

**Revenues**

Revenues

Language

**Language:**

Page 1, strike lines 38 through 51 and insert:

	<b>"First Year</b>	<b>Second Year</b>	<b>Total</b>
Unreserved Balance, June 30, 2008	1,114,413,217	0	1,114,413,217
Additions to Balance	(521,037,013)	(93,033,460)	(614,070,473)
Official Revenue Estimates	14,613,939,287	13,987,602,322	28,601,541,609
Revenue Stabilization Fund	490,000,000	293,400,000	783,400,000
Transfers	406,889,844	569,487,675	976,377,519
Total General Fund Resources Available for Appropriation	16,104,205,335	14,757,456,537	30,861,661,872

".

Page 2, strike lines 1 through 7.

Page 2, strike lines 9 through 29 and insert:

	<b>"First Year</b>	<b>Second Year</b>	<b>Total</b>
Balance June 30, 2008	5,285,343,724	-	5,285,343,724
Official Revenue Estimates	20,534,761,089	23,355,028,764	43,889,789,853
Lottery Proceeds Fund	430,500,000	440,085,400	870,585,400
Bond Proceeds	1,438,201,373	695,671,000	2,133,872,373
Total Nongeneral Fund Revenues Available for Appropriations	27,688,806,186	24,490,785,164	52,179,591,350
<b>TOTAL PROJECTED REVENUES</b>	<b>43,793,011,521</b>	<b>39,248,241,701</b>	<b>83,041,253,222</b>

".

**Explanation:**

(This amendment reflects the general and nongeneral fund revenue adjustments included in the amendments to House Bill 29.)

**Revenues**

Revenues

Language

**Language:**

Page 1, line 6, after "2010", strike "." and insert:

", and to amend and reenact § 58.1-301 of the Code of Virginia and to repeal § 58.1-615.1 of the Code of Virginia."

Page 1, line 23, after "3-5.15", insert ", and § 3-5.16.", and strike the remainder of line.

Page 1, strike line 24.

**Explanation:**

(This amendment makes a technical change to the enactment clause.)

---

Item 38 #1c

**Judicial Department**

Supreme Court

Language

**Language:**

Page 6, after line 8, insert:

"Notwithstanding the provisions of § 16.1-69.48 paragraphs A or C, Code of Virginia, the Chief Justice shall direct the Executive Secretary of the Supreme Court to work with the State Treasurer in accordance with § 2.2-1803, Code of Virginia, to develop and implement procedures for the deposit of collections for the Commonwealth directly into the State Treasury for Item 41 General District Courts, Item 42 Juvenile and Domestic Relations General District Courts, Item 43 Combined District Courts and Item 44 Magistrate System. The Executive Secretary and State Treasurer shall implement direct deposit to the State Treasury within a month of this bill's passage."

**Explanation:**

(This is the first of two amendments that increase general fund deposits by \$0.8 million the second year by requiring the direct deposit of state revenues with the Treasurer of Virginia, as recommended by the Auditor of Public Accounts. There is a companion amendment to Item 258 for the Department of Accounts.)

---

Item 41 #1c

**Judicial Department**

General District Courts

Language

**Language:**

Page 7, after line 5 insert:

"G.1 Notwithstanding the provisions of §§ 16.1-69.6:1 or 17.1-507, Code of Virginia, the total number of authorized judges in any judicial district or circuit shall be reduced by a number equal to the number of judges retiring, dying or resigning from that district or circuit for any authorized judgeship which is vacant or becomes vacant on or after February 15, 2010, and before July 1, 2010, effective upon the resignation, death or retirement date of each such judge.

2. On or before June 30, 2010, the Director, Department of Planning and Budget, shall authorize the reversion to the general fund of \$750,000 from items within the Judicial Department representing savings generated from the reduction in the number of authorized judges."

**Explanation:**

(This amendment realizes savings of \$750,000 from deferring the replacement of vacant judgeships.)

---

Item 147 #1c

**Education: Higher Education**

State Council Of Higher Education  
For Virginia

Language

**Language:**

Page 92, line 38, after "Virginia." insert:

"Notwithstanding application deadlines contained in the Virginia Administrative Code for the Tuition Assistance Grant program, provided that the institution has received accreditation by the Liaison Committee on Medical Education, the Virginia Tech - Carilion School of Medicine shall be deemed eligible to participate in the Tuition Assistance Grant program beginning with the 2010-2011 academic year."

**Explanation:**

(This amendment allows students from the Carilion School of Medicine entering in the Fall of 2010 to participate in the Tuition Assistance Grant program.)

