561

Director, Virginia Retirement System	\$127,729	\$127,729	\$131,561
Executive Director, Virginia Office for Protection and Advocacy	\$97,138	\$97,138	\$100,052

b. New Appointees: The annual salaries of persons appointed to positions listed in this subsection of this Act shall be established at:

1) No more than 15 percent above the appointee's pre-appointment salary, not to exceed the maximum for the salary range, or

2) The minimum for the salary range.

3) The basis for calculation of a new appointee's salary shall be the last full-time salary, or annualized wage, paid to such individual. If such salary or wage was in compensation for serving in an acting or otherwise temporary capacity, then the calculation shall be based upon the salary or wage of the last permanent position held by the appointee.

4) In proposing the salary for a new appointee as authorized in this subsection, it is the intent of the General Assembly that the maximum set out in §4-6.01.a.5.b.1) not be viewed as the normal increase for new appointees. The appointing authority shall be guided by criteria which provide a reasonable limit on the increase, considering the incumbent's potential contribution to the Commonwealth, and such other criteria as he may find useful.

c. Annual Salary Increases: The appointing authority shall annually provide to the Department of Planning and Budget proposals for such increases or decreases as are deemed appropriate for the annual salaries of incumbents appointed to positions listed in this subsection. The Governor shall include such increases or decreases in his budget proposals to the General Assembly.

1) Such proposals shall be:

a) Based on his evaluation of their individual performance,

b) No more than the maximum of the range of performance increases granted in that fiscal year for classified employees under the Classified Employee Pay Plan as set out in Item 511, of this Act,

c) No more than the maximum for the salary range and

d) Shall be effective on the first day of the pay period next following the Governor's signature of the budget bill.

2) In proposing the annual salary increase authorized in this subsection, it is the intent of the General Assembly that the maximum set out in §4-6.01.b.3.c.1) b) above should be reserved for those agency heads who made an exceptional contribution to the operation of their agency. The appointing authority should be guided by criteria which provide a reasonable limit on the increase, considering the incumbent's service to the Commonwealth, and such other criteria as he may find useful.

3) In making his proposals to the Department of Planning and Budget the appointing authority in the Judicial and Independent Agencies shall provide written justification of any increase that deviates from the average increase recommended for classified state employees under the Classified Employee Pay Plan as set out in Item 511, of this Act. Copies of these justifications shall be provided by the appointing authority to the Chairmen of the House Appropriations Committee and the Senate Finance Committee. Such justification shall be confidential and shall not be subject to the provisions of the Freedom of Information Act in the budget, with.

4) Incumbents with less than six months tenure in the position listed in this subsection and in §1-1 through §1-15 of this Act shall not be eligible for the salary increase authorized by this subsection.

d. Competitive Salary Increases: At any time the appointing authority may approve a salary increase for the incumbent in a position listed in this subsection, in response to a bona fide job offer from another employer.

1) Such competitive salary increase shall be:

a) Based on his evaluation of their individual performance,

b) No more than the maximum of the salary range,

c) No more than 15 percent for any single competitive offer or for a combination

of competitive offers in a single fiscal year, and

d) Temporary and provisional until the first day of the pay period next following the Governor's signature of the budget bill.

2) In approving a competitive offer, the appointing authority should be guided by criteria which provide a reasonable limit on the increase, considering the incumbent's service to the Commonwealth and the relative difficulty of finding a qualified replacement, and such other criteria as he may find useful.

3) In authorizing a competitive salary increase, the appointing authority in the Judicial Branch and Independent Agencies shall provide the Chairmen of the House Appropriations Committee and the Senate Finance Committee with written justification for such increase. Such justification shall be confidential and shall not be subject to the provisions of the Freedom of Information Act.

e. Performance Bonuses: At any time the appointing authority may approve a performance bonus for the incumbent in a position listed in this subsection.

1) Such performance bonus shall be:

a) Based on his evaluation of their individual performance,

b) No greater than five percent of the annual salary for the incumbent, as listed in this Act, and

2) Performance bonuses shall not be granted to any individual more than once in a twelve month period.

3) In authorizing a performance bonus, the appointing authority shall provide;

a) The Chairmen of the House Appropriations Committee and the Senate Finance Committee with written justification. Such justification shall be confidential and shall not be subject to the provisions of the Freedom of Information Act.

b) Notification of performance bonuses to the Department of Human Resource Management for retention in its records.

c. Provisions Applicable to All Employees:

1. No lump sum appropriation for personal service shall be regarded as advisory or suggestive of individual salary rates or of salary schedules to be fixed under law by the Governor payable from the lump sum appropriation.
2. Full-time employees of the Commonwealth, including faculty members of state institutions of higher education, who are appointed to a state-level board, council, commission or similar collegial body set forth in §§ 2.1-20.4 and 15.2-1636.5, Code of Virginia, shall not receive any compensation for their services as members or chairmen except for reimbursement of reasonable and necessary expenses.

