

Revenues

Revenues

Language

Language:

Page 1, strike line 26 through line 39, and insert:

"

	First Year	Second Year	Total
Unreserved Balance, June 30, 2004	677,089,000	570,014,609	1,247,103,609
Additions to Balance	(122,329,221)	(29,405,686)	(151,734,907)
Official Revenue Estimates	13,142,749,323	14,679,784,275	27,822,533,598
Lottery Proceeds Fund	423,500,000	433,500,000	857,000,000
Transfers	314,642,916	369,846,073	684,488,989
Total General Fund Resources Available for Appropriations	14,435,652,018	16,023,739,271	30,459,391,289

"

Page 1, strike line 41 through 50.

Page 2, strike line 1, and insert:

"

	First Year	Second Year	Total
Balance June 30, 2004	2,596,134,796	-	2,596,134,796
Official Revenue Estimates	16,442,920,277	16,858,789,794	33,301,710,071
Bond Proceeds	1,208,894,290	208,578,770	1,417,473,060
Total Nongeneral Fund Revenues Available for Appropriations	20,247,949,363	17,067,368,564	37,315,317,927
TOTAL PROJECTED REVENUES	34,683,601,381	33,091,107,835	67,774,709,216

"

Explanation:

(This amendment adjusts revenues on page one of caboose budget bill.)

Administration

Compensation Board

Language

Language:

Page 11, strike lines 9 through 26.

Explanation:

(This amendment eliminates language proposed within the introduced budget that would have required the Compensation Board to reallocate vacant positions within a

given fiscal year based upon workload, population, or inmate crowding factors. The Compensation Board has an existing policy that provides for the reallocation of positions between constitutional offices after each fiscal year using the same factors.)

Item 111 #1h

Commerce And Trade	FY 04-05	FY 05-06	
Department Of Housing And Community Development	\$0	\$1,060,000	GF

Language:

Page 17, line 18, strike "\$40,689,160" and insert "\$41,749,160".

Page 17, after line 18, insert:

"111. Economic Development Research, Planning, and
Coordination (53300)

45,077,706	40,689,160
	<u>41,749,160</u>

Regional and Community Developmental
Planning (53301)

3,028,772	3,078,772
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Financial Assistance for Substate Planning
(53303)

2,284,859	2,796,313
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Financial Assistance for Community
Development (53305)

39,764,075	34,817,075
	<u>35,874,075</u>

Fund Sources:

General

14,795,960	10,407,414
	<u>11,467,414</u>

Special

150,000	150,000
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Federal Trust

30,161,746	30,131,746
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Authority: Title 15.2, Chapter 13, Article 3 and Chapter 42; Title 36, Chapters 8, 10 and 11; and Title 59.1, Chapters 22 and 22.2, Code of Virginia.

A. This appropriation includes annual membership dues to the Appalachian Regional Commission, \$128,091 the first year and \$128,091 the second year, from the general fund. These dues are payable from the amounts for Regional and Community Developmental Planning.

B.1. Out of the amounts provided to the Department shall be provided \$2,880,000 the first year and \$2,880,000 the second year from the general fund for the Indoor Plumbing Program. In addition, an annual allocation of federal dollars will be made available to this program dependent upon the level of federal support each year. Any

unexpended balance in this program at the close of business on June 30, 2005, and June 30, 2006, shall not revert to the general fund, but shall be carried forward and reappropriated.

2. The Department and local program administrators shall make every reasonable effort to provide participants basic financial counseling to enhance their ability to benefit from the Indoor Plumbing Program and to foster their movement to economic self-sufficiency.

C. Out of the amounts for Financial Assistance for Substate Planning shall be paid from the general fund in four equal quarterly installments each year:

1. To the Lenowisco Planning District Commission, \$89,812 the first year and \$89,812 the second year, which includes \$38,610 the first year and \$38,610 the second year for responsibilities originally undertaken and continued pursuant to § 15.2-4207, Code of Virginia, and the Virginia Coalfield Economic Development Authority.

2. To the Cumberland Plateau Planning District Commission, \$92,446 the first year and \$92,446 the second year, which includes \$42,390 the first year and \$42,390 the second year for responsibilities originally undertaken and continued pursuant to § 15.2-4207, Code of Virginia, and the Virginia Coalfield Economic Development Authority.

3. To the Mount Rogers Planning District Commission, \$59,611 the first year and \$59,611 the second year.

4. To the New River Valley Planning District Commission, \$59,611 the first year and \$59,611 the second year.

5. To the Roanoke Valley-Alleghany Regional Commission, \$72,824 the first year and \$72,824 the second year.

6. To the Central Shenandoah Planning District Commission, \$67,367 the first year and \$67,367 the second year.

7. To the Northern Shenandoah Valley Regional Commission, \$59,611 the first year and \$59,611 the second year.

8. To the Northern Virginia Regional Commission, \$303,499 the first year and \$303,499 the second year.

9. To the Rappahannock-Rapidan Regional Commission, \$59,611 the first year and \$59,611 the second year.

10. To the Thomas Jefferson Planning District Commission, \$59,611 the first year and \$59,611 the second year.

11. To the Region 2000 Regional Commission, \$63,778 the first year and \$63,778 the second year.

12. To the West Piedmont Planning District Commission, \$70,023 the first year and \$70,023 the second year.

13. To the Southside Planning District Commission, \$59,611 the first year and

\$59,611 the second year.