---

Item 147 #2c

**Education: Higher Education**

State Council Of Higher Education  
For Virginia

Language

**Language:**

Page 91, line 42, strike "50,831,933" and insert "\$58,831,933".

**Explanation:**

(This amendment corrects the embedded language to accurately reflect the appropriation.)

Item 258 #1c

**Finance**

Department Of Accounts Transfer  
Payments

Language

**Language:**

Page 123, after line 6, insert:

"Notwithstanding the provisions of §§ 17.1-286 and 58.1-3176, Code of Virginia, the State Controller shall not make payments in accordance with §§ 17.1-286 and 58.1-3176, Code of Virginia, which includes amounts directly deposited into the State Treasury by the General District Courts, Juvenile and Domestic Relations General District Courts, Combined District Courts and the Magistrate System without a specific appropriation for such payments in Item 264 of this act. The State Controller after having deducted the direct deposits noted in the preceding sentence shall make the remainder of the payments in accordance §§ 17.1-286 and 58.1-3176, Code of Virginia to the respective clerk."

**Explanation:**

(This amendment is one of two that increase general fund deposits by \$0.8 million the second year by requiring the direct deposit of state revenues with the Treasurer of Virginia, as recommended by the Auditor of Public Accounts. There is a companion amendment to Item 38 for the Supreme Court.)

Item 265 #1c

**Finance**

Department Of Accounts Transfer  
Payments

Language

**Language:**

Page 125, line 40, after "earnings" insert:

"through May 30, 2010, and projected interest accumulations through June 30, 2010".

**Explanation:**

(This is a technical amendment from the Department of Planning and Budget to add language to authorize the calculation for the withdrawal from the Revenue Stabilization Fund to include projected interest accumulated on the fund through June 30, 2010.)

---

Item 265 #2c

**Finance**

Department Of Accounts Transfer  
Payments

Language

**Language:**

Page 125, line 39, strike "\$293,300,000" and insert "\$293,400,000".

**Explanation:**

(This amendment makes a technical correction in the appropriation of amounts from the Rainy Day Fund for fiscal year 2010.)

---

Item 267 #1c

**Finance**

Department Of Accounts Transfer  
Payments

Language

**Language:**

Page 126, strike lines 35 through 42 and insert:

" D. Notwithstanding the provisions of Chapter 5, of Title 51.1, Code of Virginia, in the second year of the biennium, the Virginia Retirement System is authorized to transfer \$500,000 from the group insurance program to the general fund of the state treasury, as reimbursement for death claims paid pursuant to § 9.1-402 of the Line of Duty Act from July 1, 2009, through June 30, 2010."

**Explanation:**

(This amendment corrects language included in the introduced budget for a savings strategy to use VRS life insurance funds to support the death benefit claims provided under the Line of Duty Act.)

---

Item 270.10 #1c

## **Finance**

Department Of Taxation

Language

### **Language:**

Page 130, after line 9, insert:

"A.1. In order to carry out the provisions of § 58.1 - 645 et seq., Code of Virginia, there is hereby appropriated a sum sufficient amount of nongeneral fund revenues estimated at \$460,000,000 in the second year equal to the revenues collected pursuant to § 58.1 - 645 et seq., Code of Virginia, from the Virginia Communications Sales and Use Tax. For the purposes of the Comptroller's preliminary and final annual reports required by § 2.2-813, Code of Virginia, however, all deposits to and disbursements from the Fund shall be accounted for as part of the general fund of the state treasury.

2. All revenue received by the Commonwealth pursuant to the provisions of § 58.1 - 645 et seq., Code of Virginia, shall be paid into the state treasury and deposited to the Virginia Communications Sales and Use Tax Fund and distributions from the Fund shall be made pursuant to § 58.1-662, Code of Virginia."

### **Explanation:**

(This amendment provides for the appropriation of the Virginia Communications Sales and Use Tax. Since adopted in 2006, these funds have been distributed directly to localities without being appropriated by the General Assembly. Because the sales and use tax was created as a state tax, under the Constitution these amounts must be appropriated. The language provides for a sum sufficient distribution of the funds among the localities using the existing Code-stipulated methodology.)

