

Revenues

Revenues

Language

Language:

Page 1, strike lines 37 through 50 and insert:

	"First Year	Second Year	Total
Unreserved Balance, June 30, 2018	\$1,229,941,000	\$0	\$1,229,941,000
Additions to Balance	(\$750,406,961)	\$336,198,952	(\$414,208,009)
Official Revenue Estimates	\$21,029,167,750	\$21,455,817,000	\$42,484,984,750
Transfer	\$624,570,037	\$635,644,489	\$1,260,214,526
Total General Fund Resources Available for Appropriation	\$22,133,271,826	\$22,427,660,441	\$44,560,932,267

The appropriations made in this act from nongeneral fund revenues are based upon the following:

	First Year	Second Year	Total
Balance, June 30, 2018	\$6,342,196,144	\$0	\$6,342,196,144
Official Revenue Estimates	\$31,287,362,303	\$34,936,683,277	\$66,224,045,580
Lottery Proceeds Fund	\$632,398,647	\$628,830,501	\$1,261,229,148
Internal Service Fund	\$2,099,646,770	\$2,070,414,416	\$4,170,061,186
Bond Proceeds	\$1,110,747,936	\$636,419,436	\$1,747,167,372
Total Nongeneral Fund Revenues Available for Appropriation	\$41,472,351,800	\$38,272,347,630	\$79,744,699,430
TOTAL PROJECTED REVENUES	\$63,605,623,626	\$60,700,008,071	\$124,305,631,697"

Page 2, strike lines 1 through 19.

Explanation:

(This amendment modifies the front page tables in SB 1100, as introduced, to reflect changes to resources as adopted by the Senate Finance Committee.)

Language:

Page 4, line 10, strike "\$27,291,062" and insert "\$27,041,062".
Page 4, line 11, strike "\$15,799,993" and insert "\$16,049,993".

Explanation:

(This amendment transfers \$250,000 in second year funding from the House of Delegates to the Senate to correct a prior year error.)

Item 1 #2s

Legislative Department	FY18-19	FY19-20	
General Assembly of Virginia	\$2,000,000	\$2,000,000	GF

Language:

Page 4, line 5, strike "\$46,981,541" and insert "\$48,981,541".
Page 4, line 5, strike "\$46,981,541" and insert "\$48,981,541".

Explanation:

(This amendment provides a base funding adjustment to the General Assembly to address unanticipated operational cost increases.)

Item 1 #3s

Legislative Department	FY18-19	FY19-20	
General Assembly of Virginia	\$0	\$250,000	GF

Language:

Page 4, line 5, strike "\$46,981,541" and insert "\$47,231,541".
Page 13, after line 45, insert:

"6. Out of this appropriation, \$250,000 from the general fund the second year is provided for the Joint Subcommittee for Health and Human Resources Oversight to contract with a qualified entity to evaluate options for a § 1332 Affordable Care Act waiver to redesign the individual insurance market to better align with cost saving opportunities and outcomes similar to the large group market. The State Corporation Commission and HHR unit at the Joint Legislative Audit and Review Commission shall provide assistance to the joint subcommittee, as needed, as the joint subcommittee evaluates the options. The joint subcommittee shall make any recommendations to the General Assembly regarding a § 1332 Affordable Care Act waiver by December 1, 2019."

Explanation:

(This amendment provides \$250,000 from the general fund the second year to the Joint Subcommittee for Health and Human Resources Oversight to contract with a qualified entity to evaluate options for a § 1332 Affordable Care Act waiver to redesign the individual insurance market to better align with cost saving opportunities and outcomes similar to the large group market.)

Item 4 #1s

Legislative Department	FY18-19	FY19-20
Division of Capitol Police	\$137,400	\$0 GF

Language:

Page 16, line 4, strike "\$10,831,214" and insert "\$10,968,614".

Explanation:

(This amendment proposes \$137,400 GF the first year for enhancement of the Division of Capitol Police career development program.)

Item 6 #1s

Legislative Department	FY18-19	FY19-20
Division of Legislative Services	\$0	\$250,000 GF

Language:

Page 16, line 42, strike "\$6,884,115" and insert "\$7,134,115".

Explanation:

(This amendment provides \$250,000 the second year from the general fund to acquire hardware, software and training to be used by the General Assembly for the 2021 redistricting. This includes separate mapping space and work stations for the Senate and the House of Delegates, work stations for staff of the Division of Legislative Services, a dedicated server for making redistricting data and plans publicly available, and redistricting software applications.)

Item 6 #2s

Legislative Department	FY18-19	FY19-20
Division of Legislative Services	\$264,000	\$264,000 NGF

Language:

Page 16, line 42, strike "\$6,884,115" and insert "\$7,148,115".

Page 16, line 42, strike "\$6,884,115" and insert "\$7,148,115".

Page 15, line 40, strike "\$6,884,115" and insert "\$7,148,115".

Page 15, line 41, strike "\$6,884,115" and insert "\$7,148,115".

Page 17, after line 20, insert:

"E. Included in this item is \$264,000 the first year and \$264,000 the second year from dedicated special revenues to implement the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee."

Explanation:

(This amendment appropriates the FY 2019 Dedicated Special Revenue from sales of the "Friends of the Bay" license plate to the Chesapeake Bay Restoration Fund for the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee, and appropriates the same estimated amount for FY 2020.)

Item 11 #1s

Legislative Department

Commissioners for the Promotion of Uniformity of Legislation in the United States

Language

Language:

Page 18, after line 28, insert:

"Commissioners shall receive no compensation for their services from the funds appropriated in this item, but their necessary travel and hotel expenses shall be reimbursed, subject to the approval of the Joint Rules Committee or to the joint approval of the Speaker of the House of Delegates and the Chairman of the Senate Committee on Rules."

Explanation:

(This amendment subjects the reimbursement of necessary travel and hotel expenses of members of the board of Commissioners of the Uniform Law Commission to the approval of the Joint Rules Committee or to the joint approval of the Speaker of the House of Delegates and the Chairman of the Senate Committee on Rules.)

Item 30 #1s

Legislative Department

Virginia State Crime Commission

FY18-19

\$0
0.00

FY19-20

\$240,000 GF
2.00 FTE

Language:

Page 23, line 44, strike "\$940,402" and insert "\$1,180,402".

Explanation:

(This amendment adds 2.0 new FTE positions to the Crime Commission including an additional attorney and policy analyst. The Crime Commission has only had an increase of 1 FTE in the last ten years, despite the continuing increase in study requests and work load.)

Item 31 #1s

Legislative Department	FY18-19	FY19-20
Joint Legislative Audit and Review Commission	\$200,000	\$0 GF

Language:

Page 24, line 7, strike "\$5,194,132" and insert "\$5,394,132".

Page 27, after line 36, insert:

"I. Included within the appropriation for this item is \$200,000 in the first year from the general fund for the Joint Legislative Audit and Review Commission to contract with one or more third-party independent reviewers to evaluate the Commonwealth's current and potential gaming governance structures, current and potential revenues to the Commonwealth, and any other relevant subjects it deems necessary pursuant to the study. In conducting this evaluation, the Joint Legislative Audit and Review Commission shall consider the impact of additional gaming and sports wagering, including both physical casino facilities and online gaming and sports wagering, as well as increased charitable gaming, on the current and future revenues of the Virginia Lottery. The Joint Legislative Audit and Review Commission shall coordinate the study, and all state agencies, public bodies, and officials shall cooperate with the Joint Legislative Audit and Review Commission pursuant to completion of the study, as it deems necessary, upon its request."

Explanation:

(This amendment provides \$200,000 in the first year from the general fund for the Joint Legislative Audit and Review Commission to contract for a study on the Commonwealth's gaming governance structure and current and potential revenues to the state resulting from expanding gaming options in the Commonwealth, and any other relevant topics necessary to complete the study.)

Item 34 #1s

Legislative Department	Language
Legislative Department Reversion Clearing Account	

Language:

Page 28, line 36, after "Square.", insert "Funding in the first year shall be provided by the Clerk of the Senate and funding in the second year shall be provided by the Clerk of the House of Delegates."

Explanation:

(This language only amendment clarifies the fiscal agency for the pass through of funding appropriated in Chapter 2 of 2018 Special Session 1 for the Women's Monument.)

Item 49 #1s

Judicial Department	FY18-19	FY19-20	
Virginia State Bar	\$0	(\$2,625,000)	GF

Language:

Page 42, line 4, strike "\$14,766,473" and insert "\$12,141,473".
Page 42, line 21, strike "\$6,975,000" and insert "\$4,350,000".

Explanation:

(This amendment redirects the proposed increase of \$2.6 million GF in the second year to assist low income tenants in housing eviction cases. There is a companion amendment to Item 49 that provides funding to the Virginia State Bar for additional staff.)

Item 49 #2s

Judicial Department	FY18-19	FY19-20	
Virginia State Bar	\$0	\$1,275,000	GF

Language:

Page 42, line 4, strike "\$14,766,473" and insert "\$16,041,473".
Page 42, line 21, strike "\$6,975,000" and insert "\$5,625,000".

Explanation:

(This amendment provides \$1,275,000 GF in the second year for the Virginia State Bar for additional staff.)

Item 51 #1s

Executive Offices

Language:

Page 44, after line 11, insert:

"C. The appropriations included in this Item are deemed sufficient to satisfy the third enactment of Senate Bill 1523 of the 2019 General Assembly."

Explanation:

(This amendment effectuates the purposes of Senate Bill 1523 which creates in the Governor's cabinet the position of Secretary of Workforce Development.)

Item 54 #1s

Executive Offices

Language:

Page 44, after line 39, insert:

"C. Such sum sufficient shall be deemed to include any such funds necessary for the enactment of Senate Bill 1246 of the 2019 General Assembly."

Explanation:

(This amendment authorizes the disaster sum sufficient to be used for the purposes of Senate Bill 1246, which passed the Senate with a financial contingency clause.)

Item 58 #1s

Executive Offices

FY18-19

FY19-20

Attorney General and Department of Law

(\$500,000)

(\$500,000)

NGF

Language:

Page 46, line 36, strike "\$3,986,677" and insert "\$3,486,677".

Page 46, line 36, strike "\$3,986,677" and insert "\$3,486,677".

Page 46, line 43, strike "\$1,250,000" and insert "\$750,000".

Explanation:

(This amendment reduces by \$500,000 each year the nongeneral fund appropriation for the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund.)

Item 62 #1s

Executive Offices	FY18-19	FY19-20
Secretary of the Commonwealth	(\$1,500,000)	\$0 GF

Language:

Page 48, line 42, strike "\$3,751,576" and insert "\$2,251,576".
Page 49, strike lines 7 through 9.

Explanation:

(This amendment reverses \$1.5 million GF in the first year and language supporting education and outreach efforts in advance of the 2020 Census.)

Item 65 #1s

Administration

Secretary of Administration	Language
-----------------------------	----------

Language:

Page 51, line 26, after the period insert "The Data Sharing and Analytics Advisory Committee established in a second enactment clause of 2018 Senate Bill 580 that was enacted as Chapter 679, shall be extended to June 30, 2020, and the third enactment clause shall no longer be in force."

Explanation:

(This amendment extends the sunset date of the Data Sharing and Analytics Advisory Committee.)

Item 65 #2s

Administration	FY18-19	FY19-20
Secretary of Administration	(\$600,000)	\$0 GF

Language:

Page 51, line 4, strike "\$3,038,191" and insert "\$2,438,191".
Page 51, line 20, strike "\$1,352,541" and insert "\$752,541".

Explanation:

(This amendment provides \$752,541 GF in the first year for the data sharing and analytics program to conduct a statewide data inventory.)

Item 66 #1s

Administration	FY18-19	FY19-20	
Compensation Board	\$0	\$916,066	GF

Language:

Page 51, line 36, strike "\$473,269,695" and insert "\$474,185,761".

Page 55, after line 11, insert:

"O. Included in the appropriation for this Item is \$916,066 in the second year from the general fund for the Virginia Beach Correctional Center for the Jail and Re-entry Service Coordination Pathway, which is a joint operation between the Virginia Beach Department of Human Services and the Virginia Beach Sheriff's Office. The program consists of diversion, screening, assessment, treatment, and re-entry services for all incarcerated individuals with an active mental illness or substance use disorder diagnosis."

Explanation:

(This amendment provides \$916,066 GF the second year for 12 staff positions at the Virginia Beach Correctional Center for the Jail and Re-entry Service Coordination Pathway. There is a companion amendment to Item 73 that adds the positions to the position count table.)

Item 71 #1s

Administration

Compensation Board

Language

Language:

Page 70, after line 13, insert:

"X. The Compensation Board shall convene a workgroup made up of relevant stakeholders to address the issue of the staffing standards for sheriffs' offices throughout the state, with specific emphasis on addressing the concerns of sheriffs' offices with verifiable and longstanding position needs, and for whom positions are not routinely provided, based on the existing staffing standards percent of need ranking. The working group shall consider a rotational plan for the equitable allocation of positions to sheriffs offices, whereby every other year, offices that have verifiable and longstanding position needs may be considered for additional positions based on criteria established by the working group. The Compensation Board shall detail the working group's recommendations in a report to be provided to the Chairmen of the Senate Finance and House Appropriations Committees no later than October 1, 2019."

Explanation:

(This amendment directs the Compensation Board to convene a working group to address the

issue of the staffing standards for sheriffs' offices throughout the state.)

Item 71 #2s

Administration	FY18-19	FY19-20	
Compensation Board	\$0	\$75,000	GF

Language:

Page 62, line 45, strike "\$54,345,586" and insert "\$54,420,586".

Page 65, after line 18, insert:

"O. Included in the appropriation for this Item is \$75,000 the second year from the general fund for the Williamsburg and James City County Circuit Court Clerk's office to conduct a pilot program to provide an online listing of foreclosures; continued courthouse posting of foreclosures; and to provide notice of foreclosures in the local newspaper for a limited period of time."

Explanation:

(This amendment provides funding of \$75,000 GF in the second year to begin a pilot program related to foreclosure notices.)

Item 73 #1s

Administration

Compensation Board

Language

Language:

Page 70, after line 13, insert:

"X.1. Any locality in the Commonwealth that employs the use of body worn cameras for its law enforcement officers shall be required to establish and fund one full-time equivalent entry-level Assistant Commonwealth's Attorney, at a salary no less than that established by the Compensation Board for an entry-level Commonwealth's Attorney, at a rate of one Assistant Commonwealth's Attorney for up to 75 body worn cameras employed for use by local law enforcement officers, and one Assistant Commonwealth's Attorney for every 75 body worn cameras employed for use by local law enforcement officers, thereafter. However, with the consent of the Commonwealth's Attorney, a locality may provide their Commonwealth's Attorney's office with additional funding, using a different formula than stated above, as needed to accommodate the additional workload resulting from the requirement to review, redact and present footage from body worn cameras. If, as of July 1, 2019, a locality is providing additional funding to the Commonwealth's Attorney's office specifically to address the staffing and workload impact of the implementation of body worn cameras on that office, that additional funding shall be credited to the formula used in that locality. Any agreed upon funding formula

between the impacted Commonwealth's Attorney and the locality employing body worn cameras shall be filed with the Compensation Board by July 1, 2019 and shall remain in effect, unless modified by the agreement of both parties until June 30th of the following year. The term "locality" means every county or independent city with an Attorney for the Commonwealth. The term "employed for use" includes all body worn cameras maintained by the law enforcement agency or agencies of that locality, regardless of any temporary inoperability.

2. Additionally, the working group convened by the Executive Secretary of the Compensation Board pursuant to Chapter 2, Item 72, U (2018 Special Session Acts of Assembly) shall be maintained to continue to study the impact of body worn cameras on the workload of Commonwealth's Attorney's offices, providing an additional report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2020. During this timeframe, each Commonwealth's Attorney's office in a locality that employs body worn cameras, in conjunction with the law enforcement agency using body worn cameras, shall report to the Compensation Board the following information on a quarterly basis, in a format prescribed by the Board:

- a. The number of hours of body worn camera video footage received from their law enforcement agencies. The number of hours should additionally be broken down into corresponding categories of felonies, misdemeanors and traffic offenses. Any recorded event that results in charges for two or more of the above categories shall be reported in the most serious category;
- b. The number of hours spent in the course of redacting videos; and
- c. Any other data determined relevant and necessary by the Compensation Board for this analysis.

3. Should a Commonwealth's Attorney's office in a locality that employs body worn cameras fail to report to the Compensation Board the information above for two consecutive quarters, that locality may discontinue for the following fiscal year that additional funding to the Commonwealth's Attorney's office that is specifically to address the staffing and workload impact of the implementation of body worn cameras on that office.

4. The workgroup shall utilize the reported information to examine the staffing challenges and workload impact on Commonwealth's Attorney's offices of the implementation of body worn cameras over this added time and make any additional recommendations in the subsequent report, including but not limited to recommending a different staffing formula than stated above."

Explanation:

(This amendment establishes guidelines for staffing requirements for Commonwealth's Attorney's offices to hire one Assistant Commonwealth's Attorney for every 75 body worn cameras employed by local law enforcement officers.)

Item 73 #2s

Administration

Compensation Board

Language

Language:

Page 67, line 4, strike the second occurrence of "11,407" and insert "11,419".

Explanation:

(This amendment adds 12 sheriffs positions to the position count table in the second year to support a Jail and Re-entry Service Coordination Pathway in Virginia Beach, which is reflected in a companion amendment to Item 66.)

Item 80 #1s

Administration

FY18-19

FY19-20

Department of General Services

\$0

(\$100,000) GF

Language:

Page 75, line 42, strike "\$4,835,525" and insert "\$4,735,525".

Explanation:

(This amendment reverses \$100,000 GF in the second year related to "On the Square" employee engagement activities and staffing.)

Item 83 #1s

Administration

FY18-19

FY19-20

Department of Elections

\$0

(\$160,000) GF

Language:

Page 80, line 42, strike "\$16,068,370" and insert "\$15,908,370".

Explanation:

(This amendment redirects \$160,000 GF in the second year to advertise for a voter referendum on the Equal Rights Amendment.)

Item 83 #2s

Administration

Department of Elections

Language

Language:

Page 81, after line 27, insert:

"H. The Department of Elections, in collaboration with the Compensation Board, shall conduct a study of General Registrars' salaries, in relation to other local constitutional officers' salaries, between the years 1981 and 2018."

Explanation:

(This amendment adds language to the Appropriation Act directing the Department of Elections, in collaboration with the Compensation Board, to conduct a study of General Registrars' salaries, in relation to other local constitutional officers' salaries, from the years 1981 through 2018.)

Item 83 #3s

Administration

Department of Elections

FY18-19

FY19-20

\$0
0.00

(\$202,500) GF
-1.00 FTE

Language:

Page 80, line 42, strike "\$16,068,370" and insert "\$15,865,870".

Explanation:

(This amendment modifies the proposal in the introduced budget and provides \$405,500 GF and 2.0 FTEs in the second year for the development and expansion of local election official training programs.)

Item 83 #4s

Administration

Department of Elections

FY18-19

FY19-20

\$0

\$49,560 GF

Language:

Page 80, line 42, strike "\$16,068,370" and insert "\$16,117,930".

Explanation:

(This amendment provides \$49,560 GF in the second year for the Department of Elections to implement the provisions of Senate Bill 1018 of the 2019 General Assembly, which directs the Department of Elections to provide GIS maps to local election officials and provide assistance to localities to review voter assignments and precinct boundaries, as requested, and is contingent upon its final passage.)

Item 84.20 #1s

Administration

Virginia Information Technologies Agency

Language

Language:

Page 84, after line 36, insert:

"C.1. Pursuant to § 3-2.03 of this act, a line of credit up to \$15,000,000 shall be provided to the 911 Services Board as a temporary cash flow advance. Funds received from the line of credit shall be used only to support implementation of next general 911 service and shall be distributed in a manner consistent with § 56-484.17 (D), *Code of Virginia*. The request for the line of credit shall be prepared in the formats as approved by the Secretary of Finance and Secretary of Administration.

2. The Secretary of Finance and Secretary of Administration shall approve draw downs from this line of credit prior to the expenditure of funds."

Explanation:

(This amendment adds language that extends to the 911 Services Board a line of credit to accelerate implementation of next generation 911 service across the Commonwealth.)

Item 84.20 #2s

Administration

Virginia Information Technologies Agency

Language

Language:

Page 84, after line 36, insert:

“C. During next generation 911 service planning and deployment, the 911 Services Board may reimburse a provider for its wireless E-911 CMRS costs, in lieu of reimbursing the provider's costs to deliver 911 calls to the ESInet points of interconnection pursuant to § 56-48417(D), Code of Virginia. The 911 Services Board may establish the process, criteria, and duration for such reimbursement of CMRS costs but shall continue to ensure that necessary 911 service and ESInet objectives are achieved.”

Explanation:

(This amendment includes language to allow the 911 Services Board to continue to pay wireless carrier costs for E911 until the Commonwealth transitions to next generation 911 service. When the law was changed last year, the 911 Services Board anticipated that the old funding process would be eliminated sooner. This language allows the Board to deal with this delay and potential future delays.)

Item 84.30 #1s

Administration

Virginia Information Technologies Agency

Language

Language:

Page 85, line 36, strike "to the".

Page 85, line 37, strike "Quality Technology Services data center" and insert "to a data center physically located in Virginia".

Explanation:

(This amendment is a technical correction regarding the Virginia Information Technologies Agency's migration of the Commonwealth's applications, data, and systems that are currently physically located or hosted in the Commonwealth Enterprise Solutions Center to another Virginia based data center by June 30, 2022.)

Item 91 #1s

Agriculture and Forestry

FY18-19

FY19-20

Department of Agriculture and
Consumer Services

\$0
0.00

(\$138,237) GF
-1.00 FTE

Language:

Page 93, line 37, strike "\$315,171" and insert "\$176,934".

Explanation:

(This amendment reverses a proposed new position for emergency responsiveness and animal care coverage.)

			Item 98 #1s
Agriculture and Forestry	FY18-19	FY19-20	
Department of Forestry	\$0	(\$45,000)	GF

Language:

Page 96, line 17, strike "\$34,664,547" and insert "\$34,619,547".

Explanation:

(This amendment reverses a proposed new apprenticeship program.)

			Item 98 #2s
Agriculture and Forestry	FY18-19	FY19-20	
Department of Forestry	\$0	(\$137,843)	GF

Language:

Page 96, line 17, strike "\$34,664,547" and insert "\$34,526,704".

Explanation:

(This amendment reverses a proposed land conservation easement coordinator position.)

			Item 98 #3s
Agriculture and Forestry	FY18-19	FY19-20	
Department of Forestry	\$0	(\$167,843)	GF

Language:

Page 96, line 17, strike "\$34,664,547" and insert "\$34,496,704".

Explanation:

(This amendment reverses a proposed water quality program coordinator position.)

Item 98 #4s

Agriculture and Forestry	FY18-19	FY19-20	
Department of Forestry	\$0	(\$167,843)	GF

Language:

Page 96, line 17, strike "\$34,664,547" and insert "\$34,496,704".

Explanation:

(This amendment reverses a proposed hardwood forest management coordinator position.)

Item 102 #1s

Commerce and Trade	FY18-19	FY19-20	
Secretary of Commerce and Trade	(\$140,000)	\$0	GF

Language:

Page 99, line 3, strike "\$1,076,185" and insert "\$936,185".

Explanation:

(This amendment reduces first-year funding intended to support a full-time broadband advisor in the Office of the Secretary of Commerce and Trade. The 2018 Appropriation Act included \$140,000 GF each year for this purpose. The first-year appropriation is unnecessary as unused FY 2018 carry-forward balances are sufficient.)

Item 103 #1s

Commerce and Trade	FY18-19	FY19-20	
Economic Development Incentive Payments	\$0	\$50,000,000	GF

Language:

Page 99, line 47, strike "\$43,823,498" and insert "\$93,823,498".

Page 102, after line 43, insert:

"J. Out of the amounts in this Item, \$50,000,000 the second year from the general fund shall be deposited to the Semiconductor Manufacturing Grant Fund for the award of grants to a qualified semiconductor manufacturing company in a qualified locality in accordance with legislation enacted by the 2019 General Assembly and subject to performance metrics agreed to in a memorandum of understanding with the Commonwealth."

Explanation:

(This amendment appropriates \$50.0 million GF the second year to the Semiconductor

Manufacturing Grant Fund pursuant to Senate Bill 1370 and subject to the terms agreed to in a memorandum of understanding between a qualified manufacturing company and the Commonwealth.)

Item 103 #2s

Commerce and Trade

Economic Development Incentive Payments

Language

Language:

Page 100, after line 45, insert:

"7. Up to \$1,925,000 of previously awarded funds and funds repaid by political subdivisions or business beneficiaries and deposited to the Commonwealth's Development Opportunity Fund may be reallocated to the Virginia Jobs Investment Program Fund and made available for eligible businesses under the Virginia Jobs Investment Program subject to the conditions set forth in § 2.2-2240.3, Code of Virginia."

Explanation:

(This amendment authorizes up to \$1.9 million of previously awarded funds that have been repaid to the Commonwealth's Development Opportunity Fund to be used for grants under the Virginia Jobs Investment Program (VJIP), subject to the conditions set forth in current law. This authorization represents the amount of grants awarded to and repaid on behalf of Norfolk Southern Corporation.)