14. To the Piedmont Planning District Commission, \$59,611 the first year and \$59,611 the second year.

15. To the Richmond Regional Planning District Commission, \$165,277 the first year and \$165,277 the second year.

16. To the RADCO Planning District Commission, \$59,611 the first year and \$59,611 the second year.

17. To the Northern Neck Planning District Commission, \$59,611 the first year and \$59,611 the second year.

18. To the Middle Peninsula Planning District Commission, \$59,611 the first year and \$59,611 the second year.

19. To the Crater Planning District Commission, \$59,611 the first year and \$59,611 the second year.

20. To the Accomack-Northampton Planning District Commission, \$59,611 the first year and \$59,611 the second year.

21. To the Hampton Roads Planning District Commission \$293,995 the first year, and \$293,995 the second year.

22. In addition to the amounts provided in paragraph C of this item, \$511,454 the second year from the general fund shall be provided to supplement funding made available to the planning district commissions in conformance with the Regional Cooperation Act. The Department shall distribute these additional funds in such a manner as to bring each planning district commission's appropriation to a minimum level of \$90,000 in the second year.

D. Out of the amounts provided to the Department shall be provided \$1,463,112 the first year and \$1,463,112 the second year from the general fund for the Southeast Rural Community Assistance Project (formerly known as the Virginia Water Project) operating costs and water and wastewater grants. The Department shall disburse the total payment each year in twelve equal monthly installments.

E. This appropriation includes annual membership dues in the DELMARVA Advisory Council, \$7,500 the first year and \$7,500 the second year from the general fund.

F. Any remaining balances in the Virginia Enterprise Initiative and the Virginia Removal or Rehabilitation of Derelict Structures Fund shall not revert to the general fund, but shall be carried forward and reappropriated.

G. Any unexpended balance in the Industrial Site Development fund at the close of business on June 30, 2005, and June 30, 2006, shall not revert to the general fund, but shall be carried forward and reappropriated.

I VETO THIS ITEM. /s/ Mark R. Warner (6/25/04) (Vetoed item is enclosed in brackets.)

[H. Out of the amounts in this item shall be provided \$50,000 the first year and

\$100,000 the second year from the general fund for the Center for Rural Virginia. The department shall report periodically to the Chairmen of the Senate Finance and House Appropriations Committees on the status, needs and accomplishments of the Center.]

I. As part of its mission, the Center for Rural Virginia shall monitor the implementation of the budget initiatives approved by the 2005 Session of the General Assembly for rural Virginia and shall report periodically to the Chairmen of the Senate Finance and House Appropriations Committees on the effectiveness of these various programs in addressing rural economic development problems. Any unexpended balance for the Center for Rural Virginia at the close of business on June 30, 2005, and June 30, 2006, shall not revert to the general fund but shall be carried forward and reappropriated.

J. Out of the appropriation for this item, \$5,000,000 the first year from the general fund shall be provided to pay the capital costs for safe drinking water and wastewater treatment in the Lenowisco, Cumberland Plateau, or Mount Rogers planning districts. The Department shall leverage the appropriation with other state moneys, federal grants or loans, local contributions, and private or nonprofit resources. Any unexpended balance in the item for this purpose on June 30, 2005, and June 30, 2006, shall not revert to the general fund but shall be carried forward, reappropriated, and allotted.

K. Out of the amounts for Economic Development Research, Planning, and Coordination shall be provided \$1,060,000 in the second year from the general fund to the City of Norfolk to assist a local economic development effort.”

Explanation:

(This amendment provides funding to the City of Norfolk to assist a local economic development effort. A companion amendment in § 3-3.04 clarifies that the City must provide a comparable amount of in-kind services to the Commonwealth.)

Item 146 #1h

Education: Elementary & Secondary	FY 04-05	FY 05-06	
Direct Aid To Public Education	\$0	(\$1,998,568)	GF

Language:

Page 29, line 18, strike "\$3,202,354,304" and insert "\$3,200,355,736".

Page 33, line 18, strike "most recent", and insert "2002 triennial".

Page 33, line 21, strike "and less the" and insert "."

Page 33, strike line 22.

Page 33, line 36, strike "most recent", and insert "2002 triennial".

Page 33, line 39, after "begins", insert "and less the required local expenditure".

Page 34, line 18, before "returned", insert "both of which are".

Page 34, line 18, strike "latest" and insert "2002".

Page 34, line 19, strike "count" and insert "census".

Page 35, line 33, strike "latest triennial count" and insert "2002 triennial census".

Page 37, line 55, strike "latest triennial count" and insert "2002 triennial census".

Page 39, line 7, strike "latest triennial count" and insert "2002 triennial census".

Page 57, line 8, strike "Not set out", and insert:

"A. The appropriation for the Financial Assistance for Public Education (Standards of Quality) in Item 146 and the appropriation for Financial Assistance for Special State Revenue Sharing in Item 147 include amounts estimated at ~~\$167 million~~ \$158,800,000 the first year and ~~\$210.7 million~~ \$224,000,000 the second year from the amounts transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to Part 3 of this act which are derived from the 1/4 cent increase in the state sales and use tax levied pursuant to House Bill 5018, 2004 Special Session. These additional funds are provided to local school divisions and local governments in order to relieve the financial pressure education programs place on local real estate taxes.