---

Item 284 #1c

## **Health And Human Resources**

Department For The Aging

Language

### **Language:**

Page 145, line 40, strike "Not set out." and insert:

"Q. The Virginia Department for the Aging, in collaboration with the eighteen Area Agencies on Aging that are authorized to use funding for the Care Coordination for Elderly Program, shall examine and analyze existing state and national care coordination models to determine best practice models. Any Area Agency on Aging (AAA) that receives funding for care coordination may submit a plan describing the

model of care coordination to be implemented and shall work with the Department to ensure that the plan embraces best practices, integrates its other service delivery systems and includes sufficient measures for evaluation. The Department and designated AAAs shall determine which models of service delivery are appropriate and demonstrate beneficial use of these funds and develop the accompanying service standards."

**Explanation:**

(This language amendment requires the Department to work with eighteen Area Agencies on Aging that receive funding for care coordination to determine the best models to use in the Commonwealth for care coordination. The amendment allows AAAs to submit a plan describing the model of care coordination to be used and requires them to work with the Department to ensure that the plan embraces best practices, works with other service delivery systems and includes evaluation measures. The Department and designated AAAs are required to determine which models of service delivery are appropriate and demonstrate beneficial use of these funds.)

---

Item 290 #1c

**Health And Human Resources**

Department Of Health

Language

**Language:**

Page 147, line 39, after "geographic" insert "or designated".

**Explanation:**

(This amendment clarifies existing language in the introduced budget which restricts the Board of Health from redistricting the regional emergency medical services councils to serve different geographical areas than are currently served by the councils, from making redistricting a condition of designation as a council or renewal of such designation, or as a condition of receiving state funding.)

---

Item 306 #1c

**Health And Human Resources**

Department Of Medical Assistance  
Services

Language

**Language:**

Page 167, after line 9, insert:

"VVV. The Department of Medical Assistance Services shall work with the Department of Behavioral Health and Developmental Services and the Virginia Association of Community Services Boards to establish rates for the Intensive In-Home Service based on quality indicators and standards such as the use of evidence-based practices."

**Explanation:**

(This amendment directs the Department of Medical Assistance Services to work with the Department of Behavioral Health and Developmental Services and the Virginia Association of Community Services Boards to ensure that the new rates to be established for intensive in-home services are based on certain parameters.)

---

Item 306 #2c

<b>Health And Human Resources</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	
Department Of Medical Assistance	\$0	(\$5,000,000)	GF
Services	\$0	\$5,000,000	NGF

**Language:**

Page 159, line 48, strike "288,995,296" and insert "293,995,296".

**Explanation:**

(This amendment reduces general funds by \$5.0 million and increases nongeneral funds by \$5.0 million for the Virginia Health Care Fund to reflect constant revenue collections from cigarette taxes. The introduced budget assumed cigarette tax revenues would fall as a result of an increase in the federal cigarette tax that became effective in April 2009. Based on July through December 2009 collections, there is no evidence that collections are falling. Revenues in the Virginia Health Care Fund are used as the state match for Medicaid, so an increase in revenues allows for a reduction in general fund spending.)

---

Item 390 #1c

**Public Safety**

Department Of Corrections

Language

**Language:**

Page 213, after line 55, insert:

"M. The Department of Corrections and the Virginia Economic Development



Partnership, in cooperation with local economic development officials from the area, shall jointly prepare a report examining the potential options for re-use or redevelopment of the Brunswick Correctional Center. This report shall take into consideration the unemployment rate in Brunswick County and the surrounding jurisdictions compared to the statewide rate, and the impact of the closure of this facility on the local governments in the region, with particular reference to the impact on water and sewer rates for the Town of Lawrenceville. Copies of this report, including any recommendations as may be appropriate, shall be presented to the Governor, the Secretaries of Public Safety and Commerce and Trade, and the Chairmen of the House Appropriations and Senate Finance Committees by June 1, 2010."

**Explanation:**

(This amendment directs the Department of Corrections and the Virginia Economic Development Partnership to prepare a report on potential options for reusing or redeveloping the Brunswick Correctional Center.)

---

Item 433 #1c

**Technology**

Virginia Information Technologies  
Agency

Language

**Language:**

Page 237, delete lines 51 and 52.

**Explanation:**

(This amendment corrects an error of duplication involving service areas. During the 2009 session, two service areas were moved out of the planning and quality control program, Item 433, into the administrative and support program, Item 434. Erroneously, these services areas resurfaced in Item 433.)

---

Item 434 #1c

**Technology**

Virginia Information Technologies  
Agency

Language

**Language:**

Page 239, after line 2, insert:

"The Chief Information Officer and the Secretary of Technology shall provide to the Chairmen of the Senate Finance and House Appropriations Committees an analysis of any proposed amendments or modifications to the comprehensive infrastructure agreement, and accompanying statements describing the fiscal impact of such proposed amendments or modifications with such an impact, prior to the execution of the changes."