Item 105 #1s

Commerce and Trade

FY18-19

FY19-20

Department of Housing and
Community Development

(\$13,000,000)

(\$3,000,000) GF

Language:

Page 103, line 17, strike "\$80,902,939" and insert "\$67,902,939".

Page 103, line 17, strike "\$72,673,655" and insert "\$69,673,655".

Page 104, line 11, strike "\$20,000,000" and insert "\$7,000,000".

Page 104, line 12, strike "\$10,000,000" and insert "\$7,000,000".

Explanation:

(This amendment provides an additional \$1.5 million GF each year for the Housing Trust Fund, bringing the total deposit to \$7.0 million GF annually.)

Item 105 #2s

Commerce and Trade	FY18-19	FY19-20	
Department of Housing and Community Development	\$0 0.00	(\$104,050) -1.00	GF FTE

Language:

Page 103, line 17, strike "\$72,673,655" and insert "\$72,569,605".

Explanation:

(This amendment removes proposed new spending of \$104,050 GF and one position intended to support the creation of an eviction diversion program at the Department of Housing and Community Development.)

Item 106 #1s

Commerce and Trade	FY18-19	FY19-20	
Department of Housing and Community Development	\$0	(\$31,000,000)	GF

Language:

Page 104, line 43, strike "\$120,855,721" and insert "\$89,855,721".

Page 106, line 47, strike "\$50,000,000" and insert "\$19,000,000".

Page 107, line 1, after "provider.", insert "Up to \$250,000 the second year from the general fund may be designated for administrative expenses incurred by Department in administering the program."

Explanation:

(This amendment provides an increase of \$15.0 million GF the second year for the Virginia Telecommunication Initiative to accelerate broadband deployment in unserved areas of the Commonwealth. This amendment also allows that up to \$250,000 of the amounts provided the second year may be used for administrative expenses incurred by the Department of Housing and Community Development in administering the program.)

Item 106 #2s

Commerce and Trade	FY18-19	FY19-20	
Department of Housing and Community Development	\$0	\$250,000	GF

Language:

Page 104, line 43, strike "\$120,855,721" and insert "\$121,105,721".

Explanation:

(This amendment provides an increase of \$250,000 GF the second year to the Department of Housing and Community Development (DHCD) for staff to administer the Virginia Telecommunication Initiative (VATI) program. Currently, DHCD has one staff supporting the program. With an increase in the appropriation for VATI grants, DHCD will need additional staff to adequately administer the program.)

Item 109 #1s

Commerce and Trade

Department of Housing and Community Development

Language

Language:

Page 108, after line 46, insert:

"The Commission on Local Government shall examine the various local structures of animal control programs. The Commission shall report on the different structures used by localities to provide such services to its citizens and assess the advantages, disadvantages, effectiveness and efficiencies of each structure including program administration, the management of personnel, compensation and other costs, and the flexibility to respond to local needs. The Commission shall report to the Chairs of the Senate Finance Committee and House Appropriations Committee by November 1, 2019."

Explanation:

(This amendment directs the Commission on Local Government to examine the various local structures of animal control programs, and to report on the advantages, disadvantages, effectiveness and efficiencies of each structure, to the Chairs of the Senate Finance Committee and House Appropriations Committee by November 1, 2019.)

Item 113 #1s

Commerce and Trade

FY18-19

FY19-20

Department of Labor and Industry

\$0

(\$1,429,000) GF

Language:

Page 109, line 25, strike "\$12,033,222" and insert "\$10,604,222".

Explanation:

(This amendment reverses the proposed increase in funding for compliance officer positions in

the Virginia Occupational Safety and Health (VOSH) program. The Governor's proposed budget included \$1.4 million GF for staffing to increase health and safety inspections.)

Item 117 #1s

Commerce and Trade	FY18-19	FY19-20	
Department of Mines, Minerals and Energy	(\$10,000,000)	\$1,000,000	GF

Language:

Page 111, line 3, strike "\$13,116,931" and insert "\$3,116,931".

Page 111, line 3, strike "\$3,503,931" and insert "\$4,503,931".

Page 111, strike lines 31 through 36, and insert:

"D. Out of the amounts in this Item, \$1,000,000 the second year from the general fund shall be deposited to the Installed Solar Energy Equipment Program Grant Fund and used to award grants to businesses that on or after July 1, 2019, construct, purchase, or lease solar energy equipment and place such equipment in service on certain nonresidential real property, pursuant to Senate Bill 1496, as enacted by the 2019 General Assembly."

Explanation:

(This amendment provides \$1.0 million GF the second year to be deposited to the Installed Solar Energy Equipment Program Grant Fund and used to award grants to businesses that on or after July 1, 2019, construct, purchase, or lease solar energy equipment and place such equipment in service on certain nonresidential real property, subject to the requirements set forth in Senate Bill 1496. This amendment also removes language authorizing the development of a public/private partnership program to provide financing for energy efficiency and renewable energy loans to private and local government properties and entities.)

Item 117 #2s

Commerce and Trade	FY18-19	FY19-20	
Department of Mines, Minerals and Energy	\$0	(\$250,000)	GF

Language:

Page 111, line 3, strike "\$3,503,931" and insert "\$3,253,931".

Explanation:

(This amendment removes proposed new spending of \$250,000 GF the second year which was intended to support 1.5 positions and create an office of offshore wind within the agency's division of energy.)

Commerce and Trade

Department of Professional and Occupational Regulation

Language

Language:

Page 112, after line 16, insert:

"A. The Department is authorized to provide electronic credentials to persons regulated by the Department or its regulatory boards. An "electronic credential" means an electronic method by which a person may display or transmit to another person information that verifies information about a person such as their certification, licensure, registration, or permit. Any statutory or regulatory requirement to display, post, or produce a credential issued by a Department regulatory board or the Department may be satisfied by the proffer of an electronic credential. The Department may use a third-party electronic credential system that is not maintained by the agency. Such electronic credential system shall include a verification system that is operated by the agency or its agent on its behalf for the purpose of verifying the authenticity and validity of electronic credentials issued by the Department. No funds are appropriated for this purpose."

Explanation:

(This amendment adds language authorizing the Department of Professional and Occupational Regulation to provide electronic credentials to individuals and organizations it regulates.)

Commerce and Trade

FY18-19

FY19-20

Virginia Economic Development
Partnership

(\$19,000,000)

\$1,000,000 GF

Language:

Page 115, line 16, strike "\$51,597,198" and insert "\$32,597,198".

Page 115, line 15, strike "\$35,107,392" and insert "\$36,107,392".

Explanation:

(This amendment provides an increase of \$1.0 million GF each year for the Virginia Business Ready Sites program. Funding will be used to assess and estimate the cost to develop industrial sites to "project-ready" status, and to provide development grants to ready strategically significant sites for development with the goal of making Virginia more competitive in attracting high paying jobs and capital investment.)

Item 122 #2s

Commerce and Trade	FY18-19	FY19-20	
Virginia Economic Development Partnership	\$0	\$920,000	GF

Language:

Page 115, line 15, strike "\$35,107,392" and insert "\$36,027,392".
 Page 116, line 47, after "the first year and", insert "\$1,845,000".

Explanation:

(This amendment provides an increase of \$920,000 GF the second year for operating support for the Commonwealth Center for Advanced Manufacturing.)

Item 123 #1s

Commerce and Trade	FY18-19	FY19-20	
Virginia Employment Commission	(\$124,635)	(\$1,884,070)	GF

Language:

Page 117, line 20, strike "\$557,705,646" and insert "\$557,581,011".
 Page 117, line 20, strike "\$554,265,081" and insert "\$552,381,011".
 Page 118, strike lines 9-14.

Explanation:

(This amendment removes proposed new spending of \$124,635 GF the first year and \$1,884,070 GF the second year for the development and implementation of a strategic workforce dashboard at the Virginia Employment Commission.)

Item 126 #1s

Commerce and Trade	FY18-19	FY19-20	
Virginia Tourism Authority	(\$25,000)	\$25,000	GF

Language:

Page 118, line 37, strike "\$21,585,424" and insert "\$21,560,424".
 Page 118, line 36, strike "\$20,810,424" and insert "\$20,835,424".
 Page 119, line 23, strike "\$850,000" and insert "\$825,000".
 Page 119, line 23, strike "\$550,000 the second year" and insert "\$575,000 the second year".

Page 119, line 26, after "entity." insert "Of the amounts provided to the Southwest Virginia Recreation Authority for the Spearhead Trails initiative, \$25,000 the second year from the general fund shall be used to establish a peer-support and recovery program for Virginia veterans with post traumatic stress disorder."

Explanation:

(This amendment provides funding to establish a peer-support and recovery program for Virginia veterans with post traumatic stress disorder in partnership with the Spearhead Trails initiative. Funding of \$25,000 GF the second year for this initiative is offset by a like reduction in the first year. With this amendment, general fund support for the Spearhead Trails initiative totals \$825,000 in FY 2019 and \$575,000 GF in FY 2020.)

	Item 126 #2s	
Commerce and Trade	FY18-19	FY19-20
Virginia Tourism Authority	(\$200,000)	\$0 GF

Language:

Page 118, line 37, strike "\$21,585,424" and insert "\$21,385,424".
 Page 119, line 20, strike "\$350,000" and insert "\$150,000".

Explanation:

(This amendment provides an increase of \$50,000 GF the first year for the Heart of Appalachia (Coalfield Regional Tourism Authority) to support regional tourism marketing initiatives. With this amendment, general fund support for the Heart of Appalachia totals \$150,000 GF in FY 2019 and \$100,000 GF in FY 2020.)

	Item 128 #1s	
Education	FY18-19	FY19-20
Department of Education, Central Office Operations	\$0	\$80,000 GF

Language:

Page 126, line 39, strike "\$21,419,207" and insert "\$21,499,207".

Explanation:

(This amendment provides up to \$80,000 GF in the second year for costs associated with the set up and design of a 17th career cluster: energy.)

Item 128 #2s

Education	FY18-19	FY19-20	
Department of Education, Central Office Operations	\$0 0.00	(\$137,733) -1.00	GF FTE

Language:

Page 126, line 39, strike "\$21,419,207" and insert "\$21,281,474".

Explanation:

(This amendment provides \$162,587 GF the second year for an additional early childhood education staff position at the Virginia Department of Education.)

Item 129 #1s

Education	FY18-19	FY19-20	
Department of Education, Central Office Operations	\$0	\$20,000	GF

Language:

Page 129, line 18, strike "\$16,985,368" and insert "\$17,005,368".

Explanation:

(This amendment provides \$20,000 GF in FY 2020 for costs associated with implementing a pilot program to study the feasibility of educational placement transition of certain students with disabilities. The amendment is contingent on passage of Senate Bill 1576.)

Item 130 #1s

Education

Department of Education, Central Office Operations

Language

Language:

Page 130, after line 48, insert:

"F. If Senate Bill 1218 is enacted by the 2019 Session of the General Assembly and becomes law, the provisions of paragraph D shall be repealed. Any funding to be allocated pursuant to Paragraph D, shall instead be used for the purposes set forth in Paragraph E."

Explanation:

(This amendment specifies that \$300,000 GF each year shall be allocated for updating the Civics and Economics SOL assessments, contingent on passage of Senate Bill 1218.)

Item 133 #1s

Education	FY18-19	FY19-20	
Department of Education, Central Office Operations	\$0	(\$97,500)	GF

Language:

Page 131, line 45, strike "\$2,933,252" and insert "\$2,835,752".

Explanation:

(This amendment captures offsetting savings from efficiencies in automating the teacher licensure application and intake process.)

Item 134 #1s

Education	FY18-19	FY19-20	
Department of Education, Central Office Operations	\$0	(\$150,000)	GF

Language:

Page 132, line 24, strike "\$21,678,429" and insert "\$21,528,429".

Page 133, line 39, strike "\$600,000" and insert "\$450,000".

Explanation:

(This amendment provides \$450,000 GF the second year to support replacement of the Department's aging grants management system.)

Item 135 #1s

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$200,000)	GF

Language:

Page 134, line 3, strike "\$32,373,459" and insert "\$32,173,459".
Page 142, strike lines 4 through 24.

Explanation:

(This amendment reverses \$200,000 GF the second year for a new initiative to establish a Grow Your Own Teacher pilot program.)

	Item 135 #2s	
Education	FY18-19	FY19-20
Direct Aid to Public Education	(\$2,000,000)	\$0 GF

Language:

Page 134, line 3, strike "\$33,621,945" and insert "\$31,621,945".
Page 142, strike lines 51 through 53.

Explanation:

(This amendment re-allocates \$2.0 million GF the first year proposed in the budget as introduced for the Garden of Tomorrow project.)

	Item 135 #3s	
Education	FY18-19	FY19-20
Direct Aid to Public Education	\$0	(\$400,000) GF

Language:

Page 134, line 3, strike "\$32,373,459" and insert "\$31,973,459".
Page 142, strike lines 44 through 50.

Explanation:

(This amendment re-allocates \$400,000 GF the second year proposed in the budget as introduced for the Virginia Arts Festival education initiatives.)

	Item 135 #4s	
Education	FY18-19	FY19-20
Direct Aid to Public Education	\$550,000	\$550,000 GF

Language:

Page 134, line 3, strike "\$33,621,945" and insert "\$34,171,945".

Page 134, line 3, strike "\$32,373,459" and insert "\$32,923,459".

Page 142, after line 53, insert:

"MM. Out of the appropriation, \$550,000 the first year and \$550,000 the second year from the general fund is provided to CodeVA for the development, marketing, and implementation of high-quality and effective computer science training and professional development activities for public school teachers throughout the Commonwealth. The provided funds may also be used to reimburse CodeVA for teacher training services rendered in 2018 including all cost associated with facilitating teacher training cohorts.

CodeVA shall report no later than October 1, each year to the Chairmen of the House Education and Senate Education & Health Committees, as well as the computer science education advisory committee administered by Northern Virginia Community College, on its activities in the previous year to support computer science teacher training and curriculum development, including on collaboration with other stakeholders to avoid duplication of efforts."

Explanation:

(This amendment, together with a companion amendment in Item 210, transfers \$550,000 GF in each year from Item 210, paragraph S, and moves it to Item 135 as a direct pass-through where it was originally.)

	Item 135 #5s	
Education	FY18-19	FY19-20
Direct Aid to Public Education	\$0	\$500,000 GF

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$32,873,459".

Page 139, line 22, after "the first year and" strike "\$1,500,000" and insert "\$2,000,000".

Explanation:

(This amendment increases grants for teacher residency partnerships between university teacher preparation programs and the Petersburg, Norfolk, and Richmond City school divisions and any other university teacher preparation programs and hard to staff school divisions to help improve new teacher training and retention for hard to staff schools. The grants will support a site specific residency model program for preparation, planning, development, and implementation including possible stipends in the program to attract qualified candidates and mentors.)

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	\$125,000	GF

Language:

Page 134, line 3, strike "\$32,373,459" and insert "\$32,498,459".

Page 142, after line 53, insert:

"MM. 1. Out of this appropriation, \$250,000 to be divided over two fiscal years beginning in FY 2020 from the general fund is provided for a pilot program for Richmond City Public Schools for a maximum of 25 high school juniors or seniors, in a high school, technical center, or specialty school, as apprentices in certain fields. A business shall apply to the Superintendent of Richmond City Schools to host an apprentice and be eligible to receive a grant of up to \$2,500 per student, based upon procedures and forms developed by the Superintendent. The Superintendent shall receive nominations of students to serve as apprentices during their junior and senior year of high school from principals and guidance counselors at qualified schools. The Superintendent shall select a maximum of 25 students to participate in the program, the selection of whom shall be based on the needs of the businesses that have applied to participate in the program. Each student shall be eligible to participate in the program for two academic semesters. If more than 25 businesses apply to participate in the program, the Superintendent shall select the businesses that most closely align with the interests and fields of study of the nominated students. If fewer than 25 businesses apply to participate in the program, a business may elect to host more than one apprentice under the program. In order to be eligible to receive a grant pursuant to this section, a business shall provide the apprentice with a stipend that is no less than the amount of the grant to be received by the business.

2. The Superintendent shall report annually, no later than January 1, to the Governor and the Chairmen of the House Committee on Appropriations, the House Committee on Finance, and the Senate Committee on Finance. The report shall, at a minimum, identify the businesses that participated in the apprenticeship program, the number of students who participated in the apprenticeship program, the qualified fields in which the apprenticeships were focused, the general experience of the businesses and students who participated, and whether any student who participated in the program pursued a workforce credential or gained employment in the field of the apprenticeship after the apprenticeship concluded."

Explanation:

(This amendment provides \$125,000 GF in the second year for the first of a two-year pilot for a grant program in lieu of tax credits as proposed in Senate Bill 1532.)

Education

Direct Aid to Public Education

Language

Language:

Page 179, line 30, after "2020 biennium" insert ", although localities may still access a proportional amount of funding between 3.0 percent and 5.0 percent, if they increase salaries by at least 3.0 percent".

Page 179, at the end of line 36, insert:

"In the case of school divisions that certify that salary increases of at least an average of 3.0 percent have been or will be provided during the 2018-20 biennium, they shall receive the proportional amount of this funding between 3.0 percent and 5.0 percent."

Explanation:

(This amendment provides additional flexibility to the state support for up to a 5.0 percent teacher (SOQ-funded instructional and support positions) salary increase. This funding total \$87.6 million above the amounts included in Chapter 2, 2018 Special Session I. In addition to the flexibility to provide the increase in either year of the biennium, or a combination of the two years, and the lack of a specific calculation of a required local match, this amendment specifies that school divisions shall be entitled to a proportionate share of funding, between 3.0 percent and 5.0 percent, if they certify to providing an increase of at least 3.0 percent. For example, divisions that provide an average 2.0 percent increase will not be eligible for state funding. Divisions that provide an average 4.0 percent increase would be eligible to receive state funding for a 4.0 percent compensation supplement. Divisions that provide an average 6.0 percent increase over the biennium would be eligible to receive the state funding for a 5.0 percent compensation supplement. In any case, there is no mandate to school divisions to provide any such increase, but the state support will only be provided to school divisions that choose to participate.)

Item 136 #2s

Education

FY18-19

FY19-20

Direct Aid to Public Education

\$0

(\$23,878,056) GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,271,159,174".

Explanation:

(This amendment provides \$12 million GF to increase state support for an additional approximately 250 school counselors in elementary, middle, and high schools.)

Item 136 #3s

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$2,416,506)	GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,292,620,724".

Page 180, line 38, strike "\$9,678,780" and insert "\$7,259,085".

Page 180, line 45, strike "localities are not responsible for a local match of"

Page 180, strike lines 46 through 49, and insert "a local match of 25 percent, or a local match based on the division's actual composite index of local ability-to-pay if that is lower than 0.2500, is required".

Explanation:

(This amendment provides \$7.3 million for up to 1,530 slots in the 13 school divisions that participated in the state's federal Virginia Preschool Initiative Plus program, based on a required local match of 25 percent for FY 2020.)

Item 136 #4s

Education	FY18-19	FY19-20	
Direct Aid to Public Education	(\$10,676,622)	(\$3,564,906)	GF

Language:

Page 142, line 55, strike "\$6,988,217,730" and insert "\$6,977,541,108".

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,291,472,324".

Page 158, line 2, strike "\$25,382,033" and insert "\$14,705,411".

Page 158, line 3, strike "\$36,728,753" and insert "\$33,163,847".

Page 158, line 12, strike "16.0 percent" and insert "14.5 percent".

Page 158, line 13, strike "16.0 percent" and insert "15.5 percent".

Explanation:

(This amendment provides \$10.7 million GF each year to increase the at-risk add-on percentages, to 14.5 percent in FY 2019 and to 15.5 percent in FY 2020.)

Item 136 #5s

Education

Language:

Page 173, strike lines 24 and 25.

Page 173, after line 23, insert:

"d. The Department of Education shall establish a per-student, per-course fee schedule for local school divisions to participate in Virtual Virginia coursework. Such fee schedule shall provide (i) an allotment of slots, determined by the Department, per course to a school division free of charge, and (ii) for any slots a school division wishes to use beyond the free slots, a per-course, per-student fee that may include discounts for school divisions based upon the composite index of local ability to pay."

Explanation:

(This amendment updates language for Virtual Virginia, consistent with Senate Bill 1590.)

Item 136 #6s

Education

FY18-19

FY19-20

Direct Aid to Public Education

\$0

(\$1,700,000) GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,293,337,230".

Page 169, strike lines 57 through 59.

Page 170, strike lines 1 through 26.

Explanation:

(This amendment level funds curriculum and CLASS observations, maintaining new funding provided in Chapter 2, 2018 Special Session I, which included \$1.0 million over the biennium related to professional development, \$700,000 over the biennium for classroom assessments, to improve the Virginia Preschool Initiative.)

Item 136 #7s

Education

Direct Aid to Public Education

Language

Language:

Page 147, after line 5, insert:

"Beginning July 1, 2020, the true value of property indicator shall incorporate the land-use assessment value for those properties within a land-use plan pursuant to Article 4 (§ 58.1-3229

et seq.) of Chapter 32 of Title 58.1 Code of Virginia."

Explanation:

(This amendment modifies, beginning with FY 2021, concurrent with the next re-benchmarking of the Standards of Quality costs, the current calculation of composite index of local ability to pay to incorporate within the real estate indicator of local wealth the land-use assessment value for those properties located within a land-use plan.)

Item 136 #8s

Education	FY18-19	FY19-20
Direct Aid to Public Education	(\$10,000,000)	\$0 GF

Language:

Page 142, line 55, strike "\$6,988,217,730" and insert "\$6,978,217,730".

Page 154, line 49, strike "\$66,349,570" and insert "\$76,349,570".

Page 160, after line 52, insert:

"b. 1. The Virginia Public School Authority shall provide an interest rate subsidy program in fiscal year 2020 for projects that are on the Board of Education's First Priority Waiting List, and which shall only use the subsidy funding and associated VPSA borrowing as original financing for the project and not to refinance any prior debt on the project. Projects on the Literary Fund Second Priority Waiting List may participate in the Interest Rate Subsidy Program if unused subsidy appropriation remains once the participation of projects on the First Priority Waiting List is confirmed and subject to the same restrictions. However, the cost of the subsidy shall not exceed \$32.5 million in the second year including the subsidy payments and related issuance costs.

2. In addition to the interest rate subsidy program in paragraph b.1. above, up to \$5.0 million shall be allocated to a similar program, based on the parameters in Senate Bill 1093, 2019 Session."

Page 161, line 1, strike "b." and insert "c."

Page 161, line 4, after "Education Technology" insert "and Security Equipment".

Page 161, line 5, strike "c." and insert "d."

Explanation:

(This amendment directs a total of \$70.0 million towards school construction support as follows: 1) \$32.5 million towards an interest rate subsidy grant program for projects on the First Priority Waiting List for school construction Literary Fund loans (which may be able to address \$130 million to \$195 million worth of projects, based on historical trends of between a 4-to-1 and 6-to-1 ratio of project costs relative to costs of subsidy grants); 2) \$5.0 million towards a interest rate subsidy program, based on the parameters established in Senate Bill 1093, 2019 Session; and 3) the remaining \$32.5 million for Literary Fund school construction loans that will revolve back to the Literary Fund. Senate Bill 1093 authorizes a 100 percent interest rate

subsidy for school divisions with local composite index of 0.2500 and below and a 50 percent interest rate subsidy for school divisions with a local composite index greater than 0.2500 but no greater than 0.4000. This amendment also includes a technical correction.)

		Item 136 #9s	
Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	\$480,000	GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,295,517,230".

Explanation:

(This amendment provides \$480,000 GF the second year if it is determined to be needed for costs associated with Senate Bill 1314, which requires that any child who is admitted to a state hospital or state mental health facility for inpatient treatment shall, if appropriate, participate in any education and training program in such state hospital or state mental health facility unless such child has been excused from attendance at school attendance due to a bona fide religious training or belief.)

		Item 136 #10s	
Education	FY18-19	FY19-20	
Direct Aid to Public Education	(\$18,515,608)	(\$16,175,901)	GF

Language:

- Page 142, line 55, strike "\$6,988,217,730" and insert "\$6,969,702,122".
- Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,278,861,329".
- Page 145, line 29, strike "\$253,190,472" and insert "\$234,674,864".
- Page 145, line 29, strike "\$255,531,948" and insert "\$239,356,049".
- Page 178, line 39, strike "\$364.15 per pupil" and insert "\$337.52 per pupil".
- Page 178, line 39, strike "\$367.44 per pupil" and insert "\$344.18 per pupil".

Explanation:

(This amendment restores the amounts for the Supplemental Lottery Per Pupil Allocation to the levels included in Chapter 2, 2018 Special Session I. This equates to 37.1 percent in the first year and 38.1 percent in the second year of total Lottery Proceeds, estimated at \$632.4 million in the first year and \$628.8 million in the second year, as flexible funding. The remainder of the

Lottery Proceeds support other education programs, including At-Risk Add-On, Virginia Preschool Initiative, Early Reading Intervention, K-3 Primary Class Size Reduction, and others.)

Item 141 #1s

Education

State Council of Higher Education for Virginia

Language

Language:

Page 186, strike line 30.

Page 186, line 31, strike "5." and insert "4."

Explanation:

(This amendment removes the proposed language in the introduced budget that there be an income eligibility requirement such that the student must have a family income at or below \$50,000 a year.)

Item 141 #2s

Education

State Council of Higher Education for Virginia

FY18-19

\$0

FY19-20

(\$1,700,000) GF

Language:

Page 183, line 19, strike "\$93,908,559" and insert "\$92,208,559".