§ 4-6.02 EMPLOYEE BENEFITS

a. General Application

Notwithstanding any other provision of law, employees holding full-time, academic-year classified positions at public institutions of higher education shall be considered "state employees" as defined in § 51.1-124.3, Code of Virginia, and shall be considered for medical/hospitalization, retirement service credit, and other benefits on the same basis as those individuals appointed to full-time, 12-month classified positions.

b. Employee Training

1. Subject to uniform rules and regulations established by the appointing authority, the head of any state agency may authorize, from any funds appropriated to such department, institution or other agency in this act or subsequently made available for the purpose, compensation or expenses or both compensation and expenses for employees pursuing approved training courses or academic studies for the purpose of becoming better equipped for their employment in the state service.
2. The rules and regulations shall include reasonable provision for the return of any employee receiving such benefits for a reasonable period of duty, or for reimbursement to the state for expenditures incurred on behalf of the employee should he not return to state service.

c. Health Benefits

1. Any medical/hospitalization benefit program provided for state employees shall include the following provision: any state employee, as defined in §2.2-2818, Code of Virginia, shall have the option to accept or reject coverage.

3. Any hospital with fewer than 105 beds and which has a minority patient population in excess of 75 percent shall be allowed to participate in the Employee Health Insurance Program pursuant to §2.2-2818, Code of Virginia, provided that such hospital enters into a written agreement to accept the same level of reimbursement as the participating hospitals in the same geographic region.

4. Any hospital that serves as the primary medical facility for state employees may be allowed to participate in the State Employee Health Insurance Program pursuant to §2.2-2818, Code of Virginia, provided that:

a) Such hospital is not a participating provider in the network, contracted by the Department of Human Resource Management, that serves state employees, and

b) Such hospital enters into a written agreement with the Department of Human Resource Management as to the rates of reimbursement.

c) The Department shall accept the lowest rates offered by the hospital from among the rates charged by the hospital to:

1) Its largest purchaser of care,

2) Any state or federal public program, or

3) Any special rate developed by the hospital for the state employee health benefits program which is lower than either of the rates above.

d) If the Department and the hospital cannot come to an agreement, the Department shall reimburse the hospital at the rates contained in its final offer to the hospital until the dispute is resolved.

e) Any dispute shall be resolved through arbitration or through the procedures established by the Administrative Process Act, as the hospital may decide, without impairment of any residual right to judicial review.

d. Retirement Benefits:

1. Except as provided for sworn personnel of the Department of State Police, no payment of, or reimbursement for, the employer paid contribution to the State Police Officers' Retirement System, or any system offering like benefits, shall be made by the Compensation Board of the Commonwealth at a rate greater than the employer rate established for the general classified workforce of the Commonwealth covered under the Virginia Retirement System. Any cost for benefits exceeding such general rate shall be borne by the employee or, in the case of a political subdivision, by the employer.

2. Any classified employee of the Commonwealth who (i) is compensated on a salaried basis and (ii) works at least twenty hours per week shall be considered a full-time employee for the purposes of participation in the Virginia Retirement System's group life insurance and retirement programs. Any part-time magistrate hired prior to July 1, 1999, shall have the option of participating in the programs under this provision.

3. Notwithstanding any other provision of law, the board of visitors or other governing body of any public institution of higher education is authorized to establish age and service eligibility criteria for faculty participating in voluntary early retirement incentive plans for their respective institutions pursuant to § 23-9.2:3.1 B and the cash payment offered under such compensation plans pursuant to § 23-9.2:3.1 D, Code of Virginia. The total cost in any fiscal year for any compensation plan established under § 23-9.2:3.1 D, Code of Virginia, shall be set forth by the governing body in the compensation plan for approval by the Governor and review for legal sufficiency by the Office of the Attorney General.

4. Notwithstanding any other provision of law, no agency head compensated by funds appropriated in this act may be a member of the Virginia Law Officers' Retirement System created under Title 51.1, Chapter 2.1, Code of Virginia. The provisions of this paragraph are effective on July 1, 2002, and shall not apply to the Chief of the Capitol Police.

e. Severance Benefits

1. Severance benefits as provided for under the provisions of the Workforce Transition Act of 1995, §2.2-3200 to §2.2-3206 of the Code of Virginia, shall be

provided to all employees granted benefits under that Act.

2. Notwithstanding the provisions of §2.2-3202 of the Code of Virginia, full-time employees appointed by the Governor, whether or not confirmed by the General Assembly, shall be entitled to severance benefits equal to one month salary, provided that they meet the standard of a terminated employee set out in §2.2-3200 of the Code of Virginia.