**Explanation:**

(This amendment requires the CIO and the Secretary of Technology to provide an analysis of all proposed amendments or modifications to the comprehensive infrastructure agreement including an analysis of costs of modifications to the agencies of the Commonwealth. This information is critical to ensuring that the Appropriations Act accurately reflects the costs incurred by agencies for information technology services.)

---

Item 443 #1c

**Transportation**

Department Of Motor Vehicles

Language

**Language:**

Page 242, line 9, after "the first year", strike "and \$3,200,000".

Page 242, at the beginning of line 10, strike "in the second year".

**Explanation:**

(This amendment makes a technical correction to remove embedded language that was not removed from House Bill/Senate Bill 29 as introduced to accurately reflect the September 2009 reduction action relating to the Uninsured Motorist Fund revenues retained by the Department of Motor Vehicles.)

---

Item 459 #1c

**Transportation**

Department Of Transportation

Language

**Language:**

Page 249, line 2, strike "\$40,000,000" and insert "\$26,797,637".

**Explanation:**

(This technical amendment corrects a reference to the amounts provided for the Route 58 Corridor Development Fund to reflect the use of fund balances in the

second year based on the Governor's September 2009 Reduction Plan. The embedded language was inadvertently left unchanged when House Bill 29 was introduced and does not match the actual appropriation.)

---

Item 472 #1c

**Central Appropriations**

Central Appropriations

Language

**Language:**

Page 260, after line 46, insert:

"R.1. All employees of the Commonwealth, except elected officials, who were employed on June 30, 2010, shall receive a one-time bonus payment equal to three percent of base pay on December 16, 2010, contingent on general fund revenue collections for Fiscal Year 2010 exceeding the official Fiscal Year 2010 revenue estimate contained in this act by at least \$82,200,000. If general fund revenue collections for Fiscal Year 2010 exceed the official revenue estimate by less than \$82,200,000, the one-time bonus payment shall be prorated to a percent of base pay for the general fund payroll that equates to the amount of excess revenues collected.

2. For purposes of paying the general fund share of the December 16, 2010 one-time bonus, the State Comptroller shall reserve the first \$82,200,000 from Fiscal Year 2010 general fund revenue collections that exceed the official revenue estimate.

3. The Director of the Department of Planning and Budget shall administratively increase nongeneral fund appropriations as required to implement the one-time bonus payment."

**Explanation:**

(This amendment is self-explanatory.)

---

Item 472 #2c

**Central Appropriations**

Central Appropriations

**FY 08-09**

**FY 09-10**

\$0

\$2,469,914 GF

**Language:**

Page 257, line 26, strike "\$1,518,151" and insert "\$951,763".

Page 260, strike lines 35 through 46.

**Explanation:**

(This amendment restores funding for the 4th quarter of fiscal year 2010 for the state match for the state employee deferred compensation program which was eliminated in the introduced budget. In addition to restoring \$2.5 million in general funds for the cash match program, this amendment deletes language which authorized \$1.5 million in nongeneral fund transfers to the general fund.)

Item 472 #3c

**Central Appropriations**

Central Appropriations

Language

**Language:**

Page 260, line 10, after "estimated at" strike "\$7,593,717" and insert "\$9,281,967".

Page 260, after line 15 insert;

"4. Institutions of higher education may elect to achieve the savings required by this Item through alternative means."

**Explanation:**

(This amendment adjusts language reflecting the estimate of nongeneral fund savings that will be realized by the one furlough day scheduled in May 2010. The language also grants higher education institutions flexibility achieving their savings amounts.)

Item 473 #1c

**Central Appropriations**

Central Appropriations

**FY 08-09**

**FY 09-10**

\$0

(\$9,694,029) GF

**Language:**

Page 265, line 11, strike "\$52,757,950" and insert "\$43,063,921".

Page 267, line 46, after "and", strike "\$19,388,058" and insert "\$9,694,029".

**Explanation:**

(This amendment reduces to \$9.7 million the supplemental payment to agencies for support of agency IT costs under the outsourcing contract.)

Item 475.10 #1c

<b>Central Appropriations</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	
Central Appropriations	\$0	(\$1,500,000)	GF

**Language:**

Page 268, line 52, strike "\$20,784,363" and insert "\$22,284,363".