B. From the total amounts in paragraph A. above, an amount estimated at ~~\$83,500,000~~ \$79,400,000 the first year and ~~\$105,350,000~~ \$112,000,000 the second year (approximately 1/8 cent of sales and use tax) is appropriated in Item 146 to support a portion of the cost of the state's share of the following revisions to the Standards of Quality pursuant to Chapter 939 of the Acts of Assembly of 2004 (Senate Bill 479), and Chapter 955 of the Acts of Assembly of 2004 (House Bill 1014): five elementary resource teachers per 1,000 students; one support technology position per 1,000 students in the first year and one support and one instructional technology position per 1,000 students in the second year; 1/4 of the daily planning period for teachers at the middle and high school levels the first year and the full daily planning period for teachers at the middle and high school levels the second year.

C. From the total amounts in paragraph A. above, an amount estimated at ~~\$83,500,000~~ \$79,400,000 the first year and ~~\$105,350,000~~ \$112,000,000 the second year (approximately 1/8 cent of sales and use tax) is appropriated in Item 147 to distribute the remainder of the revenues collected and deposited into the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund on the basis of the 2002 triennial census of school age population. "

Explanation:

(This amendment clarifies the specific triennial census data year that will be used in

the distribution of the sales tax revenues to school divisions.)

Item 280 #1h

Finance	FY 04-05	FY 05-06	
Department Of Accounts Transfer Payments	\$0	(\$402,224,018)	GF

Language:

Page 64, line 14, strike "\$584,160,131" and insert "\$181,936,113".

Page 64, strike line 33 through line 42.

Page 64, line 43, strike "4." and insert "3."

Explanation:

(This amendment eliminates the proposed pre-payment of the fiscal year 2007 mandatory deposit to the Revenue Stabilization Fund. The amounts proposed in House Bill 29 as introduced are in excess of the amounts certified by the Auditor of Public Accounts and result in the Fund exceeding the cap, thereby requiring a year-end transfer out of the Fund. A companion amendment to House Bill 30 sets out the fiscal year 2007 Revenue Stabilization Fund deposit as certified by the Auditor of Public Accounts.)

Item 322 #1h

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance Services	\$0	(\$1,200,000)	GF
	\$0	\$1,200,000	NGF

Language:

Explanation:

(This amendment reflects general fund savings due to a change in the federal reimbursement rate for the agency's prior authorization contract. The federal government was reimbursing the Commonwealth 50 percent of its costs, but will now reimburse the Commonwealth 75 percent of its costs. The savings are estimated at \$1,200,000 in general fund money, which is offset by federal funding.)

Item 326 #1h

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	(\$1,979,354)	GF
Services	\$0	(\$1,979,354)	NGF

Language:

Page 88, line 15, strike "\$4,680,452,927" and insert "\$4,676,494,219".

Explanation:

(This amendment corrects the appropriation for the Medicaid program. A mathematical error was made in the base calculation that resulted in overstating the funding need in the introduced budget bill. The reduction in this amendment is consistent with the consensus forecast for Medicaid.)

Item 326 #2h

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	(\$4,500,000)	GF
Services	\$0	\$4,500,000	NGF

Language:

Page 103, line 54, strike "\$334,355,153" and insert "\$321,455,153".

Explanation:

(This amendment reflects a revised estimate of the revenue generated from pharmacy rebates. Since the revenue is collected in the Virginia Health Care Fund, which is allocated to fund Medicaid expenditures, the additional revenue offsets general fund dollars. This amendment also corrects the dollar amount in budget language that states the appropriation for the Virginia Health Care Fund.)

Item 326 #3h

Health And Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance	\$0	(\$6,717,958)	GF
Services			

Language:

Page 88, line 15, strike "\$4,680,452,927" and insert "\$4,673,734,969".

Explanation:

(This amendment reduces \$6.7 million from the general fund in the second year to reflect a lower estimate of the Medicare Part D "clawback" payment. The introduced budget included a general fund savings of \$2.7 million the second year for the clawback, a general fund payment to the federal government for the Medicare Part D prescription drug benefit. For the first six months of 2006, the Commonwealth will achieve general fund savings of \$74.3 million, but incur costs of \$65.3 million, resulting in overall savings for the biennium of \$9.4 million. Based on downward revisions to the projected growth in pharmacy spending from calendar year 2003 to 2006, the federal government reduced the Commonwealth's annual payment amount.)

Item 382 #1h

Natural Resources	FY 04-05	FY 05-06	
Department Of Conservation And Recreation	\$0	\$352,021	NGF

Language:

Page 126, line 8, strike "\$93,032,820" and insert "\$93,384,841".
Page 129, line 49, after "year", insert:
"and \$352,021 the second year".

Explanation:

(This amendment provides \$352,021 from special funds in the second year to support the funding recommendations of the Chesapeake Bay Restoration Fund Advisory Committee. This committee, composed of three legislators, is charged with developing a plan for the expenditure of the proceeds from the sale of "Friend of the Chesapeake" license plates. The proceeds from the sale of these license plates will be expended in the form of grants to nonprofit organizations, political subdivisions, and educational institutions. In total, 47 organizations from across Virginia will receive grants in amounts ranging from \$1,000 to \$18,500.)

Item 388 #1h

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$0	\$30,000	GF

Language:

Page 130, line 23, strike "\$128,038,621" and insert "\$128,068,621".

Page 133, after line 13, insert:

"J. Out of the amounts for this item shall be provided \$30,000 the second year from the general fund to investigate the potential factors resulting in fish lesions and mortality in the Shenandoah River."