Page 183, line 38, strike "\$72,798,303" and insert "\$71,098,303".

Explanation:

(This amendment captures savings from a technical correction accounting for a double-counting of funds related to the Jefferson College of Health Sciences, which will be merged with Radford University. Radford received an allocation of \$1.7 million GF based on the number of TAG grants previously received by Jefferson College students.)

Item 143 #1s

Education

State Council of Higher Education for Virginia

FY18-19

\$0

FY19-20

\$750,000 GF

Language:

Page 187, line 36, strike "\$17,205,107" and insert "\$17,955,107".

Page 190, after line 6 insert:

"Q. Out of this appropriation \$750,000 in the second year from the general fund is designated for the administration of a one-time survey of graduates of public institutions of higher education. The survey shall be designed to enable Virginia to answer fundamental questions about the value and impact of undergraduate education and complement existing research on wages of college graduates derived from the Virginia Longitudinal Data System. The results of the survey shall be used to guide future policy decisions in alignment with the priorities of the Governor and the General Assembly."

Explanation:

(This amendment facilitates, as part of the State Council of Higher Education for Virginia's effort to better assess and communicate the value of higher education, funding for the one-time administration of a graduate survey. The survey is expected to enable Virginia to assess the value and impact of higher education through direct student feedback. SCHEV plans to combine this information with the wage data it currently produces through the Virginia Longitudinal Data System. The funding will support surveying public institution graduates with sufficient sampling to yield results at the state, institution, and program level, as well as student demographic information.)

Item 143 #2s

Education

State Council of Higher Education for Virginia

Language

Language:

Page 190, after line 6, insert:

"Q. The State Council of Higher Education for Virginia shall work with the Lumina Foundation to develop a statewide higher education finance plan that incorporates the priorities of the Joint Subcommittee on the Future Competitiveness of Higher Education and provides strategies to achieve higher education outcomes."

Explanation:

(This amendment requires SCHEV and Lumina to report to the Joint Committee on the Future Competitiveness of Higher Education on recommendations and strategies for Virginia to achieve higher education outcomes.)

Item 143 #3s

Education

FY18-19

FY19-20

State Council of Higher Education for
Virginia

\$0

\$500,000 GF

Language:

Page 187, line 36, strike "\$17,205,107" and insert "\$17,705,107".

Page 189, line 30, strike "and \$200,000 the second year".

Page 189, after line 48, insert:

"3. a. Out of this appropriation, \$700,000, the second year from the general fund is designated for an internship program. The funding is designed to expand paid or credit-bearing student internship and other work-based learning opportunities in collaboration with Virginia employers. The Program comprises institutional grants and a statewide initiative to facilitate the readiness of students, employers, and institutions of higher education to participate in internship and other work-based learning opportunities.

b. In administering the statewide initiative, the Council shall (i) engage stakeholders from business and industry, secondary and higher education, economic development, and state agencies and entities that are successfully engaging employers or successfully operating internship programs; (ii) explore strategies in Virginia and elsewhere on successful institutional, regional, statewide or sector-based internship programs; (iii) gather data on current institutional internship practices, scale, and outcomes; (iv) develop internship readiness educational resources, delivery methods, certification procedures, and outreach and awareness activities for employer partners, students, and institutional career development personnel; (v) pursue shared services or other efficiency initiatives, including technological solutions; and (vi) create a process to track key measures of performance.

c. The Council shall establish eligibility criteria, including requirements for matching funds, for institutional grants. Such grants shall be used to accomplish one or more of the following goals: (i) support state or regional workforce needs; (ii) support initiatives to attract and retain talent in the Commonwealth; (iii) support research and research commercialization in sectors and clusters targeted for development; (iv) support regional economic growth and diversification plans; (v) enhance the job readiness of students; (vi) enhance higher education affordability and timely completion for Virginia students; or (vii) further the objectives of increasing the tech talent pipeline."

Explanation:

(This amendment provides an additional \$500,000 GF in the second year for the innovative internship program at the State Council of Higher Education for Virginia, including \$300,000 transferred from Central Appropriations that is in support of additional computer science degrees in support of the tech talent pipeline. The amendment would bring total funding for the program to \$700,000 GF in the second year, and specifies parameters for the program that are consistent with Senate Bill 1628, 2019 Session.)

Education	FY18-19	FY19-20
State Council of Higher Education for Virginia	\$0	\$75,000 GF

Language:

Page 187, line 35, strike "\$17,205,107" and insert "\$17,280,107".

Explanation:

(This amendment provides \$75,000 GF in the second year for expenses of a partner organization to conduct an annual meeting for legislators from education-related committees on critical education issues, bringing together national and regional policy experts.)

Item 143 #5s

Education

State Council of Higher Education for Virginia	Language
--	----------

Language:

Page 190, after line 6, insert "Q. In addition to the exceptions pursuant to § 2.2-3815, the provisions of the section shall not be construed to prevent the release of a social security number to the U.S. Census, U.S. Education Department, or other agency of the federal government, by the State Council of Higher Education for the purposes of data-matching to improve knowledge of the outcomes of education programs of the Commonwealth, including, but not limited, to earnings and education-related debt."

Explanation:

(This amendment specifies certain needed data exchange with the U.S. Census in order to get wage outcomes for graduates working outside the Commonwealth.)

Item 143 #6s

Education

State Council of Higher Education for Virginia	Language
--	----------

Language:

Page 189, strike lines 49 through 55.

Page 190, strike lines 1 through 6 and insert:

"P. As part of the biennial six-year financial plan required in the provisions of § 23.1-306, Code of Virginia, each public four-year institution of higher education, Richard Bland College, and

the Virginia Community College System may include in its six-year plan submitted to the State Council of Higher Education for Virginia (SCHEV) alternative tuition and fee structures and programs that could result in lower costs to in-state undergraduate students. SCHEV shall develop instructions related to the submission of such plans in conjunction with the six-year financial plans as required by § 23.1-306, Code of Virginia."

Q. 1. In conjunction with the plans included in the six-year plans, each public institution of higher education may propose one innovative request and a corresponding state ask with clearly defined performance measures for a performance pilot, and the General Assembly may approve the requested performance pilot in language to be placed in the general appropriation act. The performance pilot shall advance the objectives of the Commonwealth by addressing innovative requests related to college access, affordability, cost predictability, employment pathways for undergraduate Virginia students, strategic talent development, pathways to increase timely degree completion, and other priorities set out in the general appropriation act.

2. Development and approval of any performance pilot proposal shall proceed in tandem with consideration of the institution's six-year plan, as follows:

a. An institution that intends to propose a performance pilot shall communicate that intention as early as practicable, but not later than April 1 of the year in which the performance pilot will be proposed, to the six-year plan reviewers, the co-chairmen of the Joint Subcommittee on the Future Competitiveness of Virginia Higher Education, and the Governor. In developing a proposed performance pilot, the institution shall consider the Commonwealth's educational and economic policies and priorities, including those reflected in the Virginia Plan for Higher Education issued by the Council, the economic development policy developed pursuant to § 2.2-205, the strategic plan developed pursuant to § 2.2-2237.1, relevant regional economic growth and diversification plans prepared by regional councils pursuant to the Virginia Growth and Opportunity Act (§ 2.2-2484 et seq.), and any additional guidance provided by the Joint Subcommittee on the Future Competitiveness of Virginia Higher Education and the Governor.

b. An institution that proposes a performance pilot shall include the one innovative request and corresponding state ask with clearly defined performance measures with its submission of the preliminary version of its six-year plan or with its preliminary amendment or affirmation submission.

c. The six-year plan reviewers, or their designees, shall review and comment on any proposed performance pilot in accordance with the six-year plan review and comment process and may expedite such review and comment process to facilitate the executive and legislative budget process or for other reasons. No later than October 15 of the relevant year, the reviewers shall communicate to the Governor and the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance their recommendations regarding each performance pilot proposal.

d. Each performance pilot proposal shall include evidence of its approval by the institution's governing board and, if accepted, shall be referenced in the general appropriation act."

Explanation:

(This amendment states that institutions may present as part of their six-year financial plans: 1) alternative tuition and fee structures and programs to result in lower costs for in-state undergraduate students; and 2) an innovative performance pilot.)

Item 151 #1s

Education	FY18-19	FY19-20	
The College of William and Mary in Virginia	\$0 0.00	\$570,000 3.00	GF FTE

Language:

Page 192, line 50, strike "\$217,241,750" and insert "\$217,811,750".

Explanation:

(This amendment supports the College of William and Mary's expansion of the Data Science program with \$570,000 GF in the second year and 3.0 FTE. This funding will support the recruitment of three additional faculty to meet excess demand in the existing data science minor and to develop a full major in the data sciences.)

Item 159 #1s

Education	FY18-19	FY19-20	
Virginia Institute of Marine Science	\$300,000	\$0	GF

Language:

Page 198, line 6, strike "\$24,760,690" and insert "\$25,060,690".

Page 199, after line 38, insert:

"O. Out of this appropriation, \$300,000 the first year from the general fund is provided to support the development of a wave, hydrodynamic, and sediment transport model for the region around Chincoteague Inlet; including Assateague Inlet, Wallops Island, and Chincoteague Island, that can be used to inform erosion control and stabilization management decisions on the islands, contingent on the provision of at least equal funding from the U.S. Army Corps of Engineers."

Explanation:

(This amendment provides \$300,000 GF in the first year for the Virginia Institute of Marine Science to support the development of a wave, hydrodynamic, and sediment transport model for

the region around Chincoteague Inlet; including Assateague Inlet, Wallops Island, and Chincoteague Island, that can be used to inform erosion control and stabilization management decisions on the islands. This will build on research that is currently funded by Virginia's Center for Innovative Technology.)

Item 162 #1s

Education	FY18-19	FY19-20	
George Mason University	\$0	\$300,000	GF
	\$0	\$300,000	NGF

Language:

Page 200, line 29, strike "\$590,854,330" and insert "\$591,454,330".

Explanation:

(This amendment provides \$300,000 GF and \$300,000 NGF in the second year for the Advance NOVA Mason Partnership Program at George Mason University. This program is to support the challenges related to the two-to-four year transfer model, allowing for systems integration and a more seamless transition between the two institutions.)

Item 180 #1s

Education	FY18-19	FY19-20	
Old Dominion University	\$0	\$370,000	GF

Language:

Page 212, line 36, strike "\$17,484,260" and insert "\$17,854,260".

Page 213, after line 12, insert:

"D. Out of this appropriation, \$370,000 the second year from the general fund is designated to the Virginia SmallSat Data Consortium, to support development of the Virginia Institute for Spaceflight and Autonomy."

Explanation:

(This amendment provides \$370,000 GF the second year to support development of the Virginia Institute for Spaceflight and Autonomy, building upon the Virginia SmallSat Data Consortium, an ODU-led collaborative effort with Virginia Tech. The future center will focus on commercialization of university research, technology development, and creation of an innovative ecosystem of industry, government, and academia.)

Item 195 #1s

Education	FY18-19	FY19-20	
University of Virginia	\$0	(\$1,000,000)	GF

Language:

Page 222, line 23, strike "\$537,856,736" and insert "\$536,856,736".

Page 222, line 38, strike the second instance of "\$3,612,500" and insert "\$2,612,500".

Explanation:

(This amendment maintains general fund support for the Focused Ultrasound Center at the University of Virginia at \$2.6 million GF in the second year.)

Item 200 #1s

Education	FY18-19	FY19-20	
University of Virginia's College at Wise	\$0	(\$1,300,000)	GF

Language:

Page 224, line 32, strike "\$31,925,486" and insert "\$30,625,486".

Explanation:

(This amendment provides \$1.3 million GF in the second year. This funding is in addition to the authority granted in Senate Bill 1519, and is intended to help address enrollment at UVA-Wise. Of the total, \$1.0 million will be used to support core operations and enhanced recruitment efforts, and \$300,000 will be used to implement program planning for accounting and business accreditation, and online bachelors in nursing, and a cybersecurity initiative. Fall 2018 enrollment of 2,065 undergraduates is 156 students fewer than in 2016, although higher than the levels during 2008-2010.)

Item 204 #1s

Education	FY18-19	FY19-20	
Virginia Commonwealth University	\$0	\$160,000	GF

Language:

Page 226, line 51, strike "\$635,434,781" and insert "\$635,594,781".

Page 227, line 52, strike both instances of "\$32,753" and insert "\$192,753".

Explanation:

(This amendment provides \$160,000 GF in the second year to increase the existing Virginia

Commonwealth University Education Policy Institute's appropriation from \$32,753 to \$192,753 to allow for the creation of a legislative aide leadership development program and the creation of a legislative briefing and translated research analysis program.)

Item 210 #1s

Education	FY18-19	FY19-20	
Virginia Community College System	(\$550,000)	(\$550,000)	GF

Language:

Page 231, line 47, strike "\$895,795,430" and insert "\$895,245,430".

Page 231, line 48, strike "\$903,505,430" and insert "\$902,955,430".

Page 234, strike lines 4 through 15.

Explanation:

(This amendment, together with a companion amendment in Item 135, transfers \$550,000 GF in each year, to CodeVA for computer science training and professional development activities for teachers, from Item 210, paragraph S, and moves it to Item 135 as a direct pass-through where it was originally.)

Item 210 #2s

Education	FY18-19	FY19-20	
Virginia Community College System	\$0	(\$3,200,000)	GF

Language:

Page 231, line 48, strike "\$903,505,430" and insert "\$900,305,430".

Page 234, line 44, strike "\$5,500,000" and insert "\$2,300,000".

Page 234, line 44, strike "79" and insert "33".

Page 234, at the end of line 47, insert "Prior to utilizing this funding and no later than July 1, 2019, the Virginia Community College System shall provide to the Chairpersons of the Senate Finance and House Appropriations Committees, (i) the proposed allocation of the positions across the system, (ii) an update on efforts to utilize the resources and technical assistance of the Southern Regional Education Board, and (iii) an update on reengineered advising processes, along with (iv) a timeline of outcome improvement goals, including specific metrics."

Explanation:

(This amendment provides \$2.3 million for additional advising positions across the Virginia Community College System.)

Item 216 #1s

Education	FY18-19	FY19-20	
Virginia Military Institute	\$0 0.00	\$610,548 1.00	GF FTE

Language:

Page 238, line 17, strike "\$41,464,327" and insert "\$42,074,875".

Explanation:

(This amendment provides \$610,548 GF in the second year, related to items including addressing the common core math requirement, and operations and maintenance of the new Corps Physical Training Facilities Phase I and Phase II. Virginia Military Institute needs to develop a new, two-course math sequence that will include technology-driven mathematical topics and basic computational skills and will be most helpful to non-STEM majors in preparation for success in life. This initiative is integral to continued accreditation with Southern Association of Colleges and Schools Commission on Colleges.)

Item 227 #1s

Education	FY18-19	FY19-20	
Virginia State University	\$0 0.00	\$234,000 2.00	GF FTE

Language:

Page 245, line 23, strike "\$73,668,030" and insert "\$73,902,030".

Explanation:

(This amendment provides \$234,000 GF and two additional agriculture educator professors/instructors in the second year to enhance and offer more students the agriculture education degree to address the increasing shortage of available agriculture education teachers.)

Item 232 #1s

Education	FY18-19	FY19-20	
Frontier Culture Museum of Virginia	\$0	\$250,000	GF

Language:

Page 249, line 8, strike "\$2,612,716" and insert "\$2,862,716".

Explanation:

(This amendment provides \$250,000 GF each year to allow the museum to address security vulnerabilities by contracting with a professional security firm to manage daily agency security operations, respond to incidents occurring on agency property, and if necessary, coordinate a broader response with local law enforcement agencies for a more visible uniformed security presence during public hours. Recent commercial and residential growth on land immediately adjacent to the museum campus has brought additional daily unmonitored traffic and activity across and around agency property. Due to the current lack of a perimeter barrier and the close proximity to interstates 81 and 64, this raises concern for the safety and security of staff and visitors, which includes over 35,000 students on field trips annually.)

Item 232 #2s

Education	FY18-19	FY19-20	
Frontier Culture Museum of Virginia	\$0	\$125,000	GF

Language:

Page 249, line 8, strike "\$2,612,716" and insert "\$2,737,716".

Explanation:

(This amendment provides \$175,000 GF each year to increase the pay rates of current wage employees to a competitive level and increases the entry pay for wage-hour workers hired to fill future vacancies. In 2018, the Museum had a total of 13 wage hour employees in maintenance or interpretation who resigned for better employment opportunities (full time) or to return to school, which is more than half of the wage hour positions the Museum offers.)

Item 234 #1s

Education	FY18-19	FY19-20	
Jamestown-Yorktown Foundation	\$0	\$243,626	GF
	0.00	3.00	FTE

Language:

Page 249, line 48, strike "\$18,360,426" and insert "\$18,604,052".

Explanation:

(This amendment provides \$243,626 GF in the second year to stabilize the landscaping/housekeeping staff by increasing their base salary and hourly rate to address attrition, and adds three full-time staff to improve full-time to part-time staff ratio. Over the past three years, turnover rates in these positions have reached a high of 38% surpassing the annual statewide attrition rate of 14%.)

Item 234 #2s

Education	FY18-19	FY19-20	
Jamestown-Yorktown Foundation	\$0	\$280,832	GF

Language:

Page 249, line 48, strike "\$18,360,426" and insert "\$18,641,258".

Explanation:

(This amendment requests one-time funding for prioritized security system replacement and improvements essential for protecting the general population and employees in the event of an emergency. These required improvements are prioritized components of the agency's Continuity of Operations Plan and Safety and Security Plan.)

Item 238 #1s

Education	FY18-19	FY19-20	
The Library Of Virginia	\$0	\$500,000	GF

Language:

Page 251, line 29, strike "\$16,733,584" and insert "\$17,233,584".

Page 251, line 44, strike "\$500,000" and insert "\$1,000,000".

Explanation:

(This amendment provides \$500,000 GF in the second year for additional state aid to local public libraries that may be used for either summer reading materials and programs or for STEAM instructional materials.)

Item 241 #1s

Education	FY18-19	FY19-20	
Virginia Commission for the Arts	\$0	(\$125,000)	GF

Language:

Page 253, line 2, strike "\$4,130,912" and insert "\$4,005,912".

Page 253, line 6, strike "\$3,880,912" and insert "\$3,755,912".

Explanation:

(This amendment provides \$125,000 GF in the second year for additional grants to arts

organizations, bringing the total to \$3.75 million in FY 2020, up from \$3.63 million in FY 2019.)

	Item 243 #1s	
Education	FY18-19	FY19-20
Virginia Museum of Fine Arts	\$0	(\$188,700) GF

Language:

Page 253, line 38, strike "\$42,500,852" and insert "\$42,312,152".

Explanation:

(This amendment provides \$188,703 GF in the second year to support Evans 360, a multidimensional learning experience and evaluation project that provides interactive ways for people across the Commonwealth to engage with the museum.)

	Item 251 #1s	
Education	FY18-19	FY19-20
Southeastern Universities Research Association Doing Business for Jefferson Science Associates, LLC	\$0	(\$500,000) GF

Language:

Page 258, line 20, strike "\$1,775,439" and insert "\$1,275,439".

Page 258, line 33, strike "and \$500,000 the second year".

Explanation:

(This amendment maintains one-time seed funding in the first year only to support establishing a center for nuclear femtography.)

	Item 252 #1s	
Education	FY18-19	FY19-20
Higher Education Research Initiative	\$0	(\$10,000,000) GF

Language:

Page 258, line 46, strike "\$28,000,000" and insert "\$18,000,000".

Page 259, line 24, strike "\$10,000,000" and insert "\$5,000,000".

Page 259, line 36, strike "\$10,000,000" and insert "\$5,000,000".

Explanation:

(This amendment phases funding for the new Commonwealth Cyber Initiative.)

Item 255 #1s

Finance

Secretary of Finance

Language

Language:

Page 263, after line 32, insert:

"D. The Secretary of Finance shall convene a working group of stakeholders, to include but not be limited to, the Virginia Municipal League, Virginia Association of Counties, Virginia Manufacturers Association and the Virginia Economic Developers Association, to prepare a proposal by October 1, 2019, that allows for Virginia to eliminate the first five years of machinery and tools taxation for all new equipment put into service after January 1, 2020, and reimburse local governments on a pro-rata basis for all foregone revenues, not to exceed \$50 million annually statewide. The proposal shall include recommendations for multiple sources of revenue to pay for the proposal. The revenue sources shall include: (1) dynamic growth in individual income tax, sales tax and corporate income tax revenue from manufacturing growth; (2) sales tax revenue derived from internet sales taxes collected after July 1, 2019, that are associated with legislation to bring Virginia into compliance with the "Wayfair" Supreme Court Case. Further, the plan shall include, for those localities not currently assessing the machinery and tools tax, an option for reducing business personal property taxes by \$1 million per year and receiving reimbursement from sales tax revenue derived from internet sales taxes collected after July 1, 2019, that are associated with legislation to bring Virginia into compliance with the "Wayfair" Supreme Court Case.

The Secretary of Commerce and Trade, the Virginia Economic Development Partnership, and the Virginia Department of Taxation shall provide technical assistance to the working group, specifically contributing the following: (1) assessment of the economic benefit to local governments and the Commonwealth of Virginia for the growth in manufacturing machinery and tools investment; (2) assessment of the best method of disposition of revenues from state general fund revenues to local governments, specifically the method established by § 58.1-662, Code of Virginia; (3) assessment of the economic impact on local governments for the loss of machinery and tools tax revenue for the first five years; and (4) assessment of how many states currently tax a manufacturer's machinery and tools and compare the rates for competitiveness, specifically against the states of North Carolina, South Carolina, Georgia, Florida, Mississippi,

Alabama, Arkansas, Tennessee, Kentucky and West Virginia."

Explanation:

(This amendment directs the Secretary of Finance to convene a working group of interested parties for the purpose of presenting a legislative plan and budget by the 2020 General Assembly Session that would allow Virginia to require all localities to assess a "zero" rate on a manufacturer's machinery and tools for the first five years the equipment is put into service. The funds to reimburse local governments would be provided by the state using new sales and use tax revenues derived from requiring remote sellers to collect sales tax. Funds would be distributed to localities following a reimbursement method similar to the method used for the Communications Sales and Use Tax Trust Fund.)

			Item 255 #2s
Finance	FY18-19	FY19-20	
Secretary of Finance	\$0	(\$175,000)	GF

Language:

Page 263, line 4, strike "\$842,595" and insert "\$667,595".
Page 263, strike lines 20 through 32.

Explanation:

(This amendment reverses and redirects \$175,000 GF in the second year for a study on the Commonwealth's gaming governance structure and current and potential revenues generated by gaming expansion. A companion amendment provides funding for the Joint Legislative Audit and Review Commission to contract for the study.)

		Item 255 #3s
Finance		
Secretary of Finance		Language

Language:

Page 263, after line 32, insert:
"D. The Secretary of Finance shall develop a plan to contract for services and supplies needed for disaster response based on reasonable and competitive costs. The Secretary may work with the Secretaries of Education and Health and Human Resources to determine an optimal plan for using state institutions of higher education or the private sector for sheltering displaced persons during a disaster. Any agreement with the institutions of higher education shall consider use of existing bathroom and kitchen facilities at the institution before contracting with a vendor to

bring in mobile facilities for such uses. The plan shall also consider agreements for family-based pricing structures for families that can stay together at a lower cost than staying individually. The Secretary shall report on such plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019."

Explanation:

(This amendment directs the Secretary of Finance to develop a plan for competitive contracting for supplies and sheltering needed during natural disasters and emergencies.)

	Item 266 #1s	
Finance	FY18-19	FY19-20
Department of Accounts Transfer Payments	(\$291,694,000)	(\$15,625,000) GF

Language:

Page 269, line 41, strike "\$784,797,895" and insert "\$493,103,895".
 Page 269, line 41, strike "\$95,500,000" and insert "\$79,875,000".
 Page 269, line 48, strike "\$784,797,895" and insert "\$493,103,895".
 Page 269, line 49, strike "95,500,000" and insert "79,875,000".

Page 270, strike lines 8 through 14.

Explanation:

(This amendment provides \$493.1 million GF in the first year and \$79.9 million GF in the second year for the Revenue Reserve Fund in the following amounts, and for the following purposes: 1) Base funding of \$91.0 million GF that was included in Chapter 2, 2018 Special Session I, Acts of Assembly; 2) \$235.3 million GF to reflect the balances committed by the Comptroller for FY 2018, pursuant to Item 266, Chapter 2, 2018 Special Session I, Acts of Assembly; 3) \$199.7 million GF to reflect the estimated amount required to be deposited to the Revenue Stabilization Fund in FY 2021, based on the revenue estimates included in the Governor's proposed amendments to Chapter 2; and 4) \$47.1 million GF in supplemental funding.)