§ 4-6.03 CHARGES

a. FOOD SERVICES:

1. Except as exempted by the prior written approval of the Director, Department of Human Resource Management, and the provisions of § 2.1-558 A, Code of Virginia, state employees shall be charged for meals served in state facilities.

a) Charges for meals will be determined by the agency. Such charges shall be not less than the value of raw food and the cost of direct labor and utilities incidental to preparation and service.

b) Each agency shall maintain records as to the calculation of meal charges and revenues collected.

c) Except where appropriations for operation of the food service are from nongeneral funds, all revenues received from such charges shall be paid directly and promptly into the general fund.

2. The provisions of this subsection shall not apply to on-duty employees assigned to correctional facilities operated by the Departments of Corrections, Juvenile Justice, and Correctional Education.

b. HOUSING SERVICES:

1. Each agency will collect a fee from state employees who occupy state-owned housing, subject to guidelines provided by the Director, Department of General Services. Each agency head is responsible for establishing a fee for state-owned housing and for documenting in writing why the rate established was selected. In exceptional circumstances, which shall be documented as being in the best interest of the Commonwealth by the agency requesting an exception, the Director,

Department of General Services may waive the requirement for collection of fees.

2. All revenues received from housing fees shall be promptly deposited in the state treasury. For housing for which operating expenses are financed by general fund appropriations, such revenues shall be deposited to the credit of the general fund. For housing for which operating expenses are financed by nongeneral fund appropriations, such revenues shall be deposited to the credit of the nongeneral fund. Agencies which provide housing for which operating expenses are financed from both general fund and nongeneral fund appropriations shall allocate such revenues, when deposited in the state treasury, to the appropriate fund sources in the same proportion as the appropriations. However, without exception, any portion of a housing fee attributable to depreciation for housing which was constructed with general fund appropriations shall be paid into the general fund.

c. VEHICLE PARKING SPACES:

1. Agencies with parking space for employees in state-owned facilities shall, when required by the Director, Department of General Services, charge employees for such space on a basis approved by the Governor. All revenues received from such charges shall be paid directly and promptly into a special fund in the state treasury to be used, as determined by the Governor, for payment of costs for the provision of vehicle parking spaces. Interest shall be added to the fund as earned. In the case of any agency with central administrative offices occupying leased or rental space in the metropolitan Richmond area, not including institutions of higher education, the Director shall require that a fee be charged employees for vehicle parking spaces which are assigned to them or which are otherwise available incidental to the lease or rental agreement. In such cases the individual employee fee scale shall not be less than that provided for employees at the Seat of Government, provided that if, in the opinion of the Director good cause is shown, this portion of the requirement may be amended or waived. Revenues derived from employees paying for parking spaces in leased facilities will be retained by the leasing agency to be used to offset the cost of the lease to which it pertains.

2. Agencies assigned to a Governor's Secretary, excluding institutions of higher education, which are located in the metropolitan Richmond area shall not use public funds to lease private parking spaces for employees. Payments for such leases shall be derived from charges to employees for parking space or from other nonpublic funds, or both. Any lease for private parking space must be approved

by the Director, Department of General Services.

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, before "." 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)".

Page 478, line 26, strike "The".

Page 478, strike lines 27 through 29.

Page 478, line 30, strike "(see §§ 4-3.01 and 4-3.02)".

Page 478, line 30, strike "The information must include the approved amounts and

the".

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 #2s

Revenues

Nongeneral Fund Revenues

Language

Language:

Page 448, strike lines 38 through 49.

Page 449, strike lines 1 through 42.

Page 449, 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) Financial support provided to the Commonwealth's institutions of higher education is predicated primarily upon the fulfillment by such institutions of their mission to provide educational opportunities to the citizens of the Commonwealth. The presence of students from outside the Commonwealth contributes materially

to that mission and the appropriate proportion of such nonresident students will vary among the institutions according to their respective missions. 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. The State Council of Higher Education shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 1 of each year on the annual change in total charges for tuition and all required fees approved and allotted by the Board of Visitors in support of the institutions' educational and general programs. 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. Further, 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.

b) 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.

3. The Board of Visitors or other governing body of each public institution of higher education shall set tuition, fees, and other student charges within the limits of the nongeneral fund appropriation provided for each institution's educational and general programs within this act.