Explanation:

(This amendment provides for \$30,000 the second year from the general fund to investigate the possible factors that lead to the large number of fish killed in the Shenandoah River this past summer. The funding and language for this amendment was transferred to the Caboose Bill from the introduced biennial budget.)

Item 503.10 #1h

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$0	(\$2,842,212)	GF

Language:

Page 152, line 4, strike "\$3,314,000" and insert "\$471,788".

Page 152, strike lines 9 through 54.

Page 153, strike lines 1 through 15.

Page 152, after line 4, insert:

"Administrative and Support Services (XXXXX) \$0 \$471,788".

Page 152, line 5, strike "\$3,314,000" and insert "\$0".

Page 152, after line 8, insert:

"A.1. The amounts provided in the subprogram Administrative and Support Services shall be expended for the Enterprise Applications Public-Private Partnership Project Office. The Project Office shall be headed by a Director, selected by the Governor to serve under a six-year contract. The Project Office Director shall be a state employee however his position shall not be considered an agency head for purposes of 4-6.00 of this act. The Information Technology Investment Board shall review and approve the Director's qualifications prior to finalizing the contract. The Director shall report directly to the Governor.

2. The Project Office Director shall have all the powers necessary to direct the Commonwealth's efforts to modernize central administrative systems through the Enterprise Applications Public-Private Partnership. Specifically, the Director shall (a) have authority to hire staff necessary to support the Project Office, and such employees shall be considered state employees except such positions shall be restricted to the life of the partnership project; (b) develop an implementation strategy

with milestones, deliverables and funding requirements for presentation and approval of the Information Technology Investment Board and Governor; (c) plan, coordinate, monitor and control individual agency involvement; (d) prioritize efforts to ensure the implementation strategy is executed as planned and approved; and (e) monitor development efforts and provide reports to the Governor, the Information Technology Investment Board, and the Chairmen of the House Appropriations and Senate Finance Committees, as requested.

3.a. All Executive Department agencies and institutions shall comply with the directives and requirements established by the Director.

b. The Project Office Director shall report unacceptable agency cooperation to the affected Cabinet Secretary and to the Governor's Chief of Staff, and Chairmen of the House Appropriations and Senate Finance Committees. The Chief of Staff may direct the Project Office to assume responsibility for the management of an agency's enterprise applications related work for the period of time considered necessary by the Project Office Director.

c. For agencies whose enterprise applications management efforts are the responsibility of the Project Office, the Project Office shall have responsibility for operational decisions relative to the enterprise applications efforts.

4. Legislative, Judicial, and Independent agencies, and institutions of higher education shall work cooperatively with the Project Office Director to ensure the successful completion of the Enterprise Applications Public-Private Partnership activities.

5. The Director shall make reports no less than quarterly as follows: (i) to the Governor and Chairmen of the House Appropriations and Senate Finance Committees on major aspects of the Partnership, including status of funding needs, areas of risk, and major problems and implications, and (ii) to the Information Technology Investment Board that compare actual performance to the milestones, deliverables and funding in the approved implementation strategy.

B. The Department of Planning and Budget shall not take any administrative actions to reduce these amounts without notification to the Chairmen of House Appropriation and Senate Finance Committees.

C. No funds shall be used from this item to pay any costs other than to support the Enterprise Applications Public-Private Partnership Project Office. No funds shall be

used from this item to pay any costs incurred before July 1, 2006, related to the Enterprise Applications Master Services Agreement dated December 30, 2005.

D. The Information Technology Investment Board must review and approve any payments of cost incurred under the Enterprise Applications Master Services Agreement dated December 30, 2005, regardless of the funding source from which the payment is made, and the vendor must provide adequate documentation of costs incurred and shall transfer ownership of any products or other items developed to the Commonwealth."

Explanation:

(This amendment alters the language contained in the introduced budget regarding the analysis of the Commonwealth's business system needs. The amendment provides \$471,788 the second year from the general fund to create an Enterprise Applications Public-Private Partnership Project Office to oversee the Enterprise Applications Public-Private Partnership. Funding for the partnership's initial activities is provided in House Bill 30, 2006 Session of the General Assembly. The amendment also prohibits the use of this funding for the payment of costs related to an existing services agreement with a consulting firm unless those costs are approved by the Information Technology Investment Board)

Item 506 #1h

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$0	\$1,328,000	GF

Language:

Page 162, line 29, strike "\$44,134,000" and insert "\$45,462,000".

Page 169, after line 55, insert:

"EE. Out of the amounts appropriated for this item, \$1,328,000 from the general fund in the second year is provided for a re-enlistment program. Under this program, a one-time bonus of \$2,000 shall be paid to any member of the Virginia National Guard who re-enlists for at least two years. To be eligible for the bonus, a member must re-enlist on or after April 1, 2006, and on or before September 30, 2006. Any balance from the amount remaining on June 30, 2006, shall be reappropriated in the following fiscal year."

Explanation:

(This amendment provides funding for a re-enlistment program for the Virginia

National Guard. Any member of the Virginia National Guard who re-enlists on or after April 1, 2006, and on or before September 30, 2006, will receive a one-time bonus of \$2,000.)

Item 506 #2h

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$0	(\$1,323,467)	GF

Language:

Page 162, line 29, strike "\$44,134,000" and insert "\$42,810,533".