	Item 266.10 #1s	
Finance	FY18-19	FY19-20
Department of Accounts	\$499,800,000	\$0 GF

Language:

Page 270, after line 26, insert:

"266.10 Tax Reform Fund		\$499,800,000	\$0
Fund Sources:	General	\$499,800,000	\$0 "

"A. Out of the amounts in this paragraph, \$419,360,000 the first year from the general fund shall be deposited to the Tax Reform Fund established by the eighth enactment of this act for the purpose of issuing individual income tax refunds. For taxable years beginning on and after January 1, 2018, but before January 1, 2019, an individual filing a return before July 1, 2019, or married persons filing a joint return before July 1, 2019, shall be issued a refund out of the Tax Reform Fund in an amount up to \$110 for an individual, or \$220 for married persons filing a joint return. An individual shall only be allowed a refund up to the amount of such individual's tax liability after the application of any deductions, subtractions, or credits to which the individual is entitled pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1 of the Code of Virginia. Married persons filing a joint return shall only be allowed a refund up to the amount of such married persons' tax liability after the application of any deductions, subtractions, or credits to which the married persons are entitled pursuant to Chapter 3 of Title 58.1 of the Code of Virginia.

B. Out of the amounts in this Item, \$80,440,000 the first year from the general fund is provided to effectuate temporary or permanent tax reform during the 2020-2022 biennium."

Explanation:

(This amendment appropriates a deposit to the Tax Reform Fund in the amount of \$499.8 million GF the first year. Out of this amount \$419.4 million GF the first year is provided for the purpose of providing tax relief in the form of a tax refund payable to individual and married taxpayers, and \$80.4 million GF the first year is provided for temporary or permanent tax reform.)

Item 276 #1s

Finance	FY18-19	FY19-20	
Department of the Treasury	\$0	\$520,163	GF

Language:

Page 280, line 6, strike "\$32,706,683" and insert "\$33,226,846".

Page 281, after line 4, insert:

"J. Out of the amounts for this Item shall be paid \$520,163 in the second year from the general fund for the relief of Gary Linwood Bush, as provided for pursuant to Senate Bill 1477 of the 2019 General Assembly."

Explanation:

(This amendment provides \$520,163 GF in the second year for the relief of Gary Linwood Bush, pursuant to, and contingent upon final passage of Senate Bill 1477 of the 2019 General Assembly.)

Item 281 #1s

Health and Human Resources

Secretary of Health and Human Resources

Language

Language:

Page 291, after line 47, insert:

"F. The Secretary of Health and Human Resources, or his designee, shall convene stakeholders, including the Virginia Oral Health Coalition, the Virginia Department of Health, the Department of Medical Assistance Services, the Virginia Hospital and Healthcare Association, the Virginia College of Emergency Room Physicians, the Virginia Dental Association, the Old Dominion Dental Society and the Virginia Dental Hygienists Association, to identify data to assess the impact to population health and the fiscal impact of the use of hospital emergency rooms for issues related to adult dental care throughout the Commonwealth. A report, including data collected, an analysis of the data, and summary of the expected impact of a mandatory comprehensive adult dental benefit on Medicaid costs and on the health of Medicaid beneficiaries, shall be sent to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019."

Explanation:

(This amendment directs the Secretary of Health and Human Resources, or his designee, to convene stakeholders to identify data to assess the impact on population health and the fiscal impact of the use of hospital emergency rooms for issues related to adult dental care throughout the Commonwealth. A report including data collected, an analysis of the data, and a summary of the expected impact of a mandatory comprehensive adult dental benefit on Medicaid costs and on the health of Medicaid beneficiaries, shall be sent to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019.)

Item 281 #2s

Health and Human Resources

Secretary of Health and Human Resources

Language

Language:

Page 290, strike lines 48 through 53.

Page 291, strike lines 1 through 20, and insert:

"C.1. The Secretary of Health and Human Resources, in collaboration with the Secretary of

Administration and the Secretary of Public Safety and Homeland Security, shall convene a workgroup to oversee the development of a statewide integrated electronic health record (EHR) system. The workgroup shall include the Department of Behavioral Health and Developmental Services (DBHDS), the Virginia Department of Health, the Department of Corrections, the Department of Planning and Budget, staff from the House Appropriations and Senate Finance committees, and other agencies as deemed appropriate by the respective Secretaries. The purpose of the workgroup shall be to evaluate and determine the costs and benefits of developing a statewide integrated EHR system based on state contract, whether such system is one domain for the state or separate domains for each agency. The workgroup shall evaluate the specific needs of agencies seeking an EHR system to determine if the agency's business requirements require evaluating a vendor off state contract that may be more cost-effective and appropriate for that agency. As part of the evaluation of a system off state contract, the workgroup shall include an assessment of the interoperability of potential systems with other state EHR systems. No state agency shall issue a request for proposals for an EHR system unless an evaluation of the costs of benefits of using the state contract has been completed and the General Assembly has included a specific authorization of such system in a general appropriation act. Any state agency that is authorized the seek a vendor off state contract for an EHR system shall ensure such system is interoperable with other state agencies and also with other public and private health care entities to the extent allowed by federal and state law, and regulations.

2. The workgroup shall report on its activities and any recommendations to the Joint Subcommittee on Health and Human Resources Oversight by October 15, 2019."

Explanation:

(This amendment modifies the Statewide Electronic Health Records workgroup to include legislative representation and provide the focus of the workgroup to evaluate the costs and benefits of developing a statewide EHR for multiple state agencies. State agencies will be allowed to seek a vendor off state contract if an evaluation of using the state contract has been completed and the General Assembly has authorized such action.)

Item 282 #1s

Health and Human Resources

Children's Services Act

Language

Language:

Page 296, line 12, strike "July" and insert "October".

Explanation:

(This amendment modifies language in the budget delaying a final report on a study of private day special education rates from July 2019 to October 2019.)

Health and Human Resources

Children's Services Act

Language

Language:

Page 296, after line 33, insert:

"P.1. The Department of Education, in collaboration with the Office of Children's Services, shall establish an implementation workgroup for developing and refining the collection and reporting of outcome measures. The workgroup shall include a representative number of various stakeholders that includes, but is not limited, to private day schools, local school divisions, associations that represent private providers, and others that can assist in the purpose of the workgroup. The workgroup shall develop and refine outcome measures that are recommended in the Private Day Special Education Outcomes report from November 1, 2018. The workgroup shall establish data collection protocols, requirements, and establish outcome reporting mechanisms. The department shall begin collecting outcome data for private day special education schools in the 2019-2020 school year, if possible, but no later than the 2020-2021 school year.

2. The Office of Children's Services shall enter into a data sharing Memorandum of Understanding with the Department of Education to allow linkage of specific student data to specific private day schools.

3. The Board of Education shall promulgate emergency regulations to implement these provisions within 280 days or less from enactment date of this act."

Explanation:

(This amendment directs the Department of Education and the Office of Children's Services to establish an implementation workgroup for developing and refining, the collection and reporting of outcome measures as recommended in the Private Day Special Education Outcomes report from November 1, 2018.)

Health and Human Resources

FY18-19

FY19-20

Department of Health

\$0
0.00

(\$256,248) GF
-3.00 FTE

Language:

Page 299, line 22, strike "\$14,351,745" and insert "\$14,095,497".

Explanation:

(This amendment reduces by \$256,248 from the general fund the second year funding and three positions provided to establish a Statewide Overdose Fatality Review Team.)

Item 289 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	(\$1,461,742)	GF

Language:

Page 300, line 3, strike "\$93,768,863" and insert "\$92,307,121".
 Page 301, strike lines 8 through 11.

Explanation:

(This amendment eliminates new funding of \$1.5 million from the general fund the second year provided in the introduced budget for the purchase of certain childhood vaccines.)

Item 290 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Health	(\$168,982)	\$0	GF
	-2.00	0.00	FTE

Language:

Page 301, line 14, strike "\$18,359,931" and insert "\$18,190,949".

Explanation:

(This amendment eliminates \$168,982 from the general fund the second year that was provided to fund two positions for the Certificate of Public Need office for updating the state medical facilities plan on a more frequent two-year schedule pursuant to legislation in the 2019 Session. The Department of Health has authority to increase fees to support these positions.)

Item 291 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	(\$50,000)	GF

Language:

Page 302, line 7, strike "\$167,386,863" and insert "\$167,336,863".

Explanation:

(This amendment eliminates \$50,000 from the general fund the second year provided to support the Virginia Neonatal Perinatal Collaborative.)

Item 291 #2s

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	\$450,000	GF

Language:

Page 302, line 7, strike "\$167,386,863" and insert "\$167,836,863".

Page 303, after line 4, insert:

"H. Out of this appropriation, \$450,000 from the general fund the second year shall be provided for the Virginia Department of Health to contract with an external party that can provide software to implement an adult and pediatric traumatic brain injury (TBI) pilot. The pilot shall provide clinical decision support software to hospitals with trauma centers that agree to participate. The purpose of the pilot program is to increase compliance with evidence-based treatment guidelines and best practices for severe adult and pediatric TBI."

Explanation:

(This amendment provides \$450,000 from the general fund the second year for the Virginia Department of Health to contract with an external party that can provide software to implement an adult and pediatric traumatic brain injury (TBI) pilot. The external party would provide the clinical decision support software to hospitals with trauma centers that agree to participate in the pilot program. The purpose of the pilot program is to increase compliance with evidence-based treatment guidelines and best practices for severe adult and pediatric TBI in order to reduce patient mortality, improve patient recovery and reduce the long-term care costs to the Commonwealth.)

Item 292 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	(\$795,000)	GF

Language:

Page 303, line 6, strike "\$268,240,726" and insert "\$267,445,726".

Page 305, strike lines 53 through 55.

Explanation:

(This amendment eliminates \$795,000 the second year from the general fund for a new earmark for Eastville Community Health Center.)

Health and Human Resources

Department of Health

Language

Language:

Page 305, strike lines 26 through 49, and insert:

"F. The Virginia Department of Health shall end its contracts with sub-recipients of the Virginia Long-Acting Reversible Contraception program within 30 days of the effective date of Senate Bill 1100. Out of any remaining unused appropriation for this initiative, the department shall only use such funds for the purchase of Long-Acting Reversible Contraception (LARC) devices and implement a program to make such devices available to local health departments and other health care providers at no cost. The department shall negotiate or utilize the most cost-effective methods for purchasing LARCs in order to maximize the number to be purchased. The department shall report within 30 days after the close of each quarter with a status update to include: (i) Number of LARCs purchased and the unit price; and (ii) Number of LARCs distributed in total and by health care provider. The status update shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees."

Explanation:

(This amendment modifies the Long-Acting Reversible Contraception initiative and changes it from a reimbursement program with contracted providers to one in which the Virginia Department of Health purchases the LARCs and makes them available at no cost to health care providers.)

Health and Human Resources

FY18-19

FY19-20

Department of Health

\$0

(\$600,000) GF

Language:

Page 306, line 2, strike "\$21,239,583" and insert "\$20,639,583".

Explanation:

(This amendment reduces by \$600,000 the second year from the general fund support for Riverside Shore Memorial Hospital's obstetrics program that was included in the introduced budget. This action leaves \$600,000 in the budget for the program.)

Health and Human Resources

FY18-19

FY19-20

Department of Health

(\$4,500,000)

\$0 GF

Language:

Page 306, line 3, strike "\$28,239,583" and insert "\$23,739,583".

Page 310, line 5, strike "\$7,000,000" and insert "\$2,500,000".

Explanation:

(This amendment reduces by \$4.5 million general fund the first year funding of \$5.0 million included in the introduced budget for the Hampton University Proton Beam Therapy Foundation. This leaves total funding of \$2.5 million in the first year of the budget.)

Item 293 #3s

Health and Human Resources

FY18-19

FY19-20

Department of Health

\$0

\$1,150,000 GF

Language:

Page 306, line 2, strike "\$21,239,583" and insert "\$22,389,583".

Page 309, line 16, strike "\$25,000" and insert \$1,175,000".

Page 309, line 17, strike "\$25,000" and insert \$1,175,000".

Explanation:

(This amendment provides \$1.2 million from the general fund in the second year to fund the All Payer Claims Database (APCD), which under Senate Bill 1216, makes submission of health plan claims data mandatory. Other states with mandatory APCDs are supported primarily with state funds.)

Item 293 #4s

Health and Human Resources

Department of Health

Language

Language:

Page 310, strike lines 11 through 14.

Explanation:

(This amendment eliminates language included in the introduced budget setting out an appropriation for Riverside Shore Memorial Hospital. The language and the actual appropriation were included in two separate items so this amendment is technical to clean up

the language.)

Item 294 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	\$50,000	GF

Language:

Page 310, line 15, strike "\$29,195,627" and insert "\$29,245,627".

Explanation:

(This amendment provides \$50,000 from the general fund the second year to create a database for the submission of lead testing plans and water sample results from child care centers pursuant to Senate Bill 1622.)

Item 297 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	(\$4,201,500)	GF

Language:

Page 311, line 3, strike "\$28,580,165" and insert "\$24,378,665".

Page 312, after line 38, insert:

"F. The Virginia Department of Health shall evaluate implementation of an Electronic Health Records system consistent with the workgroup led by the Secretary of Health and Human Resources. The department shall develop cost estimates as part of an implementation plan, which shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees by October 1, 2019."

Explanation:

(This amendment eliminates \$4.2 million from the general fund the second year provided for the Virginia Department of Health to implement an Electronic Health Records system. The department is in the process of determining its business needs, and, as required by the EHR workgroup, an evaluation of using the state contract to pursue an EHR system must be completed.)

Item 297 #2s

Health and Human Resources	FY18-19	FY19-20	
Department of Health	(\$200,000)	\$0	GF

Language:

Page 311, line 3, strike "\$24,492,399" and insert "\$24,292,399".

Explanation:

(This amendment eliminates \$200,000 the first year from the general fund provided in the introduced budget to fund charges from the Office of the Attorney General for defending the Virginia Department of Health in a lawsuit. The Office of the Attorney General is supported by the general fund and should not need additional resources to defend the agency.)

Item 297 #3s

Health and Human Resources

FY18-19

FY19-20

Department of Health

\$0

\$50,000

GF

Language:

Page 311, line 3, strike "\$28,580,165" and insert "\$28,630,165".

Page 312, after line 38, insert:

"F. The Virginia Department of Health shall modify the Emergency Room Care Coordination Program to track individuals who present in the emergency room and are then subject to a Temporary Detention Order. The department shall report the data monthly on its website and provide an annual report to the General Assembly for each fiscal year, no later than September 1 after the fiscal year ends."

Explanation:

(This amendment provides \$50,000 from the general fund the second year to modify the Emergency Room Care Coordination Program to track individuals who present in the emergency room and become subject to a Temporary Detention Order and require the information be made available publicly.)

Item 299 #1s

Health and Human Resources

Department of Health Professions

Language

Language:

Page 313, line 16, before "Out" insert "A."

Page 313, after line 28, insert:

"B. The Board of Pharmacy shall work with relevant stakeholders, chosen by the board, to determine ways to enhance awareness of proper drug disposal methods, including existing community-based collection and disposal opportunities."

Explanation:

(This amendment directs the Board of Pharmacy to work with relevant stakeholders to determine ways to enhance public awareness of proper drug disposal methods, including existing community-based collection and disposal opportunities. This amendment is a recommendation of the Joint Commission on Health Care.)

Item 303 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance	\$0	\$4,185,199	GF
Services	\$0	\$11,060,494	NGF

Language:

Page 315, line 7, strike "\$14,974,837,166" and insert "\$14,990,082,859".

Page 342, after line 27, insert:

"YYY. Effective July 1, 2019, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to increase the reimbursement rate for physician services to 70 percent of the equivalent Medicare rate, as of that date, and only for those services currently reimbursed less than 70 percent of the Medicare rate. The department shall ensure through its contracts with managed care organizations that the rate increase is reflected in their rates to providers. The department shall have authority to implement these rate changes prior to the completion of the regulatory process."

Explanation:

(This amendment provides \$4.1 million from the general fund and \$11.1 million from federal Medicaid matching funds in the second year to increase Medicaid reimbursement to 70 percent of the equivalent Medicare fee for service and managed care rates to primary care physicians and specialists who are currently reimbursed less than 70 percent of Medicare rates.)

Item 303 #2s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance	\$0	\$2,645,706	GF
Services	\$0	\$4,560,751	NGF

Language:

Page 315, line 7, strike "\$14,974,837,166" and insert "\$14,982,043,623".

Page 342, after line 27, insert:

"YYY. Effective July 1, 2019, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to increase rates for outpatient psychiatric services, limited to

those as defined in 12VAC30-50-140 (D) and (P), 12VAC30-50-150 (D) and (E), 12VAC30-50-180 (C) and (D), and 12VAC30-130-5020 and by 21 percent to the equivalent of 100 percent of the 2018 Medicare rates and create a separate rating category for those outpatient psychiatric services. The department shall have the authority to implement these reimbursement changes prior to the completion of the regulatory process."

Explanation:

(This amendment provides \$3.3 million from the general fund and \$4.5 million from federal Medicaid matching funds to increase the Medicaid rates for licensed mental health professionals (LMHPs), psychologists, and licensed clinical social workers. These rates are lower than Medicare and commercial rates, resulting in fewer providers accepting Medicaid patients in need of these services.)

	Item 303 #3s	
Health and Human Resources	FY18-19	FY19-20
Department of Medical Assistance	\$0	(\$3,531,444) GF
Services	\$0	(\$3,556,428) NGF

Language:

Page 315, line 7, strike "\$14,974,837,166" and insert "\$14,967,749,294".
 Page 342, strike lines 5 through 14.

Explanation:

(This amendment eliminates \$3.5 million from the general fund and a similar amount of federal Medicaid matching funds included in the introduced budget to expand preventative services for adults. Many of the Medicaid managed care organizations already cover these services.)

	Item 303 #4s	
Health and Human Resources	FY18-19	FY19-20
Department of Medical Assistance	\$0	\$375,000 GF
Services	\$0	\$375,000 NGF

Language:

Page 315, line 7, strike "\$14,974,837,166" and insert "\$14,975,587,166".
 Page 318, line 12, strike "25" and insert "35".

Explanation:

(This amendment provides \$375,000 from the general fund and a like amount of federal Medicaid matching funds for 10 Medicaid developmental disability slots that will be held in

reserve for individuals with developmental disabilities whose circumstances many result in a change in services and between waivers.)

Item 303 #5s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance	\$0	\$23,215	GF
Services	\$0	\$27,529	NGF

Language:

Page 315, line 7, strike "\$14,974,837,166" and insert "\$14,974,887,910".

Page 342, after line 27, insert:

"YYY. Effective July 1, 2019, the Department of Medical Assistance Services shall increase the telehealth originating site facility fee to 100 percent of the Medicare rate and shall reflect changes annually based on any changes in the Medicare rate. The department shall exempt Federally Qualified Health Centers and Rural Health Centers from this reimbursement change. The department shall have the authority to implement these changes prior to completion of any regulatory process undertaken in order to effect such change."

Explanation:

(This amendment provides \$23,215 from the general fund and \$27,529 from federal Medicaid matching funds to increase the Medicaid telehealth originating site facility fee to 100 percent of the Medicare rate, including annual Medicare fee increases. This a recommendation of the Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century.)

Item 303 #6s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance	\$0	(\$38,900,000)	GF
Services	\$0	(\$38,900,000)	NGF

Language:

Page 315, line 7, strike "\$14,974,837,166" and insert "\$14,897,037,166".

Explanation:

(This amendment reduces \$38.9 million from the general fund and a like amount of federal matching funds in the second year to reflect the impact of the federal suspension of a tax on health insurers for calendar year 2019. The continuing resolution (H.R. 195) passed by Congress in January 2018 suspended the tax. The tax on health insurers was created in the Affordable Care Act and the net impact is that the cost of the tax is passed-through to Medicaid managed care companies, which is the reason the tax impacts the state budget.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 342, after line 27, insert:

"YYY. The Department of Medical Assistance Services shall develop a methodology for Disproportionate Share Hospital (DSH) payments that recognizes and creates incentives for private hospitals in providing medical services for individuals subject to temporary detention orders (TDOs). The methodology shall factor in utilization related to TDOs in the DSH methodology. The department shall have the authority to modify the State Plan for Medical Assistance and to implement the changes in the DSH methodology effective July 1, 2019 and prior to the completion of the regulatory process. The department shall report on the details of the methodology, and the potential impact on allocations to hospitals, to the Chairmen of the House Appropriations and Senate Finance Committees by June 1, 2019."

Explanation:

(This amendment directs the Department of Medical Assistance Services to develop a new methodology for the allocation of Disproportionate Share Hospital (DSH) payments to increase reimbursement to hospitals that are serving more temporary detention orders and likewise to reduce reimbursement to hospitals whose utilization of such TDO services declines. This program is intended to assist in reducing census pressure on the state mental health hospitals.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 342, after line 27, insert:

"YYY. Notwithstanding any other provision of law, any general fund balance in this Item remaining at year-end shall revert to the general fund and shall not be reappropriated in the following fiscal year."

Explanation:

(This amendment reverts any general fund year-end balance in the Medicaid program each year. The appropriation for the Medicaid program is based on an annual forecast, which adjusts the appropriation as needed as part of the normal budget process and therefore any remaining balance in the program should revert at the end of the fiscal year.)

Item 303 #9s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 342, after line 27, insert:

"YYY. The Department of Medical Assistance Services shall have authority to designate schools as allowable telehealth originating sites for purposes of billing the Department of Medical Assistance Services an originating site fee."

Explanation:

(This amendment provides authority for the Department of Medical Assistance Services to designate schools as allowable telehealth originating sites. This a recommendation of the Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century.)

Item 303 #10s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 342, after line 27, insert:

"YYY. The Department of Medical Assistance Services shall amend its contracts with managed care organizations to require written notification and training to agency-directed personal care providers at least 60 days prior to the implementation of all changes to Quality Management Review and prior authorization policies and processes consistent with state and federal regulations."

Explanation:

(This amendment directs the Department of Medical Assistance Services to require the Medicaid managed care organizations to provide written notification and training to agency-directed personal care providers at least 60 days prior to the implementation of all changes to Quality Management Review and prior authorization policies and processes.)

Item 303 #11s

Health and Human Resources

Language:

Page 327, strike lines 43 through 58.
Page 328, strike lines 1 through 58.
Page 329, strike lines 1 through 55.
Page 330, strike lines 1 through 52, and insert:
"SS. Not Set Out."

Explanation:

(This amendment modifies the introduced budget bill (SB 1100) such that Paragraph SS. in Item 303 is not set out and therefore reflects the original language in Chapter 2, 2018 Special Session I, Acts of Assembly. The paragraph will not be set out in the enrolled version of the bill.)

Item 303 #12s

Health and Human Resources

Language:

Page 342, after line 27, insert:

"YYY.1. The Department of Medical Assistance Services shall work with the Department of Behavioral Health and Developmental Services and stakeholders to develop a plan for implementation of the continuum of evidence-based, trauma-informed, and cost-effective mental health services recommended by the University of Colorado Farley Center for Health Policy. The continuum shall include Community Mental Health Rehabilitation Services (including Early Intervention Services) and integrated behavioral health in primary care and school settings.
2. The department shall include in the plan: (i) changes to medical necessity criteria; (ii) services covered; (iii) provider qualifications; (iv) reimbursement methodologies and rates for Community Mental Health and Rehabilitation Services; (v) the fiscal impact of proposed changes; and (vi) a timeline assuming an implementation date beginning on July 1, 2020. The department shall work with its actuary to model the fiscal impact of the proposed continuum.
3. The Department of Medical Assistance Services and Department of Behavioral Health and Developmental Services shall submit the plan to the Chairmen of the House Appropriations and Senate Finance Committees by no later than October 1, 2019."

Explanation:

(This amendment adds language directing the development of a plan for the realignment of Medicaid behavioral health services to ensure the system supports evidence-based, trauma-information, prevention-focused and cost-effective services for individuals served across the

lifespan.)

Item 307 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance	(\$708,750)	(\$896,333)	GF
Services	(\$708,750)	(\$896,333)	NGF

Language:

Page 343, line 28, strike "\$278,627,135" and insert "\$277,209,635".

Page 343, line 28, strike "\$291,221,330" and insert "\$289,428,664".

Explanation:

(This amendment eliminates \$708,750 from the general fund and a like amount of federal Medicaid matching funds the first year and \$896,333 from the general fund and a like amount of federal Medicaid matching funds the second year included in the introduced budget for the costs of managed care enrollment broker services.)

Item 307 #2s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance	(\$500,000)	\$0	GF
Services	(\$500,000)	\$0	NGF

Language:

Page 343, line 28, strike "\$278,627,135" and insert "\$277,627,135".

Page 350, line 5, strike "\$500,000 the first year and".

Page 350, line 6, strike "and \$500,000 the first year".

Explanation:

(This amendment eliminates \$500,000 from the general fund and a like amount of federal Medicaid matching funds the first year included in the introduced budget for training of consumer-directed personal care attendants. This action leaves funding in the second year for training.)

Item 307 #3s

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance	\$0	(\$440,410)	GF
Services	\$0	(\$1,321,230)	NGF

Language:

Page 343, line 28, strike "\$291,221,330" and insert "\$289,459,690".

Explanation:

(This amendment eliminates \$440,410 from the general fund and \$1.3 million from federal Medicaid matching funds the second year included in the introduced budget for higher contract costs of the Cover Virginia Call Center. The Commonwealth now allows the federal marketplace to make Medicaid eligibility determinations, which will reduce the workload of the call center.)

Item 307 #4s

Health and Human Resources

FY18-19

FY19-20

Department of Medical Assistance
Services

\$0
\$0

\$87,500 GF
\$262,500 NGF

Language:

Page 343, line 28, strike "\$291,221,330" and insert "\$291,571,330".