Page 270, after line 5, insert:

"G. The Director, Department of Planning and Budget, shall withhold and transfer to this item \$1,500,000 the second year from the general fund from Item 475, program 11500, representing savings of unused general funds."

**Explanation:**

(This amendment removes \$1,500,000 from the general fund from the transfer grant program. Based on estimates by the Virginia Community College System, less than \$250,000 will be awarded in fiscal year 2010 for this program, which has an appropriation of \$1,800,000. This amendment would remove the estimated unused funding. It is the intent of the General Assembly to enroll this amendment to item 475 which was not set out in the introduced budget.)

Item 485 #1c

<b>Independent Agencies</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	
Virginia Retirement System	\$0	\$234,500	NGF

**Language:**

Page 275, line 36, strike "\$9,598,951" and insert "\$9,833,451".

**Explanation:**

(This amendment provides \$234,500 from the nongeneral fund in administrative funding for the Virginia Retirement System to reflect additional expenses which will be incurred pursuant to the passage of House Bill 1189 and Senate Bill 232 of the 2010 General Assembly session.)

Item C-0 #1c

<b>General Conditions</b>
General Conditions

Language

**Language:**

Page 288, after line 6, insert:

"V. On or before June 30, 2010, the State Comptroller shall revert the following amounts from the agency, fund code, and project code listed.

Agency Name/Project Title	Fund	Project Code	Amount
Department of Corrections (799)	0965	17728	\$344,000
Department of Corrections (799)	0965	17729	\$1,700,000
Department of Juvenile Justice (777)	0965	17727	\$473,088
Central Capital (949)	0965	17777	\$126,912".

**Explanation:**

(This amendment reverts unused planning dollars for capital projects.)

---

	Item	C-5.30 #1c
<b>Administration</b>	<b>FY 08-09</b>	<b>FY 09-10</b>
Department Of General Services	\$0	\$913,000 GF

**Language:**

Page 288, after line 22, insert:

"C-5.30. New Construction: Educational Wing of Virginia War Memorial (17177)	\$0	\$913,000
Fund Sources: General	\$0".	\$913,000".

**Explanation:**

(This amendment transfers funding from House Bill 30 to House Bill 29 for the educational wing at the Virginia War Memorial to coincide with expected expenditure requirements.)

---

	Item	C-14.70 #1c
<b>Education: Higher Education</b>		
Christopher Newport University		Language

**Language:**

Page 289, line 23, after "detailed planning" insert:  
"through working drawings".

**Explanation:**

(This amendment clarifies that the project planning may proceed to working drawings stage.)

<b>Education: Higher Education</b>	<b>FY 08-09</b>	<b>FY 09-10</b>
George Mason University	\$0	\$2,526,000 NGF

**Language:**

Page 290, after line 15, insert:

**"§ 2-6 GEORGE MASON UNIVERSITY (247)".**

Page 291, after line 6, insert:

"C-36.90. Improvements: Repair Aquatic and Fitness Center HVAC (17845)	\$2,526,000
Fund Sources: Bond Proceeds	\$2,526,000".

**Explanation:**

(This amendment transfers 9(d) revenue bond authority from House Bill 30 to House Bill 29 for this project.)

<b>Education: Higher Education</b>	<b>FY 08-09</b>	<b>FY 09-10</b>
Virginia Military Institute	\$0	\$5,000,000 NGF

**Language:**

Page 295, after line 31, insert:

"C-85.20. New Construction: Military and Leadership Field Training Grounds	\$5,000,000
Fund Sources: Bond Proceeds	\$5,000,000".

**Explanation:**

(This amendment provides \$5.0 million from 9(d) bond proceeds to the Virginia Military Institute to supplement previous funding for the Military and Leadership Field Training Grounds.)

<b>Education: Higher Education</b>	
Virginia Polytechnic Institute And State University	Language

**Language:**

Page 296, after line 6, insert:

"C-91.30. Improvements: Center for Creative Technologies

Notwithstanding any other provision of law, the Director, Department of Planning and Budget, shall transfer the amount appropriated in Chapter 1 and Chapter 2, 2008 Acts of Assembly, Special Session I for project 17660 (Construct Sciences Research Laboratory I) to project 16758 (Center for Creative Technologies.)"

**Explanation:**

(This amendment transfers the VCBA bond authority from the Sciences Research Laboratory I project at Virginia Tech to the Center for Creative Technologies. The private donation for the Sciences Research Laboratory I project is unavailable, however there is a private donor for support of the Center for Creative Technologies.)