Explanation:

(This amendment captures savings from the delayed opening of additional local jail capacity. This amendment will be made to Item 64, Chapter 951 of the Acts of Assembly of 2005, during enrolling of House Bill 29.)

Item 506 #3h

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$0	(\$300,000)	GF

Language:

Page 162, line 29, strike "\$44,134,000" and insert "\$43,834,000".

Page 169, after line 55, insert:

"EE. Out of the amounts appropriated in Item 283 of this act to the Department of Planning and Budget to continue the school efficiency reviews program, \$300,000 from the general fund is reverted to the general fund, reflecting the reduction in the cost of the consulting contract for the school efficiency reviews program.)

Explanation:

(This amendment reduces the \$1.2 million in general fund appropriations provided to the Department of Planning and Budget for the continuation of the school efficiency reviews program by \$300,000. The reduction reflects the actual value of the contract established between the agency and the consulting firm actually responsible for the performance of these school efficiency reviews. The amendment does not affect the ability of the consulting firm to perform any of the scheduled school efficiency reviews planned for fiscal year 2006. This amendment will be made to Item 283 during the enrolling of House Bill 29.)

Central Appropriations

Central Appropriations

Language

Language:

Page 169, after line 55, insert:

"EE. Out of the amounts for Ground Transportation System Safety shall be paid the salary of the Executive Director, \$90,298 from July 1, 2004, to November 24, 2004, ~~\$93,007~~ \$99,911 from November 25, 2004, to November 24, 2005, and ~~\$93,007~~ ~~\$97,099~~ \$103,835 from November 25, 2005, to June 30, 2006.

FF. On or before June 15, 2006, the Virginia Alcohol Safety Action Program Commission shall review all its accounts receivable and take what actions they deem appropriate concerning their collection, and report the results of these actions to the Auditor of Public Accounts."

Explanation:

(This amendment increases the salary of the executive director of the Virginia Alcohol Safety Action Program Commission and instructs the Commission to determine what share of its accounts receivable they deem collectible. These determinations are to be reported to the Auditor of Public Accounts. Paragraph EE. of this amendment will be made to Item 3, Chapter 951 of the Acts of Assembly of 2005, during the enrolling of House Bill 29. Paragraph FF. of this amendment will be made to § 4-6.01, Chapter 951 of the Acts of Assembly of 2005, during the enrolling of House Bill 29.)

Central Appropriations

Central Appropriations

FY 04-05

FY 05-06

\$0

(\$4,500,000) GF

Language:

Page 162, line 29, strike "\$44,134,000" and insert "\$39,634,000".

Page 169, after line 55, insert:

"EE. The Director, Department of Historic Resources, shall revert \$4,500,000 to the general fund, representing the remaining portion of the nonstate agency grant awarded to the Virginia Performing Arts Foundation in Chapter 951 of the Acts of Assembly of

2005."

Explanation:

(This amendment reverts \$4.5 million from the \$8.2 million appropriation awarded to the Virginia Performing Arts Foundation in Chapter 951 of the Acts of Assembly of 2005. Since the award, the project has been drastically scaled back, and most of the group's leadership has left the organization. In addition, a number of the project's financial backers have withdrawn their pledges of support for the project. This amendment will be made to Item 396, Chapter 951 of the Acts of Assembly of 2005, during the enrolling of House Bill 29.)

Item 506 #6h

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations

\$0

(\$3,829,916) GF

Language:

Page 162, line 29, strike "\$44,134,000" and insert "\$40,304,084".

Page 169, after line 55, insert:

"EE. By June 30, 2006, the Director, Department of Planning and Budget, is directed to unallot \$1,875,441 from the general fund appropriations of the Department of Education, Central Office Operations and \$1,954,475 from the general fund appropriations of the Direct Aid to Public Education at the end of fiscal year 2005. Such amounts shall revert to the general fund."

Explanation:

(This amendment unallots a total of \$3,829,916 the second year from general fund appropriations in the Department of Education and the Direct Aid to Public Education fiscal year 2006 discretionary carry-forward budget balances. This amendment will be made to Items 136 and 146, Chapter 951 of the Acts of Assembly of 2005, during the enrolling of House Bill 29.)

Item 506 #7h

Central Appropriations

Central Appropriations

Language

Language:

Page 169, after line 55, insert:

"EE. The governing boards of the independent agencies may increase or decrease the

annual salary for incumbents of positions listed in subdivision c.7 below at a rate of up to 10 percent in any fiscal year between the minimum and maximum of the respective salary range, in accordance with an assessment of performance and service to the Commonwealth."

Explanation:

(This amendment provides the governing boards of the independent agencies with the same authority the Governor has to change agency head salaries.)

	Item	C-4.25 #1h
Administration	FY 04-05	FY 05-06
Department Of Veterans Services	\$0	(\$316,000) GF

Language:

- Page 178, line 12, strike "\$316,000" and insert "\$0".
- Page 178, strike line 14.
- Page 178, line 15, strike "1."
- Page 178, strike line 28.

Explanation:

(This amendment removes funding not immediately required for the planning stages of the 80 bed addition to the Sitter-Barfoot Veterans Care Center. The 160-bed construction project will not be finished until Spring 2007. It is unlikely that federal funding for the 80-bed addition will be available before federal fiscal year 2008 or 2009.)

	Item	C-34.50 #1h
Education: Higher Education	FY 04-05	FY 05-06
James Madison University	\$0	\$34,284,000 NGF

Language:

- Page 181, after line 9, insert:
- "C-34.50. New Construction: New Residence Hall (17329) \$34,284,000
- Fund Sources: Bond Proceeds \$34,284,000".