Page 350, after line 9, insert:

"Y. Out of this appropriation, \$87,500 from the general fund and \$262,500 from nongeneral funds the second year, shall be provided for support of the All Payer Claims Database operated by Virginia Health Information. This appropriation is contingent on federal approval of an Operational Advanced Planning Document."

Explanation:

(This amendment provides \$87,500 from the general fund and \$262,500 from federal Medicaid matching funds to support the All Payer Claims Database (APCD). Senate Bill 1216 would make participation in the APCD mandatory. This amendment allows the Department of Medical Assistance Services (DMAS) to access enhanced federal funding to support its use of the APCD. Medicaid can use enhanced federal funding at a 75 percent federal matching rate to support the maintenance and operations of the APCD. At least seven other states (Oregon, Florida, New York, Colorado, Rhode Island, Utah and New Hampshire) currently pay for a portion of the maintenance and operations of their APCD using Medicaid enhanced federal funding. Furthermore, the Centers for Medicare and Medicaid Services (CMS) has confirmed that this type of funding can be available to Virginia's APCD if DMAS submits and CMS approves an Operational Advanced Planning Document (O-APD) for the project and payments. This amount is proportional to the volume of APCD claims that are associated with Virginia Medicaid members.)

Item 307 #5s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Medical Assistance Services, in collaboration with the Department of Social Services, shall contract with a vendor to conduct a pilot program to improve screening services for income and assets as part of the Medicaid eligibility determination process for both initial applications and renewals. Such pilot program shall include innovative methods to increase automation of various financial accounts to improve the verification process for eligibility. The pilot shall also develop and evaluate methods to monitor compliance with the provisions of the Training, Education, Employment, and Opportunity Program. Savings generated from improvements in the eligibility process shall be used to pay for the vendor costs of the pilot program."

Explanation:

(This amendment directs the Department of Medical Assistance Services, in collaboration with the Department of Social Services, to contract with a vendor for a pilot program to improve screening services for income and assets as part of the Medicaid eligibility determination process for both initial applications and renewals. The pilot program would include new methods to increase automation of various financial accounts to improve the verification process for eligibility. The pilot shall also develop and evaluate methods to monitor compliance with the provisions of the Training, Education, Employment, and Opportunity Program. The savings generated from improvements in the eligibility process would be used to pay for the vendor costs of the pilot program.)

Item 307 #6s

Health and Human Resources

FY18-19

FY19-20

Department of Medical Assistance Services

(\$1,680,143)

(\$10,240,286) GF

Language:

Page 343, line 28, strike "\$278,627,135" and insert "\$276,946,992".

Page 343, line 28, strike "\$291,221,330" and insert "\$280,981,044".

Explanation:

(This amendment removes \$1.7 million the first year and \$10.2 million the second year from the general fund for the Department of Medical Assistance Services' related to certain administrative costs for which there is a nongeneral fund source.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Director, Department of Planning and Budget, shall unallot \$4,611,953 from the general fund in this Item and revert the appropriation to the general fund, on or before June 30, 2019, which reflects carryforward balances from fiscal year 2018."

Explanation:

(This amendment partially reverts the carryforward balance from fiscal year 2018 for the Department of Medical Assistance Services' administrative budget that was approved by the Governor. The agency's administrative program had a remaining balance at the end of fiscal year 2018 of \$12.8 million general fund and the Governor reappropriated \$7.8 million of that balance in fiscal year 2019. Based on the current funding level for the agency, this appropriation is not necessary.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9. insert:

"Y. The Department of Medical Assistance Services shall provide data by the first day of each month, to each managed care organization, that includes the renewal dates for each member enrolled in their plan that will occur in the next 60 days. The department shall work with the managed care organizations to develop processes to reduce the number of renewals lapsing each year for Medicaid and FAMIS enrollees."

Explanation:

(This amendment requires the Department of Medical Assistance Services to submit renewal data for managed care plan members in Medicaid and FAMIS to assist the managed care organizations in reducing the number of enrollees who have lapsed coverage during the year due to disenrollment that occurs as part of the annual eligibility renewal process in Medicaid or FAMIS.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Medical Assistance Services shall develop an annual report that provides a detailed accounting of the agency's organization and operations. This report shall include an organizational chart that shows all full- and part-time positions (by job title) employed by the agency as well as the current management structure and unit responsibilities. The report shall also provide a summary of organization changes implemented over the previous year. The report shall be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees by August 15, of each year."

Explanation:

(This amendment requires the Department of Medical Assistance Services to annually report on the agency's organization and operations to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees. This information will assist in providing information regarding the transition of the agency from managing a fee-for-service system to oversight of a managed care delivery system.)

Item 307 #10s

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Medical Assistance Services shall, within 15 days of receiving a deferral of federal grant funds or a disallowance letter, notify the Director, Department of Planning and Budget, and the Chairmen of the House Appropriations and Senate Finance Committees of such deferral or disallowance. The notice shall include the amount of the deferral or disallowance and a detailed explanation of the federal rationale for the action. Any federal documentation received by the department shall be attached to the notification."

Explanation:

(This amendment requires the Department of Medical Assistance Services to notify the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees of any federal deferral of grant funds or disallowances.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Planning and Budget (DPB), in consultation with the Department of Medical Assistance Services (DMAS), shall evaluate the staffing and other cost requirements of legislation from the 2019 Session and identify the funding and positions within DMAS that shall be transferred to the new Office of Medicaid Fiscal Oversight and Accountability. DPB shall have the authority to transfer appropriation and positions to the new Office to fulfill the intent of the legislation."

Explanation:

(This amendment provides authority for the Department of Planning and Budget to transfer funding and positions to implement Senate Bill 1352, which creates a new Office of Medicaid Fiscal Oversight and Accountability, which will develop the official Medicaid forecast, develop managed care rates, and provide fiscal monitoring of the Medicaid program.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Medical Assistance Services, at least 30 days prior to the submission of a state plan amendment, waiver amendment, managed care contract change, or submission of a regulatory change, shall provide notice and documentation of such change to the Department of Planning and Budget. The Department of Planning and Budget shall review such action to determine if there is a fiscal impact on the Commonwealth. If the Department of Planning and Budget determines the change may likely result in a general fund fiscal impact, for which no legislative appropriation has been provided, then the Department of Medical Assistance Service shall delay the proposed change until the General Assembly authorizes such action."

Explanation:

(This amendment implements a fiscal impact review process for changes to the Medicaid program. Any change that may result in a general fund impact, which has not been funded, will be delayed until the General Assembly specifically authorizes such action.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Medical Assistance Services shall amend its contracts with managed care organizations to eliminate maternity kick payments and the discrete incentive transition program."

Explanation:

(This amendment directs the Department of Medical Assistance Services to amend its contracts for both managed care programs to eliminate maternity kick payments and the discrete incentive transition program. These recent managed care contract modifications potentially increase the Commonwealth's risk and shift the managed care programs away from a fully risk-based managed care model. In addition, these changes have not been fully evaluated to determine the potential fiscal implications on the Commonwealth.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 350, after line 9, insert:

"Y. The Department of Medical Assistance Services shall include the Department of Planning and Budget as part of the managed care rate development process, at the discretion of the Director, Department of Planning and Budget. The Department of Medical Assistance Services shall, as part of the managed care rate development process, report to the Joint Subcommittee for Health and Human Resources Oversight on assumptions, policy changes, and other modifications used in the development of managed care rates, including the fiscal impact of the rate changes, at last 30 days prior to the effective date of the rate changes.)

Explanation:

(This amendment provides additional oversight of the Medicaid managed care rate setting process and directs the Department of Medical Assistance Services to report to the Joint Subcommittee for Health and Human Resources Oversight to provide greater transparency and understanding of the trends and assumptions behind the changes in the rates.)

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 343, line 41, strike "Department of Planning and Budget", insert "Office of Medicaid Fiscal Oversight and Accountability".

Page 343, line 46, strike "Department of Medical Assistance Services", insert "Office of Medicaid Fiscal Oversight and Accountability".

Page 344, line 8, after "Budget", insert ", Office of Medicaid Fiscal Oversight and Accountability".

Page 344, line 20, after "month." strike the remainder of the line.

Page 344, strike lines 21 through 27.

Page 350, after line 9, insert:

"A.1. The Medicaid Forecasting Workgroup is hereby created to review and make recommendations concerning the estimate of Medicaid expenditures prepared and submitted pursuant to § 32.1-323.1.

2. The workgroup shall have nine members as follows:

(i) Two staff members from the Department of Planning and Budget, to be appointed by the director of the Department of Planning and Budget;

(ii) Two staff members from the Department of Medical Assistance Services, to be appointed by the director of the Department of Medical Assistance Services;

(iii) Two staff members from the Office of Medicaid Fiscal Oversight and Accountability, to be appointed by the director of the Office of Medicaid Fiscal Oversight and Accountability;

(iv) One staff member from the Joint Legislative Audit and Review Commission, to be appointed by the director of the Joint Legislative Audit and Review Commission;

(v) One fiscal analyst from the House Committee on Appropriations, to be appointed by the staff director of the House Committee on Appropriations; and

(vi) One fiscal analyst from the Senate Committee on Finance, to be appointed by the staff director of the Senate Committee on Finance.

3. The members of the workgroup shall elect a chairman from the membership, who shall serve a term of one year. A majority of the members shall constitute a quorum. Staff support shall be provided by the Office of Medicaid Fiscal Oversight and Accountability, the Department of Planning and Budget, and the Department of Medical Assistance Services.

4. The workgroup shall meet at least once monthly from the period of July through November of each year, and additional meetings shall be at the call of the chairman or whenever a majority of the members so request. The workgroup shall monitor and review the development of the official Medicaid forecast for the year.

5. At the July meeting each year, the workgroup shall review the performance of expenditures to forecast for the prior fiscal year, and identify policy adjustments that are required to be factored into the development of the new forecast.

6. In subsequent meetings, the workgroup shall review individual service models and policy adjustment impacts on the forecast. In the continuing review and development of the forecast, the workgroup shall consider industry benchmarks and standards for health care, spending and cost increases, and, when relevant, forecasting trends and activities in other states.

7. The workgroup shall make any recommendations regarding the official Medicaid forecast at the October meeting each year.

8. The November meeting each year shall take place after the submission of the official Medicaid forecast pursuant to § 32.1-323.1, and the workgroup shall respond to the submitted official forecast at such meeting and document any dissent with the official forecast raised by individual members of the workgroup.

9. The workgroup shall report annually on its work, including any recommendations or noted dissent regarding the official Medicaid forecast, no later than December 15. Such report shall be delivered to the Secretary of Finance, the Secretary of Health and Human Resources, and the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance."

Explanation:

(This amendment creates a Medicaid Forecasting Workgroup to provide greater oversight and transparency of the development of the official forecast of Medicaid expenditures.)

Item 310 #1s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. The Department of Behavioral Health and Developmental Services and the Department of Medical Assistance Services shall not require waiver providers or Community Services Boards to use the proposed individualized supports budget process for the Developmental Disability Waiver without the explicit authorization of the General Assembly through legislation or authorizing budget language."

Explanation:

(This amendment adds language prohibiting the Departments of Behavioral Health and Developmental Services and Medical Assistance Services from requiring waiver providers or Community Services Boards to use an individualized supports budget process for the Medicaid Developmental Disability waiver program without explicit authorization from the General Assembly.)

Item 310 #2s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, line 11, strike "each" and insert "a".

Page 356, line 13, strike "at the end of the fiscal year" and insert "as of April 15, 2019".

Page 356, after line 19, insert:

"3. The Department of Behavioral Health and Developmental Services, in consultation with the Department of Medical Assistance Services, shall submit a letter to the Secretary of Health and Human Resources and the Chairmen of the House Appropriations and Senate Finance Committees by April 15, 2019, and quarterly thereafter, that reports on: (i) the state general fund reductions taken by each Community Services Board (CSB) or Behavioral Health Authority (BHA) in fiscal year (FY) 2020 in anticipation of projected savings from the expansion of Medicaid eligibility to existing CSB clients who were previously uninsured; (ii) the actual Medicaid-generated reimbursements realized by each CSB/BHA in FY 2019 as a result of the expansion of Medicaid eligibility to existing CSB clients who were previously uninsured; (iii) the state general fund reductions to be taken by each CSB/BHA in FY 2020 in anticipation of projected savings from the expansion of Medicaid eligibility; and (iv) the amount of Medicaid reimbursements that each CSB/BHA would have to achieve in order to meet the anticipated general fund savings/budget reductions in FY 2020, as well as any actions the Department proposes to take to address any shortfalls and to ensure continuity in the provision of services. The Department of Medical Assistance Services shall require the managed care organizations to report encounter data impacting Community Services Boards on a monthly basis, with the data submitted no later than 20 days after the end of each month in order to determine the revenue impact to fulfill the intent of this paragraph."

Explanation:

(This amendment modifies language in the introduced budget which allows the Department of Behavioral Health and Developmental Services to provide funding from special fund balances at the end of the fiscal year to CSBs in circumstances where a CSB's additional FY 2019 Medicaid reimbursements do not reach at least 90 percent of the general fund reductions assumed in Chapter 2 for FY 2020. Language allows that assistance to be provided prior to the end of the fiscal year so that the provision of critical services is not disrupted. The amendment also clarifies that assistance may be provided to an individual CSB rather than requiring that Medicaid reimbursements to all CSBs fall short of GF reductions before assistance may be provided. The amendment requires the department to report to the Secretary of Finance and the Chairmen of the House Appropriations and Senate Finance Committees on how the expected general fund savings compare to actual Medicaid payments for FY 2019 so that the expected general fund savings in FY 2020 may be adjusted in amendments to the biennial budget during the 2020 Session of the General Assembly, if necessary.)

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. The Department of Behavioral Health and Developmental Services shall establish a mental health coordination pilot program in the Northern Virginia region so that public and private providers of services and advocates for those services may collectively determine how to develop the most effective and most comprehensive services for persons who need such services. Such services shall include preventive, early intervention, outpatient, in-home, inpatient, residential, supportive, and other services. This mental health coordination pilot shall seek agreement on how the services provided can best promote mental health, help people receive services needed when they are needed, provide intensive treatment when needed, ensure that crisis care is provided, provide care management in ways that help maintain mental health, and provide the supportive services necessary for individuals with mental health needs to live fully within the community. Participants in this pilot program shall include but not be limited to community services boards, state facilities and programs, private hospitals, partial hospitalization and crisis stabilization programs, residential treatment facilities, private community providers, criminal justice personnel, consumers and advocates for consumers, and others."

Explanation:

(This amendment re-creates a public and private collaborative process in Northern Virginia that existed in the last decade to better and more comprehensively address needs within the region, share responsibility for meeting those needs, and strive to have individuals with mental health needs have those needs met in ways and programs that best meet their needs in cost effective ways.)

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. The Department of Behavioral Health and Developmental Services shall lease 25 acres of land at Eastern State Hospital to Hope Family Village Corporation for one dollar for the

development of a village of residence and common areas to create a culture of self-care and neighborly support for families and their loved ones impacted by serious mental illness. The department shall work with the Hope Family Village Corporation to identify a 25 acre plot of land that is suitable for the project."

Explanation:

(This amendment directs that 25 acres of land at Eastern State Hospital be set aside and leased to Hope Family Village Corporation for one dollar for the development of a village of residence and common areas to create a culture of self-care and neighborly support for families and their loved ones impacted by serious mental illness.)

Item 310 #5s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. The Department of Behavioral Health and Developmental Services shall prepare a plan to "right size" the state hospital system, including appropriate capacity and distribution of capacity, and the steps to transition from the current system to the right-sized system. The department shall submit the plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by September 15, 2019."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to prepare a plan to "right size" the state hospital system, including appropriate capacity and distribution of capacity, and the steps to transition from the current system to the right-sized system. This is a recommendation of the Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century.)

Item 310 #6s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. The Department of Behavioral Health and Developmental Services shall, to the extent permitted under state and federal law, prioritize waiver slots in the Fairfax-Falls Church allocation of developmental disability slots for residents of Falls Church that are eligible for

placement at the Miller House and are on the Priority One wait-list. If less than five Falls Church individuals are deemed critical enough to receive services at the Miller House, the department shall ensure that Falls Church residents shall have priority for any subsequent openings that become available at the Miller House, consistent with state and federal law."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to prioritize five developmental disability waiver slots in the Fairfax-Falls Church allocation of developmental disability slots for residents of Falls Church that may be placed in the Miller House that are on the Priority One wait-list.)

Item 310 #7s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. The Department of Behavioral Health and Developmental Services shall ensure that children on the developmental disability waiting list, whose parents serve in the military or Foreign Service and have a child on the developmental disability waiting list prior to deployment outside Virginia, shall remain on the waiting list while the parents are deployed outside of Virginia and the child is outside of the state. When the child returns with their family from deployment outside of Virginia the child's place on the waiting list shall be consistent with their placement prior to leaving Virginia."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to ensure that children on the developmental disability waiting list whose parents serve in the military or Foreign Service and are deployed outside of Virginia and then return, to be placed on the waiting list consistent with their placement prior to leaving Virginia.)

Item 310 #8s

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 354, after line 4, insert:

"3. The Special Joint Subcommittee to Consult on the Plan to Close State Training Centers shall

meet no later than May 15, 2019 to review and consider Public-Private Partnerships for Central Virginia Training Center that may allow continued operation in some form, whether such proposal has been officially proposed or not. The Commissioner of the Department of Behavioral Health and Developmental Services shall provide all information and analysis related to any proposals received under the Public-Private Education Facilities and Infrastructure Act to the joint subcommittee.

4. The Department of Behavioral Health and Developmental Services shall provide data to the joint subcommittee regarding all remaining residents of the Central Virginia Training Center, which shall include SIS scores, and other data that provides insight into the needs of those individuals that remain. The department shall further provide details, and any information the joint subcommittee requests, regarding the entire Developmental Disability (DD) crisis system in the Commonwealth in order for the joint subcommittee to evaluate the sufficiency of behavioral specialists, and the overall crisis system, in meeting the community needs of individuals with developmental disabilities. The joint subcommittee shall consider such information at the meeting pursuant to paragraph M.3."

Explanation:

(This amendment directs the Special Joint Subcommittee to Consult on the Plan to Close State Training Centers to meet no later than May 15, 2019 to review and consider Public-Private Partnerships for Central Virginia Training Center, including any proposals received under the Public-Private Education Facilities and Infrastructure Act to the joint subcommittee. The Department of Behavioral Health and Developmental Services is also directed to provide data to the joint subcommittee regarding all remaining residents of the Central Virginia Training Center that provides insight into the needs of those individuals that remain, along with information regarding the entire Developmental Disability crisis system in the Commonwealth in order for the joint subcommittee to evaluate the sufficiency of the overall crisis system for individuals with developmental disabilities.)

Item 311 #1s

Health and Human Resources	FY18-19	FY19-20
Department of Behavioral Health and Developmental Services	(\$1,600,000)	\$0 GF

Language:

Page 356, line 22, strike "\$14,560,077" and insert "\$12,960,077".
 Page 357, line 17, strike "\$1,600,000 the first year and".

Explanation:

(This amendment eliminates \$1.6 million the first year from the general fund provided for the purchase of Naloxone kits. Funding of \$1.6 million the second year remains for this purpose.)

Item 312 #1s

Health and Human Resources	FY18-19	FY19-20	
Grants to Localities	\$0	(\$1,000,000)	GF

Language:

Page 357, line 37, strike "\$502,170,491" and insert "\$501,170,491".
 Page 359, line 43, strike "\$11,000,000" and unstrike "\$2,000,000".
 Page 360, line 19, strike "\$2,750,000", insert "\$5,750,000".
 Page 361, line 32, strike "\$15,000,000", insert "\$20,000,000".

Explanation:

(This amendment reduces by \$1.0 million general fund the second year funding provided in the introduced budget for the behavioral health and developmental disability crisis system and redirects \$5.0 million to fund additional outpatient services as part of the STEP-VA initiative. This action brings the total second year funding for outpatient services to \$20 million. Funding of \$3.0 million remains for improving children's crisis services.)

Item 312 #2s

Health and Human Resources	FY18-19	FY19-20	
Grants to Localities	\$0	\$3,000,000	GF

Language:

Page 357, line 37, strike "\$502,170,491" and insert "\$505,170,491".
 Page 360, line 39, strike "\$14,083,710" and insert "\$17,083,710".

Explanation:

(This amendment provides \$3.0 million the second year from the general fund to increase funding for Permanent Supportive Housing. The introduced budget includes an additional \$2.1 million for the program.)

Item 312 #3s

Health and Human Resources	FY18-19	FY19-20	
Grants to Localities	\$0	\$500,000	GF

Language:

Page 357, line 37, strike "\$502,170,491" and insert "\$502,670,491".

Page 362, after line 10, insert:

"QQ. Out of this appropriation, \$500,000 from the general fund the second year is provided to New River Valley Community Services to develop a pilot program creating a psychiatric emergency center."

Explanation:

(This amendment provides \$500,000 from the general fund the second year for a pilot psychiatric emergency center to be developed by New River Valley Community Services. This is a recommendation of the Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century.)

Item 312 #4s

Health and Human Resources

Grants to Localities

Language

Language:

Page 362, line 5, after "program.", insert:

"Any funds that remain unspent at the end of each fiscal year shall be carried forward to the subsequent fiscal year."

Explanation:

(This amendment provides that unspent funds allocated for the Appalachian Telemental Health Initiative would not revert to the general fund at the end of the fiscal year and would be carried forward to bring the unspent funds into the the next fiscal year for the same purpose. This is a recommendation of the Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century.)

Item 312 #5s

Health and Human Resources

Grants to Localities

Language

Language:

Page 362, after line 10, insert:

"QQ. Out of this appropriation, \$750,000 the second year from the Behavioral Health and Developmental Services trust fund shall be expended for developmental disability services in the Northern Virginia region (Region 2). The department shall collaborate with Community Services Boards and private providers in the region, to determine the best use of such funds to address critical needs, in the region, for individuals with developmental disabilities. The department shall report on the allocation of these funds to the Chairmen of the House

Appropriations and Senate Finance Committees by no later than September 15, 2019."

Explanation:

(This amendment designates \$750,000 the second year from the Behavioral Health and Developmental Services trust fund, out of the \$2.5 million in the introduced budget, to be expended for developmental disability services in the Northern Virginia region (Region 2) to address critical needs, in the region, for individuals with developmental disabilities. The department will report on the allocation of these funds to the Chairmen of the House Appropriations and Senate Finance Committees by no later than September 15, 2019.)

Item 316 #1s

Health and Human Resources

FY18-19

FY19-20

Mental Health Treatment Centers

\$0

(\$1,500,000)

GF

Language:

Page 362, line 40, strike "\$259,838,038" and insert "\$258,338,038".

Explanation:

(This amendment reduces funding by \$1.5 million the second year from the general fund for direct staff positions at state hospitals to handle census pressures that have resulted in higher operating capacities. After this reduction, \$6.5 million remains of the funding in the introduced budget for this purpose.)

Item 329 #1s

Health and Human Resources

Department for Aging and Rehabilitative Services

Language

Language:

Page 367, line 28, after "program.", insert:

"The funding allocated to employment services organizations shall be allocated consistent with the recommendations of the Employment Service Organizations Steering Committee. The appropriation for EES shall be used for the program and shall not be used for any other purpose."

Explanation:

(This amendment requires funding allocations for the Extended Employment Services (EES) program be consistent with the Employment Service Organizations Steering Committee and that the funding appropriated for EES shall only be used for the program and not used for any other purpose.)

Item 330 #1s

Health and Human Resources

Department for Aging and Rehabilitative Services

Language

Language:

Page 370, line 43, strike "The amounts to".

Page 370, strike line 44.

Page 370, line 45, strike "appropriations allocated for each category." and insert:

"Each individual Area Agency on Aging may transfer up to the maximum amount of federal funds and matching state general fund amounts allowed by federal law between service categories. Further, each Area Agency on Aging may transfer undesignated state general fund amounts among service categories."

Explanation:

(This amendment replaces current language in order to provide greater flexibility to local Area Agencies on Aging to move service dollars among service categories in order to best serve the needs of clients in their service areas.)

Item 334 #1s

Health and Human Resources

FY18-19

FY19-20

Department for Aging and
Rehabilitative Services

\$0

(\$100,000)

GF

Language:

Page 371, line 18, strike "\$7,089,867" and insert "\$6,989,867".

Explanation:

(This amendment eliminates \$100,000 the second year from the general fund included in the introduced budget to support Adult Protective Services.)

Item 339 #1s

Health and Human Resources

FY18-19

FY19-20

Department of Social Services

\$0

\$1,843,751

GF

\$0

\$1,311,612

NGF

0.00

18.00

FTE

Language:

Page 374, line 5, strike "\$43,073,674" and insert "\$46,229,037".

Explanation:

(This amendment provides \$1.8 million from the general fund and \$1.3 million from nongeneral funds and 18 positions to fund the Joint Legislative Audit Review Commission (JLARC) recommendations for improving the foster care system pursuant to Senate Bill 1339. This funding: (i) establishes a Director of Foster Care Health and Safety; (ii) adds 10 additional regional foster care staff in the Department of Social Services; (iii) funds a regional project manager; (iv) funds five staff for temporary assistance or control of local foster care programs; (v) provides funds for a compliance dashboard (data analyst for support) and complaint hotline; (vi) funds a minimum caseload standard of 15 cases per worker; and (vii) adds five positions for monitoring foster care services.)