---

	Item	C-93.10 #1c
<b>Education: Higher Education</b>	<b>FY 08-09</b>	<b>FY 09-10</b>
Virginia State University	\$0	\$4,650,000 NGF

**Language:**

Page 296, after line 13, insert:

"C-93.10. Improvements: Addition to the M. T. Carter Building	\$4,650,000
Fund Sources: Federal Trust	\$4,650,000".

**Explanation:**

(This amendment provides \$4.7 million from the nongeneral fund the second year for an addition to the M. T. Carter Building at Virginia State University.)

---

	Item	C-113.05 #1c
<b>Natural Resources</b>		
Department Of Game And Inland Fisheries		Language

**Language:**

Page 298, strike lines 8 through 15 and insert:

"E. Notwithstanding paragraph B, in the event that the Board of Game and Inland



Fisheries receives a proposal or proposals pursuant to the Public-Private Education Facilities and Infrastructure Act of 2002 that would reduce the cost of the project, the Board, with the approval of the Department of General Services, may convey title to the above-described property to a third party as part of an arrangement to obtain a new headquarters facility at a different location."

**Explanation:**

(This amendment requires oversight by the Department of General Services before changes to the project or property conveyance occurs.)

---

Item C-145.05 #1c

**Public Safety**

Department Of Juvenile Justice

Language

**Language:**

Page 299, line 20, strike "Not set out." and insert:

"Out of the amounts approved for funding in Chapter 781, 2009 Acts of Assembly, for Correct Erosion, Pamunkey (17727), the Comptroller shall transfer \$126,912 to Agency 949, Central Capital Planning Fund (17777) fund 0965, to reimburse for planning costs incurred for the Pamunkey Erosion project as required by § 2.2-1520, Code of Virginia."

**Explanation:**

(This amendment is self-explanatory.)

---

Item 3-1.01 #1c

**Transfers**

Interfund Transfers

Language

**Language:**

Page 314, line 48, after "Council" insert:

"to repay the general fund advance."

Page 315, strike lines 20 through 29.

Page 315, line 30, strike "XX." and insert "VV."

Page 315, line 36, strike "YY." and insert "WW."

Page 315, line 40, strike "ZZ" and insert "XX".

Page 315, line 40, strike "\$14,454,479" and insert "\$11,854,479".

Page 318, strike line 29.

Page 319, line 7, strike "\$14,454,479" and insert "\$11,854,479".

Page 319, after line 13, insert:

"BBB. On or before June 30, 2010, the State Comptroller shall transfer \$2,000,000 to the general fund from unexpended balances at the Department of Aviation.

CCC. On or before June 30, 2010, the State Comptroller shall transfer \$5,200,000 to the general fund from one-time savings realized from a delay in the deadline for initial compliance with the federal Real ID Act of 2005.

DDD. On or before June 30, 2010, the State Comptroller shall transfer \$205,072 to the general fund from unexpended balances at the Department of Professional and Occupational Regulation.

EEE. On or before June 30, 2010, the State Comptroller shall transfer to the general fund an amount equal to \$6,200,000 from balances in the Water Quality Improvement Fund held by the Department of Conservation and Recreation.

FFF. On or before June 30, 2010, the State Comptroller shall transfer to the general fund an amount equal to \$3,600,000 from the Water Quality Improvement Fund Reserve Fund established pursuant to Item 360 of this act and held by the Department of Environmental Quality.

GGG. On or before June 30, 2010, the State Comptroller shall transfer to the general fund an amount equal to \$100,000 from the Central Registry Search Fees at the Department of Social Services.

HHH. On or before June 30, 2010, the State Comptroller shall transfer to the general fund an amount equal to \$500,000 from the Consolidated Laboratory Services at the Department of General Services."

**Explanation:**

(This amendment makes a number of technical corrections to Item 3-1.01 of House Bill 29 as introduced relating to nongeneral fund transfers to correct duplicate transfers from a nongeneral fund, include clarifying language, and capture additional nongeneral fund amounts for transfer as set out in the item.)

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Item 3-1.01 #2c

**Transfers**

Interfund Transfers

Language

**Language:**

Page 319, after line 13, insert:

"BBB. The State Comptroller shall transfer to the general fund \$6,200,000 from the Transportation Trust Fund on or before June 30, 2010."

**Explanation:**

(This amendment transfers \$6.2 million from the Transportation Trust Fund to the general fund to reflect the loss of revenues associated with conforming to provisions of the American Recovery and Reinvestment Act as it relates to the income tax deduction for sales tax paid on car purchases.)