Explanation:

(This amendment provides revenue bond authority for the construction of a new

residence hall. The project was originally proposed in House Bill 30. This amendment moves the project into House Bill 29 in order to expedite the construction. A companion amendment is included in House Bill 30.)

		Item	C-34.50 #2h
Education: Higher Education	FY 04-05	FY 05-06	
James Madison University	\$0	\$18,914,170	NGF

Language:

Page 181, after line 9, insert:
 "C-34.50. New Construction: Dining Hall \$18,914,170
 Fund Sources: Bond Proceeds \$18,914,170".

Explanation:

(This amendment provides revenue bond authority for the construction of a new dining hall.)

		Item	C-38.10 #1h
Education: Higher Education	FY 04-05	FY 05-06	
Longwood University	\$0	\$2,558,000	NGF

Language:

Page 181, after line 19, insert:
 "C-38.10. Improvements: Renovate \$2,558,000
 Baseball and Softball Fields (17319)
 Fund Sources: Bond Proceeds \$2,558,000".

Explanation:

(This amendment provides 9(d) revenue bond authority for the renovation of athletic fields.)

		Item	C-116.10 #1h
Education: Higher Education	FY 04-05	FY 05-06	
Virginia Community College System	\$0	\$12,000,000	NGF

Language:

Page 186, after line 11, insert:

"C-116.10. New Construction: Health Sciences Building

Fund Sources: Higher Education Operating \$12,000,000".

Any additional costs required for this project shall only be from nongeneral fund sources."

Explanation:

(This amendment provides nongeneral fund money for Danville Community College to construct a 27,000 square foot health sciences building and relocate existing tennis courts to an alternate site on campus. The source of the nongeneral funds is a gift. Language further stipulates that any additional costs are the responsibility of nongeneral fund sources.)

Item C-137 #1h

Health And Human Resources

Department Of Mental Health,
Mental Retardation And Substance
Abuse Services

Language

Language:

Page 188, after line 11, insert:

"The Department of Mental Health, Mental Retardation and Substance Abuse Services, with the concurrence of the Secretary of Health and Human Resources, is hereby authorized to design and construct, or permit the design and construction of, a permanent facility for the Sexually Violent Predator Program on state-owned property identified by the Department. The Department is authorized to enter into a comprehensive agreement pursuant to the Public-Private Partnership Educational Facilities and Infrastructure Act of 2002 for the design and construction of the facility. The comprehensive agreement shall provide for an operating or capital lease agreement, the term of which shall not exceed 20 years, or financing through the Virginia Public Building Authority in a principal amount not to exceed \$62 million. The details of the financial arrangement shall be provided in writing to the Chairmen of the House Appropriations and Senate Finance Committees at least 15 days prior to the Department entering into the comprehensive agreement."

Explanation:

(This amendment expands the authority of the Department of Mental Health,

Mental Retardation and Substance Abuse Services to add 200 more beds to the permanent facility for the Sexually Violent Predator Program under the Public-Private Partnership Educational Facilities and Infrastructure Act of 2002.)

ItemC-143.10 #1h

Health And Human Resources	FY 04-05	FY 05-06
Woodrow Wilson Rehabilitation Center	\$0	\$1,200,000 GF

Language:

Page 189, after line 21, insert:

"C-143.10. Improvements: Water and Sewer System

Fund Sources: General \$1,200,000".

Explanation:

(This amendment provides general fund money to complete the replacement and renovation of the water and sewer system.)

ItemC-147.08 #1h

Natural Resources	FY 04-05	FY 05-06
Department Of Conservation And Recreation	\$0	\$800,000 NGF

Language:

Page 190, after line 1, insert:

"C-147.08. Improvements: Westmoreland State Park Meeting Facility

Fund Sources: Special \$800,000".

Explanation:

(This amendment provides nongeneral fund authority to renovate the old restaurant building at Westmoreland State Park into a meeting and educational facility. The source of the nongeneral funds is a combination of grants, donations and park revenues.)

ItemC-194.05 #1h

Central Appropriations	FY 04-05	FY 05-06
Central Capital Outlay	\$0	\$2,600,000 NGF

Language:

Page 192, after line 11, insert:

"C-194.05. Improvements: Football Field Practice Facility (16579) \$2,600,000

Fund Sources: Bond Proceeds \$2,600,000".

Explanation:

(This amendment provides 9(d) revenue bonds to supplement the football field practice facility improvements project. This amendment also changes the fund source from higher education operating to 9(d) revenue bonds. This amendment will be made to Item C-15.55, Chapter 951 of the Acts of Assembly of 2005, during enrolling of House Bill 29.)

ItemC-194.05 #2h

Central Appropriations
Central Capital Outlay

Language

Language:

Page 192, after line 11, insert:

"C-194.05. New Construction: New Northern Virginia Forensic Lab (17215)

3. The comprehensive agreement shall provide for an operating or capital lease agreement, the term of which shall not exceed 20 years, or financing through the Virginia Public Building Authority. The Governor is authorized to establish the appropriate amount of the lease or financing for this project up to a total of \$63,500,000. Prior to the issuance of long-term debt or the Commonwealth entering into some other operating or capital lease arrangement, the Department of Forensic Science is hereby authorized to utilize a Commonwealth of Virginia Treasury Anticipation Loan or other interim financing mechanism to initiate the planning, design, and other site preparation activities associated with this project."