	Item 340 #1s	
Health and Human Resources	FY18-19	FY19-20
Department of Social Services	\$0	\$300,000
	\$0	\$3,200,000
		GF
		NGF

Language:

Page 375, line 5, strike "\$276,021,073" and insert "\$279,521,073".

Page 377, after line 42, insert:

"R. The Department of Social Services shall increase the Temporary Assistance for Needy Families (TANF) cash benefits by five percent effective July 1, 2019."

Explanation:

(This amendment provides \$300,000 from the general fund and \$3.2 million from nongeneral funds the second year to increase Temporary Assistance to Needy Families (TANF) benefits by five percent. The last increase in benefits was a 2.5 percent increase in July 2017. The average monthly payment for a TANF family is \$314. The general fund reflects the increase for the TANF Unemployed Parent program which is state-funded.)

	Item 340 #2s	
Health and Human Resources	FY18-19	FY19-20
Department of Social Services	\$0	\$39,698
	\$0	\$1,026,398
		GF
		NGF

Language:

Page 375, line 5, strike "\$276,021,073" and insert "\$277,087,169".

Explanation:

(This amendment adds \$39,698 from the general fund and \$1.0 million from the federal Temporary Assistance to Needy Families (TANF) block grant to fund the fiscal impact of Senate Bill 1145, which extends Virginia Initiative for Employment Not Welfare (VIEW) transitional child care assistance to individuals who participate in an education or training program accredited by a public institution of higher education or other post-secondary school licensed or certified by the Board of Education or the State Council of Higher Education for Virginia. Under current law, transitional child care assistance is only available if it enables the individual to work.)

Item 340 #3s

Health and Human Resources

Department of Social Services

Language

Language:

Page 377, after line 42, insert:

"R. The Commissioner, Department of Social Services, shall develop a comprehensive plan for the Temporary Assistance to Needy Families (TANF) block grant and make recommendations to ensure the block grant is being used in the most effective manner to best support low-income families in achieving self-sufficiency. The Commissioner shall: (i) Review and evaluate the current uses of TANF block grant funds; (ii) Assess the effectiveness of current TANF benefits in assisting families; (iii) Evaluate the effectiveness of the discretionary uses of TANF in meeting the four goals of the TANF program and whether such uses have outcome measures; and (iv) Provide estimates for the costs of any recommendations in the plan. The Commissioner shall consult with stakeholders in developing the plan, and shall submit the plan to the Joint Subcommittee for Health and Human Resources Oversight by October 1, 2019."

Explanation:

(This amendment directs the Department of Social Services to conduct a comprehensive review of the Temporary Assistance to Needy Families (TANF) block grant program in meeting the needs of lower-income families and report on a plan to the Joint Subcommittee for Health and Human Resources Oversight by October 1, 2019.)

Item 341 #1s

Health and Human Resources

FY18-19

FY19-20

Department of Social Services

\$0

\$142,264 GF

Language:

Page 377, line 45, strike "\$487,089,788" and insert "\$487,232,052".

Explanation:

(This amendment provides \$142,264 the second year from nongeneral funds to fund the fiscal impact of Senate Bill 1257, which adds clergy as mandatory reporters for reporting child abuse.)

Item 341 #2s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$80,151	GF
	\$0	\$20,359	NGF

Language:

Page 377, line 45, strike "\$487,089,788" and insert "\$487,190,298".

Explanation:

(This amendment provides \$80,151 from the general fund and \$20,359 from nongeneral funds to fund the fiscal impact of Senate Bill 1661, which provides for sex trafficking assessments in cases of suspected victims of sex trafficking.)

Item 341 #3s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$176,133	GF
	\$0	\$241,897	NGF

Language:

Page 377, line 45, strike "\$487,089,788" and insert "\$487,507,818".

Explanation:

(This amendment provides \$176,133 from the general fund and \$241,897 from nongeneral funds the second year related to the fiscal impact of Senate Bill 1253, which provides for local departments to place a freeze on the credit reports of foster care youth.)

Item 342 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$145,816	NGF

Language:

Page 378, line 42, strike "\$774,309,270" and insert "\$774,455,086".

Explanation:

(This amendment adjusts the nongeneral appropriation to reflect a correction in the introduced budget related to an increase in federal Child Support Fees.)

Item 343 #1s

Health and Human Resources

Department of Social Services

Language

Language:

Page 380, line 19, strike "60" and insert "120".

Explanation:

(This amendment increases the number of Auxiliary Grant recipients in supportive housing slots from 60 to 120 pursuant to Senate Bill 1286, which allows individuals receiving an Auxiliary Grant to select supportive housing without any requirement to make such selection. The state provides 80 percent of the funding for an Auxiliary Grant and localities provide 20 percent of the funding. Currently, the number of Auxiliary Grant recipients in a supportive housing setting is capped at 60 individuals. No funding is needed to support the cost to provide an Auxiliary Grant to the additional individuals, who may select supportive housing pursuant to the legislation, because the Auxiliary Grant program expenditures continue to decline and the budget is sufficient.)

Item 344 #1s

Health and Human Resources

Department of Social Services

Language

Language:

Page 383, after line 38, insert:

"P. The Department of Social Services shall develop a foster care recruitment and retention strategic plan with assistance from a workgroup of local department directors, foster parents, and local child placing agencies. The strategic plan shall include funding needs and federal funding that could be leveraged and any department staffing needs to implement the plan. The strategic plan shall be based on data on the availability of foster families and specific needs of children in foster care. The department shall submit the strategic plan to the Governor and the General Assembly by November 1, 2019."

Explanation:

(This amendment directs the Department of Social Services to develop a foster care recruitment and retention strategic plan. The department will submit the strategic plan to the Governor and the General Assembly by November 1, 2019. This is a JLARC recommendation from a study of the foster care system.)

Item 344 #2s

Health and Human Resources

Department of Social Services

Language

Language:

Page 383, after line 38, insert:

"P. The Department of Social Services shall immediately review all cases of children in congregate care without a clinical need to be there and assist local departments in finding appropriate family-based settings. The department shall certify completion of the reviews by June 30, 2020, and by letter notify the General Assembly as such."

Explanation:

(This amendment directs the Department of Social Services to immediately review all cases of children in congregate care without a clinical need to be there and to assist local departments in finding appropriate family-based settings. The department will certify completion of the reviews by June 30, 2020. This is a recommendation from JLARC's report on the foster care system.)

Item 344 #3s

Health and Human Resources

FY18-19

FY19-20

Department of Social Services

\$0

\$611,000 GF

Language:

Page 380, line 42, strike "\$237,294,427" and insert "\$237,905,427".

Page 383, after line 38, insert:

"P.1. The Department of Social Services shall contract with one or more Service Coordinators to oversee the development of a continuum of evidence-based services to prevent children who are candidates of foster care from entering foster care. The Service Coordinator(s) shall be responsible for: (i) establishing new evidence-based programs identified in the federal Family First Prevention Services Act (FFPSA) Evidence-Based Services Clearinghouse; and for (ii) providing start-up and ongoing support and technical assistance for community providers to implement evidence-based services eligible for federal reimbursement under FFPSA. The Service Coordinator(s) shall further be responsible for establishing a network of community

providers in each region sufficient to allow access to evidence-based prevention services for children at risk of entering foster care and their families, as determined by a service gap analysis provided by the Service Coordinator(s) in advance of FFPSA implementation statewide. The department shall work with the Service Coordinator(s) and relevant stakeholders to create such a process for accepting applications from providers who wish to create new evidence-based programs included in the FFPSA Evidence-Based Services Clearinghouse.

2. The Department of Social Services shall make available to providers one-time funding for training and licensing costs associated with establishing evidence-based programming as identified in the FFPSA Evidence-Based Services Clearinghouse. These funds shall be made available to providers selected by the department and shall receive technical support through the Service Coordinator(s) to support the development of evidence-based prevention services and programs for children at risk of entering foster care and their families.)

Explanation:

(This amendment adds \$611,000 from the general fund in fiscal year 2020 for one-time costs associated with implementing changes required by the new federal Family First Prevention Services Act (FFPSA). Funding shall be provided for contracting with Service Coordinators to establish evidence-based programs and set up networks of providers in Department of Social Services regions, start-up and technical assistance to community service providers, and training and licensing to begin developing and implementing evidence-based programs as required by the FFPSA. Training and licensing support shall be made available to providers selected by the Department of Social Services and receiving technical support through the Service Coordinator(s) to support the development of evidence-based prevention services and programs for children at risk of entering foster care and their families.)

	Item 346 #1s	
Health and Human Resources	FY18-19	FY19-20
Department of Social Services	\$0	\$500,000 NGF

Language:

Page 384, line 2, strike "\$48,521,967" and insert "\$49,021,967".

Page 385, line 6, after "the first year and" strike "\$500,000" and insert "\$1,000,000".

Page 385, line 10, after "homelessness," strike "and".

Page 385, line 10, after "services", insert ", and early childhood education and adult workforce development programs."

Explanation:

(This amendment provides \$500,000 each year from the general fund for Northern Virginia Family Service to expand early childhood education and adult workforce development programs.)

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$2,250,000	NGF

Language:

Page 384, line 2, strike "\$48,521,967" and insert "\$50,771,967".

Page 384, after line 38, insert:

"4. Out of this appropriation, \$2,250,000 the second year from the Temporary Assistance to Needy Families (TANF) block grant shall be provided for competitive grants to Community Action Agencies for a Two-Generation/Whole Family Pilot Project and for evaluation of the pilot project. Applicants selected for the pilot project shall provide a match of no less than 20 percent of the grant, including in-kind services. The Department of Social Services shall report to the General Assembly annually on the progress of the pilot project and shall complete a final report on the project no later than six years after the commencement of the project."

Explanation:

(This amendment provides \$2.3 million the second year from the federal Temporary Assistance to Needy Families (TANF) block grant for competitive grants to Community Action Agencies for a Two-Generation/Whole Family Pilot Project and for evaluation of the pilot project. The goal of this pilot project is to test and evaluate concepts and specific interventions that represent two-generation or whole family strategies to alleviate multi-generational poverty. The pilot project will accelerate the development of two-generation or whole family strategies that will move families out of poverty in a variety of communities throughout the Commonwealth. The Department of Social Services shall evaluate these pilot programs and disseminate information about successful projects throughout the Commonwealth to promote adoption of effective two-generation or whole family strategies to alleviate multi-generational poverty. Language requires an annual report to the General Assembly on the progress of the pilots with a final report no later than six years after the implementation of the project.)

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	(\$4,250,000)	GF

Language:

Page 388, line 22, strike "\$4,250,000" and insert "\$0".

Page 388, strike lines 25 through 36.

Explanation:

(This amendment eliminates \$4.3 million the second year from the general fund included in the

introduced budget for the purchase of non-perishable supplies to be used in case of disasters and the need to setup state-run shelters.)

Item 348 #1s

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	(\$1,050,000)	GF

Language:

Page 388, line 38, strike "\$115,544,025" and insert "\$114,494,025".

Explanation:

(This amendment eliminates \$1.1 million from the general fund in the second year provided in the introduced budget. This funding can be supported from a nongeneral fund source and therefore this amendment removes the general fund.)

Item 351 #1s

Health and Human Resources	FY18-19	FY19-20	
Virginia Board for People with Disabilities	0.00	1.00	FTE

Language:

Explanation:

(This amendment provides an increase of one position in the agency's maximum employment level to reflect action in the introduced budget that provided funding to enable the Virginia Board for People with Disabilities to convert a part-time position to a full-time position in order to reduce backlog and high turnover in the position.)

Item 355 #1s

Health and Human Resources	FY18-19	FY19-20	
Department for the Blind and Vision Impaired	\$0	(\$625,500)	GF

Language:

Page 392, line 19, strike "\$14,708,047" and insert "\$14,082,547".

Explanation:

(This amendment reduces \$625,500 from the general fund the second year to eliminate the

increase in funding provided in the introduced budget for providing vocational rehabilitation services to blind and vision impaired individuals.)

Item 361 #1s

Natural Resources

Secretary of Natural Resources

Language

Language:

Page 396, following line 37, insert:

"D. The Secretary of Natural Resources and the Secretary of Transportation, with the assistance of the Director of the Department of Conservation and Recreation and the Commissioner of Highways, shall convene a stakeholder group to assess the feasibility and costs associated with transferring sponsorship and maintenance support responsibilities for the Virginia Capital Trail from the Department of Transportation to the Department of Conservation and Recreation. The stakeholder group shall solicit input from affected stakeholders including the Virginia Capital Trail Foundation, trail user groups, and local government representatives from jurisdictions through which the trail traverses. The Secretary shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the results of the assessment no later than October 1, 2019."

Explanation:

(This amendment directs the Secretaries of Natural Resources and Transportation to investigate the feasibility of moving support for the Capital Bike Trail from VDOT to DCR.)

Item 362 #1s

Natural Resources

FY18-19

FY19-20

Department of Conservation and Recreation

(\$20,000,000)

(\$15,031,151) GF

Language:

Page 396, line 45, strike "\$81,126,611" and insert "\$61,126,611".

Page 396, line 45, strike "\$127,331,015" and insert "\$112,299,864".

Page 398, line 30, strike "in the first year".

Page 398, strike line 36 through line 44.

Page 400, strike line 36 through line 57.

Page 401, strike line 1 through line 14.

Explanation:

(This amendment reverses the proposed supplemental deposit to the Water Quality Improvement Fund and maintains current policy on distribution of funds for agricultural best management practices.)

		Item 362 #2s	
Natural Resources		FY18-19	FY19-20
Department of Conservation and Recreation		\$0	\$5,000,000 GF

Language:

Page 396, line 45, strike "\$127,331,015" and insert "\$132,331,015".

Page 399, line 45, strike "\$732,147" and insert "\$5,732,147".

Page 399, after line 50, insert:

"2. Out of the amounts appropriated in this Item for the Dam Safety, Flood Prevention and Protection Assistance Fund, \$5,000,000 the second year from the general fund shall be provided to match local funding for lakebed stabilization, sediment control and removal, wetland creation, dam safety improvements, stream flow improvement, and other related costs in the College Lake watershed in the City of Lynchburg. This amount shall be matched by a local appropriation of at least \$5,000,000 prior to any disbursement from this Item."

Page 399, line 51, strike "2." and insert "3."

Explanation:

(This amendment provides a one-time grant of \$5.0 million from the general fund to the City of Lynchburg to match local funding for sediment removal and other improvements to College Lake, a central stormwater basin in the City, which suffered significant damage in a severe rainfall event in August 2018. Damage from the rainfall event cost the City of Lynchburg more than \$30 million. The amount shall be matched by a local contribution.)

		Item 362 #3s	
Natural Resources		FY18-19	FY19-20
Department of Conservation and Recreation		\$5,884,000	\$0 GF

Language:

Page 396, line 45, strike "\$81,126,611" and insert "\$87,010,611".

Page 401, after line 14, insert:

R.1. Notwithstanding § 10.1-2129 A., Code of Virginia, \$5,884,000 the first year from the general fund shall be deposited to the Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997. This amount shall be appropriated for the

implementation of previously approved livestock stream exclusion practices. Of the amount for livestock stream exclusion practices, \$4,600,000 shall be used for practices on land in the Commonwealth exclusively or partly outside the Chesapeake Bay watershed and \$608,000 shall be used for practices on lands in the Commonwealth exclusively inside the Chesapeake Bay watershed. From these amounts, \$676,000 shall be appropriated to the Virginia Soil and Water Conservation Districts for technical assistance to farmers implementing agricultural best management practices."

Explanation:

(This amendment provides a one-time deposit of \$5.0 million GF to the Water Quality Improvement Fund to eliminate the backlog of state commitments for 118 livestock stream exclusion agricultural best management practices.)

Item 363 #1s

Natural Resources	FY18-19	FY19-20	
Department of Conservation and Recreation	\$0	\$50,000	GF

Language:

Page 401, line 16, strike "\$67,793,291" and insert "\$67,843,291".

Page 403, line 3, after "year" insert "and \$50,000 from the general fund the second year".

Explanation:

(This amendment adds \$50,000 GF in second year to the existing First Landing bike facilities expansion project.)

Item 363 #2s

Natural Resources

Department of Conservation and Recreation

Language

Language:

Page 403, after line 5, insert:

"K. The Department of Conservation and Recreation shall review the Brandy Station and Cedar Mountain Battlefield properties and make recommendations to the Chairmen of the Senate Finance and House Appropriations Committees by October 1, 2019, on their suitability as a historical and recreational area pursuant to §10.1-200 et seq. Code of Virginia, or development as a state or regional park. In its review, the Department shall consider: (i.) management of the area or park by a combination of public and private entities, (ii.) potential user activities at the area or park including heritage tourism, primitive camping, fishing, bow hunting, boating,

equestrian activities, biking and historical and military education, and (iii.) operation of the area or park with only those improvements minimally necessary for the activities listed herein and consistent with the preservation and protection of existing historic, cultural, archaeological and natural resources."

Explanation:

(This amendment directs the Department of Conservation and Recreation to review the Brandy Station and Cedar Mountain Battlefield properties and make recommendations on their suitability as a historical and recreation area or for development as a state or regional park.)

		Item 363 #3s	
Natural Resources	FY18-19	FY19-20	
Department of Conservation and Recreation	(\$5,500,000)	(\$5,500,000)	GF

Language:

Page 401, line 16, strike "\$63,895,919" and insert "\$58,395,919".
 Page 401, line 16, strike "\$67,793,291" and insert "\$62,293,291".
 Page 401, line 34, strike "\$5,500,000 the first".
 Page 401, line 35, strike "year and \$10,000,000".
 Page 401, line 35, unstrike "\$4,500,000".

Explanation:

(This amendment reverses a proposed increase to the Virginia Land Conservation Foundation.)

		Item 363 #4s	
Natural Resources	FY18-19	FY19-20	
Department of Conservation and Recreation	\$0 0.00	(\$125,000) -1.00	GF FTE

Language:

Page 401, line 16, strike "\$67,793,291" and insert "\$67,668,291".

Explanation:

(This amendment reverses a new initiative to develop the Virginia Great Valley Lewis and Clark Eastern Legacy Trail.)

Item 363 #5s

Natural Resources

Department of Conservation and Recreation

Language

Language:

Page 401, strike line 37 through line 38.

Page 401, line 39, strike "Fund."

Explanation:

(This amendment restores the statutory formula for transferring funds to the Open Space Land Preservation Trust Fund pursuant to §10.1-1020, Code of Virginia.)

Item 366 #1s

Natural Resources

Department of Environmental Quality

Language

Language:

Page 405, line 15, after "law,", strike "the department" and insert "any Virginia Stormwater Management Program authority".

Page 405, line 18, strike "impact" and insert "management program plan".

Page 405, line 20, strike "The portion of the fee above the normal".

Page 405, strike line 21 through line 22.

Explanation:

(This amendment modifies language that was included in Chapter 2 of 2018 Special Session 1 that established a voluntary fee for the expedited review of stormwater review permits for land disturbance acreage equal to or greater than 100 acres. The language expands the process to include any Virginia Stormwater Management Program authority and removes the requirement that the fees in excess of the normal \$9,600 fee imposed by DEQ be used to increase staffing for reviewing permit applications.)

Item 366 #2s

Natural Resources

Department of Environmental Quality

Language

Language:

Page 404, after line 33, insert:

"3. The State Water Control Board shall amend its regulation at 9 VAC 25-31-250.A.3. on the

maximum time for a Virginia Pollutant Discharge Elimination System permitted discharger to attain compliance with water quality-based limitations so as to be consistent with the time for compliance established by the United States Environmental Protection Agency § 122.47(a)(1) of Title 40 of the Code of Federal Regulations. The board shall complete this amendment by October 1, 2019. This action shall be exempt from the procedures and requirements of Article 2 of Chapter 40 of Title 2.2 of the Code of Virginia."

Explanation:

(This amendment brings the State Water Control Board's Virginia Pollutant Discharge Elimination System discharge permit compliance schedule regulations into conformity with the comparable federal regulation of the U.S. Environmental Protection Agency as revised in May of 2000.)

Item 366 #3s

Natural Resources

Department of Environmental Quality

Language

Language:

Page 405, after line 22, insert:

"J. The Department of Environmental Quality shall prepare an update to its November 1, 2018 initial report entitled "Flexibilities for Virginia's Permitted Dischargers Implementing EPA's 2013 Nationally-Recommended Ammonia Criteria" pursuant to Enactment Clause 2 of Chapter 511 of the 2018 Acts of Assembly. The update shall expand the Department's previous identification of specific procedures and practices for ammonia criteria implementation to minimize their impact on Virginia sewerage systems or other treatment works, specifically by including all existing or potential permitting procedures and practices that are not prohibited by the Clean Water Act but which would provide relief to permitted dischargers. The Department shall report its findings to the Chairmen of the Senate Committee on Agriculture, Conservation and Natural Resources, the House Committee on Agriculture, Chesapeake and Natural Resources, the Senate Finance Committee, and the House Appropriations Committee no later than November 1, 2019."

Explanation:

(This amendment directs DEQ to update its 2018 report on Ammonia Criteria to include existing or potential permitting procedures and practices that are not prohibited by the Clean Water Act but which would provide relief to permitted dischargers.)

Item 366 #4s

Natural Resources

FY18-19

FY19-20

Department of Environmental Quality	(\$150,000) 0.00	(\$1,404,056) -11.00	GF FTE
-------------------------------------	---------------------	-------------------------	-----------

Language:

Page 404, line 2, strike "\$44,189,387" and insert "\$44,039,387".
Page 404, line 2, strike "\$44,781,502" and insert "\$43,377,446".

Explanation:

(This amendment reverses proposed new positions for regulatory review and monitoring.)

Item 368 #1s

Natural Resources	FY18-19	FY19-20	
Department of Environmental Quality	\$0	(\$40,000,000)	GF

Language:

Page 406, line 8, strike "\$111,313,511" and insert "\$71,313,511".
Page 406, line 42, strike "\$50,000,000" and insert "\$10,000,000".

Explanation:

(This amendment provides a \$10.0 million GF deposit to the Stormwater Local Assistance Fund in Fiscal Year 2020.)

Item 374 #1s

Natural Resources	FY18-19	FY19-20	
Department of Historic Resources	\$0	\$3,855	GF

Language:

Page 409, line 49, strike "\$6,876,468" and insert "\$6,880,323".
Page 411, after line 37, insert:

"5. Notwithstanding the provisions of § 10.1-2211.2, Code of Virginia, included in this item is \$3,855 the second year from the general fund to support the preservation and care of historical African American graves located at the Bassette's, Elmerton, Tucker Family, Queen Street, Union Street, Good Samaritan, and Pleasant Shade cemeteries located in the City of Hampton, Virginia pursuant to Senate Bill 1128 of the 2019 General Assembly."

Explanation:

(This amendment provides funding for the 771 eligible graves located at seven historical African American cemeteries located in the City of Hampton pursuant to Senate Bill 1128 of the 2019 General Assembly.)

Item 376 #1s

Natural Resources

FY18-19

FY19-20

Marine Resources Commission

\$0

(\$1,000,000) GF

Language:

Page 412, line 10, strike "\$22,187,803" and insert "\$21,187,803".

Page 412, line 41, unstrike "\$3,000,000" and strike "\$4,000,000".

Page 412, line 43, unstrike "\$1,000,000" and strike "\$1,500,000".

Explanation:

(This amendment reverses a proposed increase of \$1.0 million GF to the oyster restoration and replenishment program.)

Item 381 #1s

Public Safety and Homeland Security

Secretary of Public Safety and Homeland Security

Language

Language:

Page 416, after line 34, insert:

"E. The Secretary shall convene a workgroup to review the effectiveness of Virginia's Sex Offender Registry requirements for public safety. The workgroup shall examine and report on: (1) the feasibility of implementing a multi-tiered risk-based classification system; (2) the feasibility and public safety considerations of implementing differentiated registration requirements for juvenile and/or misdemeanor offenders; (3) the feasibility and public safety considerations of implementing an automatic removal process for meeting certain criteria; (4) an evaluation of the requirements to post employer information on the registry; and (5) the feasibility of implementing a multi-disciplinary Sex Offender Management Board that would provide evidence-based input on proposed changes to sex offender laws in the Commonwealth. The workgroup shall identify and compare the requirements for registration imposed by the federal government, by the other 49 states and the Commonwealth, and include this information as context in the report. The workgroup shall report on its work by November 15, 2020."

Explanation:

(This amendment requires the Secretary of Public Safety and Homeland Security to convene a workgroup to study the Sex Offender Registry process and recommend best practices.)

Item 381 #2s

Public Safety and Homeland Security

Secretary of Public Safety and Homeland Security

Language

Language:

Page 416, after line 34, insert:

"E. The Secretary of Public Safety, in consultation with the Secretary of Health and Human Resources, shall convene a workgroup to report on the feasibility of increasing access to sex offender treatment for inmates. The workgroup shall identify the different types of sex offender treatment currently available at the Department of Corrections and the numbers of offenders treated annually in each program. The workgroup shall consider the most effective time during an inmate's sentence at which to screen him or her for treatment, and whether the existing Departmental policy should be modified. The report shall also recommend specific short- and long-term strategies for the Commonwealth to employ, and identify staffing and other costs required for implementation. The report shall be submitted to the Governor and Chairmen of the House Appropriations and Senate Finance Committees by November 15, 2020."

Explanation:

(This amendment requires the Secretary of Public Safety and Homeland Security to convene a workgroup to recommend strategies and specific treatment options at the Department of Corrections.)