---

Item 3-1.01 #3c

**Transfers**

Interfund Transfers

Language

**Language:**

Page 315, line 21, strike "\$7,593,717" and insert "\$9,281,967".

**Explanation:**

(This amendment increases the assumed savings from the nongeneral fund agency component of the one-day furlough of state employees in the budget as introduced by \$1.69 million to reflect agencies inadvertently left out of the calculation.)

---

Item 3-1.01 #4c

**Transfers**

Interfund Transfers

Language

**Language:**

Page 315, strike lines 25 through 29.

**Explanation:**

(This amendment eliminates language in the budget as introduced that had assumed savings from eliminating the cash match for employee contributions to the deferred contribution program.)

---

Item 3-1.01 #5c

**Transfers**

Interfund Transfers

Language

**Language:**

Page 319, after line 13, insert:

"BBB. On or before June 30, 2010, the State Comptroller shall transfer from Capital Outlay Reserves a balance estimated at \$500,000 to the general fund.)"

**Explanation:**

(This amendment is self-explanatory.)

---

Item 3-3.05 #1c

**General Fund Deposits**

Dominion Rebate

Language

**Language:**

Page 322, line 31 insert:

"A rebate payment from Dominion Resources in an amount estimated to be \$7,142,150 shall be deposited directly into the general fund on or before June 30, 2010."

**Explanation:**

(This amendment is self-explanatory.)

---

Item 3-5.15 #1c

**Adjustments and Modifications to Tax Collections**

Discounts and Allowances

Language

**Language:**

Page 323, strike lines 30 through 35 and insert:

"A. Notwithstanding any other provision of law, effective beginning with the return for June 2010, due July 2010, the compensation allowed under § 58.1-622, Code of Virginia, shall not be available to any dealer required to remit the tax levied under §§ 58.1-603 and 58.1-604, Code of Virginia, by electronic funds transfer pursuant to § 58.1-202.1, Code of Virginia, and the compensation available to all other dealers shall be limited to the following percentages of the first three percent of the tax levied under §§ 58.1-603 and 58.1-604, Code of Virginia:

<b>Monthly Taxable Sales</b>	<b>Percentage</b>
\$0 to \$62,500	1.6%
\$62,501 to \$208,000	1.2%
\$208,001 and above	0.8%

B. Notwithstanding any other provision of law, effective beginning with the return for June 2010 due July 2010, the compensation available under §§ 58.1-642, 58.1-656, 58.1-1021.03, 58.1-1720, and 58.1-1730, Code of Virginia, shall be repealed.

C. Notwithstanding any other provision of law, effective on and after July 1, 2010, there shall be no discount available for any discount or allowance allowed under §§ 58.1-2233, 58.1-2236, and 58.1-2256, Code of Virginia."

**Explanation:**

(This amendment modifies provisions of House Bill 29 as introduced which assumed \$60.9 million in revenues annually beginning in fiscal year 2011 by eliminating all compensation paid to retailers that collect states sales tax. The amended language would eliminate the dealer discount only for retailers who already are required to remit payment electronically and allow smaller retailers to retain an amount equal to 40 percent of the current discount. The removal of the discount on only those who file electronically would eliminate payments to less than 2 percent of the retailers in the Commonwealth, with the remaining retailers retaining some compensation. For the remainder, the retained percentage would be reduced to 40 percent of the current rate. This would generate \$49.1 million each year in fiscal year 2011 and fiscal year 2012 – a loss of \$11.8 million compared to House Bill 30 as introduced but would allow more than 98 percent of retailers to retain some compensation.)

Item 4-1.08 #1c

**Appropriations**

Appropriation Reductions to Address Revenue Shortfall

Language

**Language:**

Page 348, after line 52, insert:

" C. State agencies and institutions with appropriation reductions contained in Part I of this act within the item "Executive Management, Savings from Management Actions in the Fiscal Year 2010 Reduction Plan" are to be guided by the reductions strategies outlined in paragraph D of this section. If modifications to the reductions outlined in

this section are necessary, such modifications shall be reported to the Chairmen of the House Appropriations Committee and Senate Finance Committee pursuant to § 4-1.02.d.5.a) of this act.

D. It is the intent of the General Assembly that the specific reduction strategies identified by the Governor and Director, Department of Planning and Budget will be incorporated into this act during enrolling."

**Explanation:**

(This amendment adds the list of agency budget reduction strategies to Part 4 of the caboose bill. These strategies were inadvertently dropped from the printed version of the bill.)