4.a) In setting the general and nongeneral fund appropriations for educational and general programs at each institution, it is the intent of the General Assembly, over a period of up to six years, to provide full funding of the base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies; to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions nationally; and to recognize the student share of cost for other priorities set forth in this act.

b) Further, it is the intent of the General Assembly that the Commonwealth support at least 67 percent of the cost of education for all resident students attending a public college or university in the Commonwealth and that tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate

students shall be at least 100 percent of the average cost of their education, as calculated by the Joint Subcommittee's funding guidelines.

c) For institutions charging nonresident students less than 100 percent of the cost of education as identified by the funding guidelines referenced in subparagraph a), 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) Nonresident graduate students employed by an institution as graduate teaching or research 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.

e) By October 1, 2005, the State Council of Higher Education shall prepare a report on nonresident tuition waivers, including how waivers contribute to institutions' ability to attract and retain research funding and the extent to which nonresident students receiving waivers stay and work in Virginia upon graduation. The Department of Taxation and the Virginia Employment Commission shall work with the State Council of Higher Education for Virginia to provide appropriate unit record data to support these analyses.

5. In setting undergraduate tuition and fee increases, the Boards of Visitors or other governing bodies shall consider the feasibility of setting aside a portion of the tuition increase to provide additional financial aid resources, in combination with state, federal and private resources to students who demonstrate financial need.

6. 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.

7. 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.

8.a) The governing boards of the institutions of higher education shall seek cost savings in areas supported by non-educational and general fees such that the total cost of higher education be kept as low as possible. 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.a) At the request of an institution of higher education, the Director, Department of Planning and Budget, shall administratively appropriate and allot increases in nongeneral fund revenues appropriated in this act from all sources except tuition and fees used in support of Educational and General program.

b) To the extent an institution seeks to increase tuition and fee revenue for use within the educational and general programs above the levels specified in this act, the Department of Planning and Budget may administratively appropriate and allot increases up to one percent of the appropriated amounts without review and certification by the State Council of Higher Education for Virginia.

c) For requested increases above one percent of the appropriated levels identified in this act, institutions shall seek certification from the State Council of Higher Education for Virginia prior to approval by the Director, Department of Planning and Budget.

d) The State Council of Higher Education for Virginia shall review and certify that

the request for additional revenue is needed as the result of higher than anticipated enrollments, a change in the mix of student enrollments, an increase in revenue from self-supporting non-credit or for-credit education or training programs, legislatively approved programmatic funding requirements identified in this act, or appropriate technical adjustments.

e) The Director, Department of Planning and Budget, shall administratively appropriate and allot the increases certified by the State Council of Higher Education for Virginia, provided that the additional revenue is applied solely to the operating needs of the educational and general programs and that the request for additional nongeneral fund budget authority is consistent with budget items adopted in this act.

10. It is the intent of the General Assembly that 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.

11. The entitlement to resident tuition charges referenced in § 23-7.4:2 A (iii), Code of Virginia, shall be suspended through June 30, 2006.

12. 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.

13. 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 provides the Boards of Visitors with authority to set tuition levels within the nongeneral fund appropriation provided in the Act.)

Capital Projects

General

Language

Language:

Page 458, line 23, before "Any alternative...", 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.)

Capital Projects

General

Language

Language:

Page 458, after line 24, insert:

"y. It is the intent of the General Assembly that the Department of Conservation and Recreation may be authorized to accept by gift or purchase 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."

Explanation:

(This amendment provides for the acquisition of property by the Department of Conservation and Recreation through gift or purchase with nongeneral funds subject to capital procurement requirements.)

Capital Projects

General

Language

Language:

Page 455, following line 53, insert:

"4. The Governor shall include funding of the Virginia Public Building Authority's Capital Repairs and Improvements Revolving Fund for all projects financed with the debt as set forth in this section and including debt incurred and such debt instruments shall provide for the restriction of the Fund's resources."

Explanation:

(This amendment requires that any tax supported debt issued after July 1, 2004 will require deposits to the Capital Repairs and Improvements Revolving Fund.)

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 University, Virginia Military Institute, the University of Virginia, and Virginia Tech.)

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 463, line 10, 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.)

Item 4-6.01 #1s

Positions and Employment

Employee Compensation

Language

Language:

Page 472, line 45, strike "\$84,128 \$84,128 \$86,652".

Page 472, line 45, insert "\$95,000 \$95,000 \$97,850".

Explanation:

(This amendment authorizes the Southwest Virginia Higher Education Center to increase the Director's Salary to \$95,000 from July 1, 2004 to November 24, 2005 and to \$97,850 from November 25, 2005 to June 30, 2006.)

Item 4-6.01 #1s

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 #2s

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.)

Item 4-6.01 #3s

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.)

Item 4-6.01 #4s

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.)

Item 4-6.01 #5s

Positions and Employment
Employee Compensation

Language

Language:

Page 468, after line 15, 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 #6s

Positions and Employment
Employee Compensation

Language

Language:

Page 468, line 42, strike "\$132,925 \$132,925 136,913".

Page 468, line 42, 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.)