Item 385 #1s

Public Safety and Homeland Security

Department of Alcoholic Beverage Control

Language

Language:

Page 418, after line 15, insert:

"F. The Department shall implement a pilot program to evaluate the feasibility of installing automated teller machines (ATMs) in agency stores. The Department shall report the findings of the pilot program to the Chairmen of the House Appropriations and Senate Finance Committees no later than October 1, 2020."

Explanation:

(This amendment requires the ABC to implement a pilot program evaluating the value of installing ATMs at state-owned stores, and to report the findings of the pilot program by October 1, 2020.)

Item 387 #1s

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Corrections

\$350,000

\$350,000 GF

Language:

Page 418, line 36, strike "\$103,664,289" and insert "\$104,014,289".

Page 418, line 36, strike "\$104,905,315" and insert "\$105,255,315".

Page 419, after line 8, insert:

“C. Out of the amounts appropriated in this Item, \$350,000 the first year and \$350,000 the second year from the general fund is designated for the Department of Corrections to pay the Department of Motor Vehicles for the costs of providing identification cards to inmates through the DMV Connect program.”

Explanation:

(This amendment provides funding of \$350,000 GF per year for the Department of Corrections to provide identification cards to offenders upon re-entry.)

Item 389 #1s

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 421, line 21, after "centers." insert:

"In the second year, the Department may utilize a portion of the funding to provide a minimum of one dose of a non-narcotic, non-addictive, injectable prescription drug regimen to participants in a detention or diversion re-entry program."

Explanation:

(This amendment permits the use of existing funding for an injectable opioid treatment regimen in detention and diversion centers.)

Item 389 #2s

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Corrections

\$0

(\$580,074) GF

Language:

Page 420, line 50, strike "\$18,663,154" and insert "\$18,083,080".
Page 421, line 20, strike "\$1,599,084" and insert "\$1,019,010."

Explanation:

(This amendment provides a total of \$1.0 million GF for the Community Corrections Alternative Program. The introduced budget proposed \$1.2 million GF, in addition to \$439,000 GF that was added for each year in Chapter 2, 2018, Special Session I.)

Item 390 #1s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Corrections	(\$173,499)	(\$346,997)	GF
	0.00	-5.00	FTE

Language:

Page 421, line 27, strike "\$1,014,684,958" and insert "\$1,014,511,459".
Page 421, line 27, strike "\$1,013,884,498" and insert "\$1,013,537,501".
Page 423, strike lines 37 through 41.

Explanation:

(This amendment eliminates a proposal to begin a new program to hire military medics and corpsmen at the Department of Corrections.)

Item 390 #2s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Corrections	\$0	(\$1,051,567)	GF

Language:

Page 421, line 27, strike "\$1,013,884,498" and insert "\$1,012,832,931".
Page 423, after line 41, insert:

"O. Included in the appropriation for this Item is \$3,000,000 in the second year from the general fund for the Department of Corrections to use for initiatives to improve recruitment and retention of correctional personnel. Of this amount, \$1,051,567 is dedicated towards targeted actions for correctional officers at Augusta Correctional Facility. The Department shall report on its specific planned uses for this funding to the Governor, the Department of Planning and Budget, and the Chairmen of the House Appropriations and Senate Finance Committees by May 30, 2019."

Explanation:

(This amendment designates \$1.1 million of existing funding, which was added to the second year of Chapter 2, 2018 Special Session I, for a targeted salary action for correctional officers assigned to the Augusta Correctional Facility. Chapter 2 added \$3.0 million in the second year for unspecified uses towards addressing the Department's high turnover vacancies. Because funding was added in Chapter 2 for this purpose, the additional funding proposed in the introduced budget is not needed.)

Item 390 #3s

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 423, after line 41, insert:

"O. In the introduced budget for the biennium beginning on July 1, 2020, the Department of Planning and Budget shall create a new program within the Department of Corrections for the appropriations related to inmate healthcare. Appropriation under the service area for "Medical and Clinical Services - Prisons (39810)," shall be transferred to the new Item created pursuant to this paragraph. The program shall allocate the funding into appropriate service areas to identify: healthcare contracts; facilities for which the Department provides in-house medical care; offsite care; medical transportation; medications; and other appropriate allocations."

Explanation:

(This amendment directs the Department of Planning and Budget, in the introduced budget for the next biennium, to set out the service area for inmate medical services as an independent program in the budget. This is a technical amendment.)

Item 390 #4s

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Corrections

\$0

\$70,000 GF

Language:

Page 421, line 27, strike "\$1,013,884,498" and insert "\$1,013,954,498".

Page 423, after line 41, insert:

"O. Included within the appropriation for this Item is \$70,000 from the general fund for the Sex Offender Residential Treatment Program (SORT)."

Explanation:

(This amendment provides \$70,000 GF to increase funding in the second year for Sex Offender

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 423, after line 41, insert:

"O. The Department of Corrections shall use the Medicare fee-for-service payment schedule to reimburse community providers of health care services (excluding inpatient care) to inmates housed in state correctional facilities. The Department of Corrections shall change its billing and reimbursement processes to accommodate using the Medicare fee-for-service payment schedule as soon as is practicable, but no later than January 1, 2020. The Department of Corrections is authorized to amend its contracts, as necessary, with its third-party claims administrator to require the contractor to use the Medicare fee-for-service fee schedule as the basis for reimbursing providers for non-inpatient services."

Explanation:

(This amendment requires the Department of Corrections to pay for outpatient and physicians services to community health care providers using Medicare rates.)

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 423, after line 41, insert:

"O. The Department of Corrections shall convene a workgroup to develop a pilot partnership for a university health system to provide comprehensive health care for the inmates in at least one state correctional facility. The workgroup shall be co-chaired by the director of the Department of Corrections, the chief executive officer of the VCU Health System, and the executive vice president for health affairs at the University of Virginia. The workgroup shall jointly submit an interim update to the Senate Finance and House Appropriations Committees no later than November 1, 2019, and jointly submit a final plan for the pilot partnership no later than January 1, 2020. The plan shall include (i) the facility or facilities included in the pilot, (ii) what staff will be used to provide health care services, (iii) the amount and structure of payment to the university, (iv) the implementation timeline for the pilot, and (v) how the effectiveness of the pilot project will be evaluated."

Explanation:

(This amendment directs DOC, VCU Health System, and UVA Health System to develop a pilot program for one of the university health systems to provide comprehensive healthcare in one of the DOC secure facilities.)

Item 390 #7s

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 423, after line 41, insert:

"O. The Department of Corrections and institutions of higher education shall collaborate on a plan to ensure that inmates with long-term or high-cost prescription drug needs receive treatment from a federal 340-B covered entity. The Virginia Commonwealth University Department of Health Administration and the University of Virginia Medical Center shall work jointly with the Department of Corrections to develop and implement a plan to have treatment for these inmates provided by an entity covered under the federal 340-B program. The Department shall begin development of the plan as soon as is practicable and report to the House Appropriations and Senate Finance Committees by January 1, 2020.

Explanation:

(This amendment requires DOC and institutions of higher education to report on a plan to treat inmates with high-cost chronic conditions with drugs purchased through the federal 340-B program as much as possible.)

Item 391 #1s

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 426, after line 44, insert:

"S. The Department shall develop policies to improve the exchange of offender medical information, including electronic exchange of offender medical information for telemedicine, telepsychiatry and electronic medical chart access by health care providers, and report on the policies, implementation plan, and related costs by October 30, 2019."

Explanation:

(This amendment requires DOC to develop policies to improve the exchange of offender

medical information, per the recommendations of the Joint Commission on Mental Health in the 21st Century.)

Item 391 #2s

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 426, after line 44, insert:

"S. The Department of Corrections is authorized to purchase from the Town of Craigsville approximately 122 acres, more or less, located adjacent to the Augusta Correctional Center. In consideration for this acreage, the Department will provide wastewater treatment services to the Town at no cost for a period adequate to equal the value of the property conveyed. The value of the property shall be established by averaging the value of one appraisal provided by the Department of Corrections and one by the Town of Craigsville."

Explanation:

(This amendment authorizes the transfer of land from the Town of Craigsville to the Department.)

Item 391 #3s

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Corrections

\$0

(\$250,000) GF

Language:

Page 423, line 43, strike "\$110,514,949" and insert "\$110,264,949".

Page 426, strike lines 33 through 44.

After line 32, insert:

"R. Included in the appropriation for this Item is \$50,000 in the second year from the general fund for the estimated net increase in the operating cost of adult correctional facilities resulting from the enactment of sentencing legislation as listed below. This amount shall be paid into the Corrections Special Reserve Fund, established pursuant to § 30-19.1:4, Code of Virginia. Increase the penalty for aggravated cruelty to animals -- \$50,000"

Explanation:

(This amendment removes funding that was included in the introduced budget that was associated with six bills which did not pass the Senate, and maintains \$50,000 GF for the corrections impact of Senate Bill 1604, which passed the Senate.)

Item 392 #1s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0 0.00	(\$97,000) -1.00	GF FTE

Language:

Page 427, line 7, strike "\$5,036,721" and insert "\$4,939,721".

Explanation:

(This amendment maintains an additional \$330,630 GF for DCJS to increase school resource officer training. The reduction accounts for the removal of the cost of one FTE proposed in the introduced budget. The introduced budget proposed a total of \$3.3 million GF in new funding and 10 new FTEs. The Senate amendments related to school safety, in total, maintain \$2.6 million GF in new funding and 5 of the 10 FTEs requested, which more than doubles existing funding and staff at the Center.)

Item 392 #2s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0 0.00	(\$464,890) -3.00	GF FTE

Language:

Page 427, line 7, strike "\$5,036,721" and insert "\$4,571,831".

Explanation:

(This amendment provides for an additional \$871,890 GF and three additional FTEs for DCJS to increase training and technical assistance to public schools through the Center for School and Campus Safety. The reduction accounts for the removal of the cost of three of six new FTEs proposed in the introduced budget. A total of five amendments in the introduced budget proposed \$3.3 million GF in new funding and 10 new FTEs. The Senate budget maintains a total of \$2.6 million GF in new funding and 5 of the 10 FTEs requested, which more than doubles existing funding and staff at the Center.)

Item 392 #3s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0	(\$184,992)	GF

Language:

Page 427, line 7, strike "\$5,036,721" and insert "\$4,851,729".

Explanation:

(This amendment removes a proposal to add new funding to purchase servers for the law enforcement records management system, which was proposed in the introduced budget.)

Item 393 #1s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0 0.00	(\$115,630) -1.00	GF FTE

Language:

Page 427, line 36, strike "\$1,072,877" and insert "\$957,247".

Explanation:

(This amendment provides an additional \$400,000 GF for DCJS to cover the cost to contract with the University of Virginia to continue the School Climate Survey. The amendment reduces the funding by the cost of one new FTE which was proposed. A total of five amendments in the introduced budget proposed \$3.3 million GF in new funding and 10 new FTEs. The Senate budget maintains a total of \$2.6 million GF in new funding and 5 of the 10 FTEs requested, which more than doubles existing funding and staff at the Center.)

Item 395 #1s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0	\$15,000	GF

Language:

Page 427, line 52, strike "\$109,826,612" and insert "\$109,841,612".

Page 430, line 22, strike the second instance of "\$85,000" and insert "\$100,000".

Explanation:

(This amendment provides an additional \$15,000 GF in the second year for the York County Sheriff's Office for the statewide administration of the Drug Abuse Resistance Education program.)

Item 395 #2s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0 0.00	\$145,000 1.00	GF FTE

Language:

Page 427, line 51, strike "\$109,826,612" and insert "\$109,971,612".

Explanation:

(This amendment provides \$145,000 GF in the second year to support the development of a statewide response plan to coordinate Virginia's response to sex trafficking, pursuant to the recommendations of the Crime Commission and Senate Bill 1669, which passed the Senate. The amount includes \$30,000 for the one-time costs for the development of treatment curricula for persons convicted of buying sex.)

Item 395 #3s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0	(\$30,000)	GF

Language:

Page 427, line 52, strike "\$109,826,612" and insert "\$109,796,612".

Explanation:

(This amendment removes a proposal to add new funding of \$30,000 for community policing training.)

Item 399 #1s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Emergency Management	\$0	(\$500,000)	GF

Language:

Page 433, line 19, strike "\$27,914,419" and insert "\$27,414,419".

Explanation:

(This amendment removes a portion of the proposed new funding for special operations at the Department of Emergency Management.)

Item 399 #2s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Emergency Management	\$0	(\$556,136)	GF

Language:

Page 433, line 19, strike "\$27,914,419" and insert "\$27,358,283".

Explanation:

(This amendment removes proposed new funding to increase search and rescue operations at the Department of Emergency Management.)

Item 400 #1s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Emergency Management	\$150,000	(\$150,000)	GF

Language:

Page 434, line 4, strike "\$22,933,000" and insert "\$23,083,000".

Page 434, line 5, strike "\$23,083,000" and insert "\$22,933,000".

Page 434, after line 51, insert:

"E. Out of the appropriation for this Item is \$150,000 GF in the first year for the Department to repay its line of credit with the Department of the Treasury."

Explanation:

(This amendment moves proposed funding to pay a debt on a line of credit from the Department of Treasury from the second year to the first year. This is a technical amendment in order to make this a one-time appropriation.)

Item 402 #1s

Public Safety and Homeland Security	
Department of Emergency Management	Language

Language:

Page 436, after line 10, insert:

"G. The Department of Emergency Management shall work with the Department of Planning and Budget to report on annual disaster expenditures and contracting. The report shall: 1) specify by event and state agency or locality, the amount spent per year from the Disaster

Recovery Fund (state sum sufficient) separate from any other state, local, federal or private contributions. The Department may also report total spending from all funds per disaster event, so long as the Disaster Recovery Funds are identified separately; 2) identify any Federal Emergency Management Agency (FEMA) recoveries made during the previous fiscal year, itemizing for which event(s) the reimbursement was made; 3) identify any disaster events still open for reimbursement claims, which have been open for more than two years from the date of the event and identify the reasons why the event should not be closed; and 4) any contracts executed during a disaster and the expenditures and purposes for which they were executed. The State Coordinator shall report on the requirements of this paragraph by June 30 of each year to the Chairmen of the House Appropriations and Senate Finance Committees."

Explanation:

(This amendment requires an annual report on disaster spending.)

Item 402 #2s

Public Safety and Homeland Security

Department of Emergency Management

Language

Language:

Page 436, after line 10, insert:

"G. The Department of Emergency Management shall report annually by June 30 of each year on disaster mitigation activities and expenditures conducted throughout the Commonwealth. The report shall identify the total costs of the projects, and identify how the costs are shared among state, local and federal resources. The annual report shall also recommend future mitigation projects, identify the need for and the anticipated impact of such projects, and estimated costs of those projects."

Explanation:

(This amendment requires an annual report on disaster mitigation projects underway and planned. Research suggests that disaster mitigation may help control disaster response costs in the long run.)

Item 406 #1s

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Fire Programs

\$0

(\$125,000) GF

Language:

Page 437, line 10, strike "\$3,111,469" and insert "\$2,986,469".

Explanation:

(This amendment eliminates proposed new funding for the Office of the State Fire Marshal.)

Item 407 #1s

Public Safety and Homeland Security

Department of Forensic Science

Language

Language:

Page 438, after line 26, insert:

"E. Notwithstanding § 9.1-1101.1 of the Code of Virginia, the Department of Forensic Science shall not enter into contracts or agreements for forensic laboratory services that i) require additional general fund resources for laboratory services that can otherwise be procured at lower costs, or ii) impose additional regulatory burdens on the staff of the Department to implement."

Explanation:

(This amendment prohibits the Department of Forensic Science from entering into contracts for laboratory services which are not competitively priced.)

Item 414 #1s

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Military Affairs

\$0

(\$1,500,000) GF

Language:

Page 443, line 4, strike "\$4,528,382" and insert "\$3,028,382".

Explanation:

(This amendment eliminates proposed new funding for tuition assistance under the Department of Military Affairs.)

Item 416 #1s

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Military Affairs

\$0

(\$150,000) GF

Language:

Page 443, line 24, strike "\$52,618,404" and insert "\$52,468,404".

Explanation:

(This amendment removes proposed new funding for the Department to conduct cyber security assessments.)

		Item 419 #1s	
Public Safety and Homeland Security	FY18-19	FY19-20	
Department of State Police	\$197,920	\$211,947	GF
	0.00	3.00	FTE

Language:

Page 444, line 39, strike "\$62,039,445" and insert "\$62,237,365".

Page 444, line 40, strike "\$63,005,212" and insert "\$63,217,159".

Page 446, after line 27, insert:

"N. Included within the amounts for this Item is \$197,920 in the first year from the general fund for a modification to the Central Criminal Records Exchange and \$211,947 and three positions in the second year from the general fund for the Department to address the recommendation of the Crime Commission to provide a reference to the "Hold File" for criminal history records checks."

Explanation:

(This amendment provides \$197,920 GF in the first year for a one-time information technology modification to the Central Criminal Records Exchange (CCRE), and \$212,000 GF for three positions in the second year for VSP to reference the "Hold File" when conducting criminal history records checks, based on a recommendation of the state Crime Commission.)

		Item 419 #2s	
Public Safety and Homeland Security	FY18-19	FY19-20	
Department of State Police	\$350,000	\$200,000	GF

Language:

Page 444, line 37, strike "\$62,039,445" and insert "\$62,389,445".

Page 444, line 38, strike "\$63,005,212" and insert "\$63,205,212".

Explanation:

(This amendment provides \$550,000 GF for the Fusion Center to update the "See Something, Send Something" application pursuant to the provisions of Senate Bill 1608. This amendment will give students access to 24-7 crisis counseling and the ability to submit information to law enforcement about potential threats.)

Item 419 #3s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of State Police	\$0	(\$392,356)	GF
	0.00	-7.00	FTE

Language:

Page 444, line 40, strike "\$63,005,212" and insert "\$62,612,856".

Explanation:

(This amendment removes funding associated with legislation for universal background checks for firearms sales, which did not pass the Senate.)

Item 419 #4s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of State Police	\$0	(\$471,489)	GF

Language:

Page 444, line 40, strike "\$63,005,212" and insert "\$62,533,723".

Explanation:

(This amendment eliminates proposed funding that was included in the introduced budget associated with legislation, which did not pass the Senate.)

Item 419 #5s

Public Safety and Homeland Security		
Department of State Police		Language

Language:

Page 446, after line 27, insert:
"N. In the introduced budget for the biennium beginning on July 1, 2020, the Department of Planning and Budget shall create a new program within the Department of State Police for the appropriations related to operation and maintenance of the Statewide Agencies Radio System. Appropriation under this Item for the service area for Telecommunications and Statewide Agencies Radio System (STARS) (30204), shall be transferred into the new Item created pursuant to this paragraph. The program shall allocate the funding into appropriate service areas to identify: vehicle radio maintenance for State Police vehicles, vehicle radio maintenance for other agency vehicles, site maintenance, subscriber equipment, network maintenance, and

equipment, as appropriate."

Explanation:

(This amendment directs the Department of Planning and Budget, in the introduced budget for the next biennium, to set out the service area for STARS as an independent program in the budget. This is a technical amendment.)

Item 419 #6s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of State Police	\$0	\$194,532	GF
	0.00	2.00	FTE

Language:

Page 444, line 40, strike "\$63,005,212" and insert "\$63,199,744".

Explanation:

(This amendment provides funding and positions for two FTEs to support a school safety application, which is being developed.)

Item 419 #7s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of State Police	\$0	\$187,132	GF
	0.00	1.00	FTE

Language:

Page 444, line 38, strike "\$63,005,212" and insert "\$63,192,344".

Page 448, after line 34, insert:

"R. Out of the appropriation for this Item is \$187,132 in the second year from the general fund to update the Centralized Criminal Records Exchange to capture additional expungements related to the decriminalization of marijuana and support for ongoing staffing."

Explanation:

(This amendment provides \$129,044 GF in the second year for the one-time cost to update the Centralized Criminal Records Exchange to capture additional expungements. Additional staff costs are \$58,088 to support audit file processes.)

Item 419 #8s

Public Safety and Homeland Security

Department of State Police

Language

Language:

Page 445, after line 30, insert:

"4. Any general fund appropriation given for STARS operating and maintenance under the service area 30204, is designated for such purposes. If the Department of State Police cannot expend its STARS appropriation within a given fiscal year, there shall remain an appropriation balance at the end of the fiscal year. The Department may request a discretionary re-appropriation in the subsequent year as provided in § 4-1.05 of this act if necessary for the payment of preexisting obligations for the purchase of goods or services."

Explanation:

(This amendment provides guidance for expenditure of appropriation in service area 30204.)

Item 420 #1s

Public Safety and Homeland Security

Department of State Police

Language

Language:

Page 447, line 23, after "F." insert "1."

Page 447, after line 26, insert:

"2. a. The Department of State Police shall report annually on its med-flight activities for each of its two operations by October 30 of each year. The report shall identify, at a minimum, the number of flights for each med-flight operation for the previous fiscal year; the associated operations and maintenance costs; and the associated medical costs, including medical personnel and equipment.

b. The Department shall also study the steps necessary to contract with insurance providers for reimbursement of expenses and report on those steps and the estimated annual revenue to the Department of Planning and Budget and the Chairmen of the House Appropriations and the Senate Finance Committees by November 30, 2019."

Explanation:

(This amendment directs the Department of State Police to report data on its Med-flight I and II operations, as well as study and report on the steps to contract with insurance providers for reimbursement of appropriate expenses.)

Transportation

Virginia Commercial Space Flight Authority

Language

Language:

Page 455, line 6, insert "A."

Page 455, after line 9, insert:

"B. In addition to the amounts included in this Item, the Commonwealth Transportation Board shall transfer \$8,500,000 in the second year from the Transportation Trust Fund to the Commonwealth Space Flight Fund to improve existing waterfront facilities for multimodal unmanned vehicle test operations, including small barge and research vessel access, and for the removal of trees adjacent to the existing airfield."

Explanation:

(This amendment provides a transfer of \$8.5 million in the second year from the Transportation Trust Fund to the Commercial Spaceflight Fund for access improvements at the Mid-Atlantic Regional Spaceport.)

Transportation

Virginia Commercial Space Flight Authority

Language

Language:

Page 455, line 6, insert "A."

Page 455, after line 9, insert:

"B. In addition to the amounts included in this Item, the Commonwealth Transportation Board shall transfer \$2,500,000 in the second year from the Transportation Trust Fund to the Commonwealth Space Flight Fund for completion of launch pad LC-2."

Explanation:

(This amendment provides \$2.5 million NGF in the second year for completion of the small rocket launch pad.)

Transportation

Language:

Page 459, following line 19, insert:

"Q. The appropriations included in this Item, Item 286, and any transfers pursuant to § 3-6.03, are deemed sufficient to satisfy the fourth enactment of Senate Bill 1013 and the fourth enactment of Senate Bill 1613 of the 2019 General Assembly."

Explanation:

(This amendment is a technical companion to address the appropriations contingency clause included in Senate Bill 1013 and Senate Bill 1613 of the 2019 General Assembly.)

Item 445 #1s

Transportation

Language:

Page 463, after line 4, insert:

"G. Notwithstanding the provisions of the ninth enactment of Chapters 854 and 856 of the 2018 Acts of Assembly, the prioritization process required by § 33.2-214.4 of the Code of Virginia for the allocation of transit operating assistance shall not be implemented prior to July 1, 2020, for use in the development of the Six-Year Improvement Program for fiscal years 2021 through 2026. The funding distribution formula developed through the prioritization process shall specifically address congestion mitigation metrics, by including factors such as passenger miles traveled and private passenger vehicles removed from roads, before any such funding distribution formula is implemented."

Explanation:

(This amendment delays the implementation of § 33.2-214.4 statewide prioritization for the Commonwealth Mass Transit Fund from July, 1 2019 to July 1, 2020, beginning with the fiscal year 2021-2026 Six Year Improvement Program, and requires that additional congestion reduction metrics, including passenger miles traveled, be included in the operation assistance allocation formula.)

Item 445 #2s

Transportation

Language:

Page 463, after line 4, insert:

"G. From the amounts in this Item for Public Transportation Programs, \$2,000,000 in the second year from the unrestricted operating reserves of the Department shall be provided for the evaluation of enhanced public transportation services from the Franconia-Springfield Metro Station to Lorton, Potomac Mills, and Marine Corps Base Quantico in Prince William County, including the feasibility of extending the existing Metro Blue Line and other multimodal options such as bus rapid transit along Interstate 95 and U.S. Route 1."

Explanation:

(This amendment provides \$2.0 million from the Department of Rail and Public Transportation's unrestricted operating reserves for the evaluation of enhanced public transportation services from the Franconia-Springfield Metro Station to Marine Corps Base Quantico in Prince William and Stafford Counties. The Department currently maintains approximately \$10.0 million in unrestricted reserves.)

Item 446 #1s

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 463, after line 26, insert:

"3. The Director of the Department of Rail and Public Transportation shall work with the Virginia Museum of Transportation to determine the feasibility of providing funding from the Shortline Railway Preservation and Development Program for improvements to a federally-classified shortline rail line, known as Roanoke Southern Railway LLC, located in Roanoke Virginia and transferred to the Museum from Norfolk Southern. The Director shall report on the potential eligibility of the rail line and its proposed projects to the Chairmen of the House Appropriations and Senate Finance Committees no later than November 1, 2019."