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Item 5-0.00 #1c

Additional Enactments

Language

**Language:**

Page 350, line 8, strike "4."

Page 350, line 31, after, "~~May 31, 2010.~~", strike the remainder of line 31.

Page 350, strike lines 32 through 47.

Page 351, strike all lines.

Page 352, strike all lines.

Page 353, strike all lines.

Page 354, strike all lines

Page 355, strike lines 1 through 47.

Page 355, line 48, strike "5" and insert "4".

Page 356, line 1, strike "6."

Page 356, line 7, after, "~~expiration date.~~", strike the remainder of line.

Page 356, strike line 8.

Page 356, line 9, strike "7." and insert "5."

Page 356, line 9, after "2010.", strike the remainder of line 9 and insert:

"The provisions of the second, third, fourth and fifth enactments of this act shall have no expiration date."

Page 356, strike line 10.

**Explanation:**

(This amendment removes unnecessary language from the budget bill and allows the Code text to remain unchanged.)

**Additional Enactments**

Additional Enactments

Language

**Language:**

Page 350, after line 7, insert:

**"4. That § 58.1-301 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-301. Conformity to Internal Revenue Code.

A. Any term used in this chapter shall have the same meaning as when used in a comparable context in the laws of the United States relating to federal income taxes, unless a different meaning is clearly required.

B. Any reference in this chapter to the laws of the United States relating to federal income taxes shall mean the provisions of the Internal Revenue Code of 1954, and amendments thereto, and other provisions of the laws of the United States relating to federal income taxes, as they existed on ~~December 31, 2008~~, *January 22, 2010*, except for:

1. The special depreciation allowance for certain property provided for under §§ 168(k), 168(l), 168(m), 1400L, and 1400N of the Internal Revenue Code;

2. The carry-back of certain net operating losses for five years under § 172(b)(1)(H) of the Internal Revenue Code;

3. *The original issue discount on applicable high yield discount obligations under § 163 (e)(5)(F) of the Internal Revenue Code;*

4. *The deferral of certain income under § 108 (i) of the Internal Revenue Code. For Virginia income tax purposes, income from the discharge of indebtedness in connection with the reacquisition of an "applicable debt instrument" (as defined under § 108 (i) of the Internal Revenue Code) reacquired in taxable year 2009 shall be fully included in the taxpayer's Virginia taxable income for taxable year 2009, unless the taxpayer elects to include such income in the taxpayer's Virginia taxable income ratably over a 3-taxable-year period beginning with taxable year*

2009. For purposes of such election, all other provisions of § 108 (i) shall apply *mutatis mutandis*. No other deferral shall be allowed for income from the discharge of indebtedness in connection with the reacquisition of an "applicable debt instrument";

5. The amount of the deduction allowed for domestic production activities pursuant to § 199 of the Internal Revenue Code for taxable years beginning on or after January 1, 2010. For Virginia income tax purposes, (i) two-thirds of the amount deducted pursuant to § 199 of the Internal Revenue Code for federal income tax purposes for taxable year 2010 may be deducted for Virginia income tax purposes for taxable year 2010, (ii) one-third of the amount deducted pursuant to § 199 of the Internal Revenue Code for federal income tax purposes for taxable year 2011 may be deducted for Virginia income tax purposes for taxable year 2011, (iii) one-third of the amount deducted pursuant to § 199 of the Internal Revenue Code for federal income tax purposes for taxable year 2012 may be deducted for Virginia income tax purposes for taxable year 2012, (iv) one-sixth of the amount deducted pursuant to § 199 of the Internal Revenue Code for federal income tax purposes for taxable year 2013 may be deducted for Virginia income tax purposes for taxable year 2013, and (v) no deduction shall be allowed for Virginia income tax purposes for any amount deducted pursuant to § 199 of the Internal Revenue Code for federal income tax purposes for taxable year 2014 or any taxable year thereafter;

6. For taxable years beginning on or after January 1, 2010, the provisions of § 32(b)(3) of the Internal Revenue Code relating to the earned income tax credit; and

7. For taxable years beginning on or after January 1, 2010, the deduction for qualified motor vehicle taxes pursuant to § 164(a)(6) of the Internal Revenue Code.

*The Department of Taxation is hereby authorized to develop procedures or guidelines for implementation of the provisions of this section, which procedures or guidelines shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia) ."*

**Explanation:**

(This amendment conforms the Code to certain federal tax actions that occurred between January 1, 2009 and January 22, 2010.)



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