Explanation:

(This amendment provides authority pursuant to an agreement under the Public-Private Partnership Educational Facilities and Infrastructure Act of 2002 for the new forensics lab in Northern Virginia. Once an agreement is signed the Department

of Forensic Sciences shall commence with planning for this project utilizing a Treasury Loan. This amendment will be made to Item C-164.40, Chapter 951 of the Acts of Assembly of 2005, during enrolling of House Bill 29.)

ItemC-196.05 #1h

Central Appropriations

Central Capital Outlay

Language

Language:

Page 192, after line 14, insert:

"C-196.05. New Construction: Office
Building

"1. The Department of General Services is authorized to enter into lease agreements pursuant to customary procedures for space in a multi-tenant building to be constructed by the Virginia Biotechnology Research Partnership Authority constructed in the Virginia Biotechnology Research Park located in the City of Richmond and leased to agencies of the Commonwealth and to tenants of the Research Park. The building is more particularly described as a building of approximately 75,000 square feet and accompanying parking facilities referred to as "Biotech 8" and intended to be leased to a combination of private, not-for-profit and governmental entities under varying lease terms.

2. The provisions below relating to a capital reserve fund shall be operable so long as all bond issues of the Authority for the financing of the building (a) do not exceed in the aggregate \$20,000,000 in principal amount, (b) have a final maturity of no more than 25 years from the date of issuance, and (c) have no interest rate in excess of seven percent.

3. In addition, the Virginia Biotechnology Research Partnership Authority is authorized to establish a capital reserve fund in connection with the bond issues described above into which the Authority may deposit (i) any moneys appropriated and made available by the Commonwealth for the purpose of such a fund, (ii) any proceeds from the sale of the bonds described above as provided in the resolution authorizing the issuance of, or the trust indenture securing the bonds, and (iii) any other moneys that may be made available to the Authority for such fund. All moneys held in such capital reserve fund, except as hereinafter provided, shall be used solely for the payment when due of the principal of and premium, if any, and interest on the bonds or obligations under credit enhancements issued by the Authority secured in

whole or in part by such a fund. If, however, moneys in any such fund are ever less than the minimum capital reserve fund requirement established for the fund, the Authority shall not use the moneys for any optional purchase or redemption of bonds. Any income or interest earned on, or increment to, any capital reserve fund due to its investment may be transferred by the Authority to other funds or accounts of the Authority to the extent it does not reduce the amount of the capital reserve fund below its minimal requirement. The amount of the minimum capital reserve fund requirement shall not exceed the maximum annual debt service on bonds issued by the Virginia Biotechnology Research Partnership Authority for the building.

4. The Authority shall not at any time issue bonds or credit enhancements secured in whole or in part by such capital reserve fund, if upon the issuance of bonds or credit enhancements, the amount in the capital reserve fund will be less than its minimal requirement unless the Authority, at the time of issuance of the bonds or credit enhancements, deposits in the fund an amount that, together with the amount then in the fund, will not be less than the fund's minimal capital reserve requirement.

5. In order to assure further the maintenance of such capital reserve fund, the chairman of the Authority shall annually, on or before December 1, make and deliver to the Governor and the Secretary of Administration a certificate stating the sum, if any, required to restore each capital reserve fund to its minimal requirement. Within five days after the beginning of each Session of the General Assembly, the Governor shall submit to the presiding officer of each House of the General Assembly printed copies of a budget including the sum, if any, required to restore each capital reserve fund to its minimal requirement. All sums, if any, that may be appropriated by the General Assembly for any restoration and paid to the Authority shall be deposited by the Authority in the capital reserve fund. All amounts paid to the Authority by the Commonwealth pursuant to the provisions of this section shall constitute and be accounted for as advances by the Commonwealth to the Authority and, subject to the rights of the holders of any bonds of the Authority or the beneficiaries of credit enhancements of the Authority, shall be repaid to the Commonwealth without interest from available operating revenues of the Authority in excess of amounts required for the payment of bonds, credit enhancements or other obligations of the Authority, the maintenance and funding of reserve funds in connection with other projects, and operating expenses.

6. The state treasury may lend to the Virginia Biotechnology Research Partnership Authority an amount not to exceed \$20,000,000 for costs of the building and its financing incurred prior to the issuance of the bonds and funding, with such loan to be

repaid from the proceeds of bonds to be issued by the Authority. Such a loan shall be made with the approval of the Secretary of Finance or his designee, and in accordance with the standards set forth in § 4-3.02 b. of this act.

7. Nothing in this section shall be construed as limiting the power of the Authority to issue bonds or credit enhancements not secured by a capital reserve fund.

8. Notwithstanding any other provision of this act, the provisions above shall remain in effect unless specifically repealed by legislative act."

Explanation:

(This amendment is self-explanatory.)

Item 3-1.01 #1h

Transfers

Interfund Transfers

Language

Language:

Page 199, line 24, strike, “, estimated to be \$7,500,000,”.

Page 199, line 24 after “fund”, insert “.” and strike the remainder of the line.

Explanation:

(This amendment clarifies the existing authorization for the Department of Alcoholic Beverage Control to sell the building in which the Alexandria Regional Office is currently located. A companion amendment in House Bill/Senate Bill 30 adds language authorizing the above sale and the deposit of the proceeds into the general fund.)

Item 3-1.01 #2h

Transfers

Interfund Transfers

Language

Language:

Page 199, after line 48 insert

“QQ. On or before June 30, 2006, the State Comptroller shall transfer from the general fund of the state treasury, to the following agencies and fund details, to restore nongeneral funds reverted to the general fund on June 30, 2005 pursuant to § 4-1.05 B of the General provisions of this Act.

Agency

Fund Group

Code	Agency Name	Fund Detail	Second Year
146	The Science Museum of Virginia	0275	\$15,000
750	Department of Correctional Education	0200	\$25,795
765	Department of Social Services	0236	\$76,144
799	Department of Corrections	0257	\$24,913
	Total		\$141,852"

Explanation:

(This amendment restores amounts transferred to the general fund by the State Comptroller per § 4-1.05 B. from certain inactive nongeneral fund balances in the agencies and fund details specified. This transfer is reflected on the transfers displayed on page 1 of this bill but the language was inadvertently omitted from the miscellaneous transfers shown in § 3-1.01 when this bill was introduced.)

Item 3-3.04 #1h

General Fund Deposits

Payments by the City of Norfolk

Language

Language:

Page 200, line 39, strike “an initial cash payment of \$1,400,000” and insert: “\$2,460,000”.

Page 200, line 40, after "Center.", strike the remainder of the line.

Page 200, line 41, strike: “additional \$1,060,000 in cash or in-kind to be provided to the Commonwealth in due course.” and insert:

“The City of Norfolk shall provide \$1,060,000 of in-kind services to the Commonwealth.”

Explanation:

(This amendment clarifies that the City of Norfolk must provide \$1,060,000 of in-kind services to the Commonwealth. A companion amendment provides \$1,060,000 to the City of Norfolk to assist a local economic development effort.)

Item 4-12.00 #1h

Effective Date

Effective Date

Language

Language:

Page 203, line 7, strike "Not set out." and insert:

"3. That § 58.1 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-615. Returns by dealers.

A. Every dealer required to collect or pay the sales or use tax shall, on or before the twentieth day of the month following the month in which the tax shall become effective, transmit to the Tax Commissioner a return showing the gross sales, gross proceeds, or cost price, as the case may be, arising from all transactions taxable under this chapter during the preceding calendar month, and thereafter a like return shall be prepared and transmitted to the Tax Commissioner by every dealer on or before the twentieth day of each month, for the preceding calendar month. In the case of dealers regularly keeping books and accounts on the basis of an annual period which varies 52 to 53 weeks, the Tax Commissioner may make rules and regulations for reporting consistent with such accounting period.

Notwithstanding any other provision of this chapter, a dealer may be required by the Tax Commissioner to file sales or use tax returns on an accounting period less frequent than monthly when, in the opinion of the Tax Commissioner, the administration of the taxes imposed by this chapter would be enhanced. If a dealer is required to file other than monthly, each such return shall be due on or before the twentieth day of the month following the close of the period. Each such return shall contain all information required for monthly returns.

A sales or use tax return shall be filed by each registered dealer even though the dealer is not liable to remit to the Tax Commissioner any tax for the period covered by the return.

B. 1. In addition to the amounts required under the provisions of this section and § 58.1-616, any dealer as defined by § 58.1-612 or direct payment permit holder pursuant to § 58.1-624, with taxable sales and purchases of \$1,300,000 or greater for the 12-month period beginning July 1, and ending June 30 of the immediately preceding calendar year, shall be required to make a payment equal to 90 percent of the sales and use tax liability for the previous June. Beginning July 1, 2005, for the payment required in 2006, the payment required under this subdivision shall only apply to such dealers or direct payment permit holders with taxable sales and purchases of \$50,000,000 or greater for such period of time and the payment required shall equal 20 percent of the sales and use tax liability for the previous June.

Such tax payments shall be made on or before the 30th day of June, if payment is made

by electronic funds transfer, as defined in § 58.1-202.1. If payment is made by other than electronic funds transfer, such payment shall be made on or before the 25th day of June. For purposes of this provision, taxable sales or purchases shall be computed without regard to the number of certificates of registration held by the dealer. Every dealer or direct payment permit holder shall be entitled to a credit for the payment under this subsection on the return for June of the current year due July 20. The provisions of this subsection shall not apply to persons who are required to file only a Form ST-7, Consumer User Tax Return.

2. In lieu of the penalties provided in § 58.1-635, except with respect to fraudulent returns, failure to make a timely payment or full payment of the sales and use tax liability as provided in this subsection shall subject the dealer or direct payment permit holder to a penalty of six percent of the amount of tax underpayment that should have been properly paid to the Tax Commissioner. Interest will accrue as provided in § 58.1-15. The payment required by this subsection shall become delinquent on the first day following the due date set forth in this subsection if not paid.

The provisions of this subsection shall expire on June 1, 2006.

C. Any return required to be filed with the Tax Commissioner under this section shall be deemed to have been filed with the Tax Commissioner on the date that such return is delivered by the dealer to the commissioner of the revenue or the treasurer for the locality in which the dealer is located and receipt is acknowledged by the commissioner of the revenue or treasurer. The commissioner of the revenue or the treasurer shall stamp such date on the return, and shall mail the return to the Tax Commissioner no later than the following business day. The commissioner of the revenue or the treasurer may collect from the dealer the cost of postage for such mailing."

Explanation:

(This amendment reflects the elimination of the accelerated sales tax in fiscal year 2006.)