Explanation:

(This amendment directs DRPT to investigate the eligibility of a rail line formerly owned by Norfolk Southern for receiving financial assistance from the Shortline Railway Preservation and Development Program.)

Item 449 #1s

Transportation

Department of Transportation

Language

Language:

Page 464, line 44, strike "A." and insert "A.1."

Page 464, after line 47, insert:

"2. Included in the amounts in this Item, \$50,000 the first year from the allocations to the Office of Intermodal Planning and Investment, is herein provided for sponsorship support of the fifth annual Mobility Talks International (MTI) Conference in April, 2019. The Director of the Office of Intermodal Planning and Investment shall actively engage connected and autonomous vehicle stakeholders in the Commonwealth in order to most effectively maximize the return on investment from participation in the MTI Conference for the operation of unmanned systems throughout Virginia."

Explanation:

(This amendment directs \$50,000 from the Office of Intermodal Planning and Investment in FY 2019 to support the fifth annual Mobility Talks International (MTI) Conference being held in Washington, D.C. on April 3, 2019. MTI brings together industry leaders with policymakers from across the nation and around the world to exchange ideas on best practices related to the development and regulation of connected and autonomous vehicles.)

Item 449 #2s

Transportation

Department of Transportation

Language

Language:

Page 465, following line 17, insert:

"E. The Virginia Department of Transportation shall evaluate the feasibility of an eastern bypass for U.S. Route 29 around Charlottesville, Virginia. In conducting this evaluation, the Department shall review and catalog the land east of U.S. Route 29, consider the current traffic conditions on U.S. Route 29 in Charlottesville, meet with local business owners and employees of the University of Virginia and the University of Virginia Health System, and evaluate possible funding options for such development, including revenues from the potential sale of right of way properties acquired for the western bypass project that are not currently designated for other purposes. The Department shall complete its review by November 30, 2019 and provide a copy of its evaluation and recommendations to the Chairmen of the House Committees on Transportation and Appropriations and the Senate Committees on Transportation and Finance, no later than December 13, 2019."

Explanation:

(This amendment directs VDOT to review possible options for an eastern bypass for U.S. Route 29 around Charlottesville.)

Item 450 #1s

Transportation	FY18-19	FY19-20
Department of Transportation	(\$75,000,000)	\$0 GF

Language:

Page 465, line 19, strike "\$2,982,209,244" and insert "\$2,907,209,244".
Page 466, strike line 52 through line 53.
Page 467, strike line 1.

Explanation:

(This amendment reverses a proposed \$75.0 million GF deposit to the Virginia Transportation Infrastructure Bank.)

Item 453 #1s

Transportation	Language
Department of Transportation	

Language:

Page 468, line 29, after "." insert:
"It is the intent of the General Assembly that funds allocated by the Commonwealth Transportation Board for Recreational Access Roads in this Item shall be prioritized for handicapped accessibility improvements at Virginia State Parks, including improvements to handicapped access points and parking facility enhancements as may be requested by the Department of Conservation and Recreation."

Explanation:

(This amendment directs the Commonwealth Transportation Board to prioritize recreational access road funding for projects that improve handicapped access at State Park facilities.)

Item 464 #1s

Veterans and Defense Affairs	FY18-19	FY19-20
Secretary of Veterans and Defense Affairs	\$0	\$2,500,000 NGF

Language:

Page 480, line 10, strike "\$600,000" and insert "\$3,100,000".
Page 480, after line 36, insert:
"4. Included in this appropriation is \$2,500,000 the second year from nongeneral funds to be provided through an agreement with the City of Virginia Beach for construction of a new secure

gate to the Camp Pendleton State Military Reservation located in the City of Virginia Beach. An initial payment of \$2,500,000 shall be made by the City prior to June 30, 2020 and an additional payment of \$2,500,000 shall be made by the City prior to June 30, 2021. Pursuant to Executive Order 20 (2018), authorizing the transfer of administrative authority of the Department of Military Affairs from the Secretary of Public Safety and Homeland Security to the Secretary of Veterans and Defense Affairs, the Secretary of Veterans and Defense Affairs shall seek agreement with the City for the long-term lease of state-owned parcels totaling approximately 12 acres, more or less, and currently leased to the City for use as parking for the Virginia Aquarium and Marine Science Center and overflow Rudee Inlet boat ramp parking. The term of the lease shall be not less than 50 years with an additional 50-year option being available. Upon successful execution of the lease agreement, the City of Virginia Beach shall also provide for a new signal-controlled entrance to Camp Pendleton State Military Reservation aligned with the new secure gate. The Secretary of Veterans and Defense Affairs shall report to the Chairmen of the the House Committee on Appropriations and the Senate Committee on Finance on such projects and real property lease agreements executed from funds appropriated in this item by October 15th of each year until completion of the specified improvement projects."

Explanation:

(This amendment appropriates \$2.5 million NGF in FY 2020 with the expectation of an additional payment of \$2.5 million NGF in FY 2021 to be provided from City of Virginia Beach to harden access to Camp Pendelton in exchange for a minimum 50-year lease of property owned by the Commonwealth and currently leased to the City of Virginia Beach and used for overflow parking at the Virginia Aquarium.)

	Item 466 #1s	
Veterans and Defense Affairs	FY18-19	FY19-20
Department of Veterans Services	\$0	(\$1,094,692) GF

Language:

Page 481, line 14, strike "\$19,491,136" and insert "\$18,396,444".

Explanation:

(This amendment reverses proposed staffing increases in the Department of Veterans Services leaving an additional \$500,000 GF for additional positions in the Veterans Benefits Section.)

	Item 468 #1s	
Veterans and Defense Affairs	FY18-19	FY19-20
Department of Veterans Services	\$0	(\$140,000) GF

Language:

Page 482, line 38, strike "\$2,913,744" and insert "\$2,773,744".

Explanation:

(This amendment reverses funding for a new Deputy Director.)

Item 474 #1s

Central Appropriations

Central Appropriations

Language

Language:

Page 494, strike lines 1 through 12, and insert:

"O.1.a. In order to address the potential for stranded liability in the Virginia Retirement System, notwithstanding any other contrary provisions of the Appropriation Act or of § 51.1-145, institutions of higher education that have established their own optional retirement plan under § 51.1-126(B) shall pay, effective July 1, 2019, contributions to the employer's retirement allowance account in an amount equal to that portion of the state employer contribution rate designated to pay down the total unfunded accrued liability, for any positions existing as of December 31, 2013 that are subsequently converted from non-Optional Retirement Plan for Higher Education (ORPHE) eligible positions to ORPHE-eligible positions on or after January 1, 2014 and that are filled by an employee who elects to participate in the ORPHE. In meeting this obligation, each institution shall provide to the Virginia Retirement System by April 1 of each year a list of all positions converted from non-ORPHE eligible positions to ORPHE-eligible positions since January 1, 2014, and whether current employees in such positions have elected ORPHE participation.

b. Such contributions shall not be required for any new position established by the institution after January 1, 2014, that may be eligible for participation in the Optional Retirement Plan for Higher Education."

Explanation:

(This amendment requires a surcharge, which is currently 8.04 percent, beginning in FY 2020 for institutions of higher education, based on converting positions that were previously enrolled in a defined benefit or hybrid retirement program to a defined contribution program, to avoid stranding the existing unfunded liability for the Commonwealth's Virginia Retirement System.)

Item 474 #2s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	(\$40,183,237)	GF

Language:

Page 486, line 12, strike "\$239,537,205" and insert "\$199,353,968".
Page 497, strike lines 36 through 46.
Page 498, strike lines 1 through 39.

Explanation:

(This amendment redirects \$40.2 million GF in the second year, and removes language effectuating a one percent bonus for state employees and state-supported local employees, effective December 1, 2019.)

Item 474 #3s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	\$139,611	GF

Language:

Page 486, line 12, strike "\$239,537,205" and insert "\$239,676,816".
Page 496, line 31, strike "\$17,882,376" and insert "\$18,021,987".
Page 496, after line 29, insert:

"e. In addition to any other salary increase provided in this paragraph, general registrars shall receive an additional three percent salary increase, effective July 1, 2019."

Explanation:

(This amendment adds \$139,611 GF in the second year to provide an additional three percent increase to general registrars' salaries, effective July 1, 2019.)

Item 474 #4s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	\$650,000	GF

Language:

Page 486, line 12, strike "\$239,537,205" and insert "\$240,187,205".

Explanation:

(This amendment provides estimated funding of \$650,000 GF the second year related to the costs associated with adding certain types of cancers to the list of diseases with presumption of compensability, which impacts LODA costs. This is contingent upon passage of Senate Bill 1030 of the 2019 General Assembly.)

Item 474 #5s

Central Appropriations	FY18-19	FY19-20
Central Appropriations	\$0	(\$4,337,440) GF

Language:

Page 486, line 12, strike "\$239,537,205" and insert "\$235,199,765".

Page 490, line 14, strike "2.15%" and insert "1.66%".

Page 490, line 34, after "amounts" strike "on or before January 1, 2020" and insert "by no later than January 1, 2020, or an earlier date to be determined by the Virginia Retirement System in its sole discretion."

Page 490, line 36, strike "\$6" and insert "\$5".

Page 490, line 42, strike "\$180" and insert "\$150", and strike "\$6" and insert "\$5".

Page 490, line 43, strike "\$6" and insert "\$5".

Page 490, line 51, strike "\$4,445,107" and insert "\$2,222,556".

Page 491, line 17, strike "on or before January 1, 2020, and insert "by no later than January 1, 2020, or an earlier date to be determined by the Virginia Retirement System in its sole discretion."

Page 491, line 18, strike "\$5" and insert "\$3".

Page 491, line 23, strike "\$150" and insert "\$90", and strike "\$5" and insert "\$3".

Page 491, line 31, strike "\$3,701,056" and insert "\$1,586,167".

Page 491, line 34, strike "1.23" and insert "0.75".

Explanation:

(This amendment provides \$3.8 million GF in the second year to increase the retiree health insurance credit for public safety employees who retire under the State Police Officers' Retirement System (SPORS) and the Virginia Law Officers' Retirement System (VaLORS) with at least 15 years of creditable service, as well as a sheriff or deputy sheriff of any county or city who retires under the Virginia Retirement System with at least 15 years of creditable service, on or after January 1, 2020. For SPORS and VaLORS members, the credit increases from \$4 to \$5 per year of creditable service, and for sheriffs and their deputies, the credit increases from \$1.50 to \$3.00 per year of creditable service.)

Item 474 #6s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	(\$808,692)	GF

Language:

Page 486, line 12, strike "\$239,537,205" and insert "\$238,728,513".
Page 498, line 41, strike "and \$808,692 the second year".

Explanation:

(This amendment provides funding in the first year only as a final payment related to the employer's share of the University of Virginia's state employees' health care premium increases for those employees who participate in the university's health care plans.)

Item 474 #7s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	\$1,393,000	GF

Language:

Page 486, line 12, strike "\$239,537,205" and insert "\$240,930,205".

Explanation:

(This amendment provides \$1.4 million GF in the second year to support the costs to the Virginia Retirement System associated with SB 1023 of the 2019 General Assembly, related to return-to-work for retired law-enforcement employed as school security officers, contingent upon its final passage.)

Item 475 #1s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	(\$5,898,631)	GF

Language:

Page 498, line 46, strike "\$70,862,344" and insert "\$64,963,713".
Page 503, strike lines 55 through 57.
Page 504, strike lines 1 and 2.

Explanation:

(This amendment defers \$5.9 million GF in the second year related to reimbursing the

Department of Elections and localities for costs associated with the 2020 presidential primary.)

Item 475 #2s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	(\$250,000)	GF

Language:

Page 498, line 46, strike "\$70,862,344" and insert "\$70,612,344".

Page 504, strike lines 3 through 21.

Explanation:

(This amendment reverses \$250,000 GF in the second year and language to establish a Committee on Paid Family Leave Policy.)

Item 475 #3s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	\$3,000,000	GF

Language:

Page 498, line 46, strike "\$70,862,344" and insert "\$73,862,344".

Page 505, after line 1, insert:

"X. 1. a. Out of this appropriation, \$3,000,000 in the second year from the general fund is provided for procurement of an electronic records system at the Department of Corrections through the statewide contract Number VA-121107-SMU, managed by the Virginia Information Technologies Agency. The Director, Department of Planning and Budget, is authorized to transfer appropriation from this paragraph to the Department of Corrections contingent upon meeting the conditions in paragraph b or c.

b. The Department of Corrections shall award a contract for an electronic health records system for the women's correctional facilities by April 1, 2019. After the contract is awarded, and the vendor receives Enterprise Cloud Oversight Services certification by the Virginia Information Technologies Agency by July 1, 2019, the Department of Corrections may procure and implement a contract for all remaining secure correctional facilities through the statewide contract Number VA-121107-SMU on a unique domain.

c. If the Department of Corrections does not execute a contract for an electronic health records system for the women's correctional facilities as outlined in paragraph b, the funding in this

Item shall be made available for the Department of Corrections to procure and implement a contract for all secure correctional facilities through the statewide contract Number VA-121107-SMU on a unique domain."

Explanation:

(This amendment provides supplemental funding for the Department of Corrections to procure electronic health records systems for the men's facilities through the statewide VITA contract; or, in the event the current procurement for a system for women's facilities does not progress in a timely manner, for all facilities.)

Item 475 #4s

Central Appropriations

Central Appropriations

Language

Language:

Page 505, after line 1, insert:

"X. The Board of Corrections shall review the approval process, mechanisms for funding, and the appropriate amount of funding related to the state's share of the cost of constructing, expanding, or renovating local or regional jail or confinement facilities that fall outside the traditional model of jail facilities normally considered for approval by the Board of Corrections. Specific emphasis for the review shall be placed on secure facilities that may house offenders who require addiction treatment and recovery services, and for whom a non-conventional, but sufficiently secure, alternative confinement facility would be most beneficial and cost-effective. The Board of Corrections shall submit a report on its findings to the Chairmen of the Senate Finance and House Appropriations Committees no later than December 1, 2019."

Explanation:

(This amendment provides for a review of alternatives to traditional jail facilities approved by the Board of Corrections.)

Item 475 #5s

Central Appropriations

FY18-19

FY19-20

Central Appropriations

(\$6,000,000)

\$2,000,000 GF

Language:

Page 498, line 46, strike "\$43,637,316" and insert "\$37,637,316".

Page 498, line 46, strike "\$70,862,344" and insert "\$72,862,344".

Page 504, line 22, after "Item" strike the rest of the line, and insert "\$2,000,000 in each year from the general fund is included".

Page 504, after line 25, insert:

"Included in this appropriation is \$100,000 the second year to study the development and implementation of the Virginia Works Portal."

Explanation:

(This amendment provides \$2.0 million GF each year for an integrated workforce case management system.)

Item 475 #6s

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	(\$300,000)	GF

Language:

Page 498, line 46, strike "\$70,862,344" and insert "\$70,562,344".

Page 504, line 26, strike "\$8,300,000" and insert "\$8,000,000".

Explanation:

(This amendment allocates \$300,000 GF the second year to the higher education internship program under State Council for Higher Education in Virginia's budget.)

Item 486 #1s

Independent Agencies

Virginia Retirement System	Language
----------------------------	----------

Language:

Page 511, strike lines 37 through 42.

Explanation:

(This amendment removes proposed new language that would have changed the existing structure of the Board of Trustees to be comprised of 12 members, of which, three new members would be ex-officio, non-voting members, including the Secretary of Finance, or his designee; the staff director of the Senate Finance Committee or his/her designee; and the staff director of House Appropriations Committee, or his designee.)

Item 486 #2s

Independent Agencies	FY18-19	FY19-20	
Virginia Retirement System	\$282,627	\$0	NGF

Language:

Page 510, line 33, strike "\$17,175,128" and insert "\$17,457,755".

Explanation:

(This amendment provides \$282,627 NGF the first year for the Virginia Retirement System to implement the provisions of Senate Bill 1023 of the 2019 General Assembly, related to return-to-work for retired law-enforcement employed as school security officers, and contingent upon its final passage.)

Item 486 #3s

Independent Agencies	FY18-19	FY19-20
Virginia Retirement System	\$45,408	\$0 NGF

Language:

Page 510, line 33, strike "\$17,175,128" and insert "\$17,220,536".

Explanation:

(This amendment provides \$45,408 NGF the first year to implement the provisions of Senate Bill 1384 of the 2019 General Assembly related to the Judicial Retirement System, contingent upon its final passage.)

Item C-1.10 #1s

Administration	FY18-19	FY19-20
Department of General Services	(\$2,000,000)	\$0 GF
	\$2,000,000	\$0 NGF

Language:

Page 522, line 6, strike "General" and insert "Bond Proceeds".

Explanation:

(This amendment changes the source of funding for the improvements for the North Drive project at the Department of General Services from \$2.0 million GF in the first year to bond proceeds.)

Item C-7 #1s

Education	FY18-19	FY19-20	
James Madison University	\$0	\$310,000	NGF

Language:

Page 523, line 20, strike "\$0" and insert "\$310,000".

Page 523, after line 21, insert:

"James Madison University is authorized to exchange 0.83 acres of University-owned property located at 622 South Main Street, Harrisonburg, Virginia for 0.51 acres, including a 3,884 square foot improvement, located at 741 South Main Street, Harrisonburg, Virginia, owned by the Diocesan Missionary Society of Virginia. The University is further authorized to compensate the Diocesan Missionary Society of Virginia \$310,000 the second year from nongeneral funds."

Explanation:

(This amendment authorizes the exchange of University-owned property for property contiguous to campus owned by the Diocesan Missionary Society of Virginia. The university will compensate the society \$310,000 NGF for the property exchange.)

Item C-8.10 #1s

Education	FY18-19	FY19-20	
James Madison University	\$0	\$5,000,000	NGF

Language:

Page 523, after line 22, insert:

"C-8.10 Planning: Renovate and Expand Carrier Library	\$0	\$5,000,000	
Fund Sources: Nongeneral	\$0	\$5,000,000 "	

"James Madison University shall be reimbursed for the designated nongeneral funds used in this Item for detailed planning when the project is funded to move into the construction phase."

Explanation:

(This amendment provides \$5.0 million NGF for detailed planning for the Carrier Library. The project proposes upgrades throughout the entire 157,542 gross square feet of building systems and an additional 56,400 gross square feet of space.)

Item C-8.60 #1s

Education	FY18-19	FY19-20	
Longwood University	\$0	\$2,163,000	NGF

Language:

Page 523, after line 38, insert:

"C-8.60 New Construction: Wygal Hall Replacement	\$0	\$2,163,000	
Fund Sources: Nongeneral	\$0	\$2,163,000 "	

"Longwood University shall be reimbursed for the designated nongeneral funds used in this Item for detailed planning when the project is funded to move into the construction phase."

Explanation:

(This amendment provides nongeneral fund authority to proceed with detailed planning for the Wygal Hall Replacement project. Wygal Hall was constructed nearly 50 years ago and the University reports that it is in poor physical condition. This amendment would allow the University to be reimbursed for the use of nongeneral funds when the project is funded to move into the construction phase.)

Item C-13 #1s

Education	FY18-19	FY19-20	
University of Virginia	\$0	\$10,200,000	NGF

Language:

Page 525, line 17, strike "\$0" and insert "\$10,200,000".

Page 525, after line 17, insert:

"Fund Sources: Higher Education Operating \$0 \$2,600,000".

Page 525, line 18, after "\$31,441,000" insert "\$7,600,000".

Explanation:

(This amendment provides \$7.6 million in bond proceeds and \$2.6 million in higher education operating NGF in the second year as a project supplement, for a total project cost of \$197.0 million for the Gilmer Hall and Chemistry renovation project at the University of Virginia. Additional resources are necessary due to higher than anticipated project costs.)

Item C-13.10 #1s

Education

Virginia Commonwealth University

Language

Language:

Page 525, line 35, prior to the "." insert "and adding a premium of 25 percent to the averaged appraised value".

Explanation:

(This amendment adjusts the language related to the future acquisition of the Virginia Alcoholic Beverage Control Authority property on Hermitage Road in the City of Richmond, Virginia.)

Item C-13.20 #1s

Education	FY18-19	FY19-20
Virginia Commonwealth University	\$6,541,000	\$0 NGF

Language:

Page 525, after line 42, insert:

"C-13.20 New Construction: Construct School of Engineering Research Expansion (18243)	\$6,541,000	\$0
Fund Sources: Bond Proceeds	\$6,541,000	\$0 "

Explanation:

(This amendment provides \$6.5 million of 9(D) Revenue Bonds to support construction of the Engineering Research Expansion capital project authorized under § 1.B.2 of Chapter 759 (2016) and in Item C-19 of Chapter 1 (2018) for Virginia Commonwealth University. The requested debt authorization replaces interim financing through indirect cost recovery funds. The University states that there is no increase in the total cost of the project.)

Item C-25 #1s

Natural Resources

Department of Conservation and Recreation	Language
---	----------

Language:

Page 528, line 39, after "Parks.", strike "In addition, the department is authorized to accept donations of property to".

Page 528, line 40, strike "develop a state park within Loudoun County."

Explanation:

(This amendment eliminates the proposed authorization for the Department of Conservation and Recreation to accept land to develop a new state park in Loudoun County.)

Item C-34.10 #1s

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of State Police	\$0	(\$92,151,000)	NGF

Language:

Page 531, line 3, strike "\$132,151,000" and insert "\$40,000,000".
Page 531, line 4, strike "\$132,151,000" and insert "\$40,000,000".
Page 531, strike lines 5 through 11 and insert:

"It is the intent of the General Assembly that this appropriation is the first of a four year allocation to implement an upgrade program for the Statewide Agencies Radio System (STARS) project. It may consist of, but is not limited to, land; mobile telecommunications equipment and towers; software; radio frequency rights and licenses; communications control buildings and facilities; related infrastructure; program management; and other project costs necessary, incidental or convenient to undertake, acquire, develop, construct, upgrade, and equip the integrated statewide shared land-mobile radio communications system for the Commonwealth."

Explanation:

(This amendment provides \$40 million in bond proceeds in the second year to implement an upgrade of the Statewide Agencies Radio System (STARS) project over the next four years.)

Item C-44.20 #1s

Central Appropriations	FY18-19	FY19-20	
Central Capital Outlay	(\$10,358,000)	\$0	GF

Language:

Page 538, line 28, strike "\$29,591,000" and insert "\$19,233,000".
Page 538, line 30, strike "\$29,591,000" and insert "\$19,233,000".
Page 538, strike lines 41-45.
Page 538, after line 43, insert:
"239 Frontier Culture Museum of Virginia Construct Crossing Gallery".
Page 538, strike lines 48-49.

Page 539, strike lines 1-5.

Explanation:

(This amendment reallocates almost \$10.4 million GF from the planning pool in the first year by reducing the number of proposed new planning projects that were included in the introduced

budget and including one new project.)

Item C-47 #1s

Central Appropriations

Central Capital Outlay

Language

Language:

Page 541, strike lines 37-50.

Page 541, line 51, strike "c. In addition, the" and insert "3.a. The".

Page 542, line 7, strike "d." and insert "b.".

Page 542, strike lines 9-11.

Explanation:

(This amendment eliminates prior language related to a Department of General Services report and the possible location of a second juvenile justice facility.)

Item C-48.10 #1s

Central Appropriations

FY18-19

FY19-20

Central Capital Outlay

\$0

(\$4,100,000) NGF

Language:

Page 543, line 14, strike "\$131,982,000" and insert "\$127,882,000".

Page 543, line 16, strike "\$121,466,000" and insert "\$117,366,000".

Page 543, line 24, strike "\$121,466,000" and insert "\$117,366,000".

Page 544, line 10, strike "96,466,000" and insert "\$92,366,000"

Page 544, strike lines 29-30.

Page 544, after line 28, insert:

"720 Department of Behavioral Health and Developmental Services Renovate Kitchen Facilities, Eastern State Hospital".

Explanation:

(This amendment reduces bond proceeds by \$4.1 million in the second year for the 2019 Capital Construction Pool and changes authorization related to two projects at the Department of Behavioral Health and Developmental Services.)

Item C-49.10 #1s

Central Appropriations

Language:

Page 545, after line 41, insert:

"C. George Mason University is authorized to use nongeneral funds to demolish the Arlington Original Building and related storm drain relocation at its Arlington Campus as an initial step in its commitment to construct a future academic and research facility to house its School of Computing, Institute for Digital Innovation, and Incubation Hub consistent with provisions of Item 475, paragraph W of this act."

Explanation:

(This amendment authorizes George Mason University to use nongeneral funds to demolish the Arlington Original Building and related storm drain relocation at its Arlington Campus as part of efforts to prepare for a future facility consistent with the provisions of Item 475, paragraph W of this act.)

Item C-53 #1s

Central Appropriations

9(D) Revenue Bonds

Language

Language:

Page 548, line 26, strike "\$218,153,000" and insert "\$224,694,000".

Page 549, after line 11, insert "Virginia Commonwealth University (236) Construct School of Engineering Research Expansion C-13.20 18243 \$6,541,000".

Page 549, line 20, strike "\$218,153,000" and insert "\$224,694,000".

Explanation:

(This amendment updates the 9(D) Revenue Bond table to reflect the actions in Item C-13.20.)

Item 3-1.01 #1s

Transfers

Interfund Transfers

Language

Language:

Page 560, line 10, unstrike "and an additional \$2,000,000 on or before June 30, 2020".

Explanation:

(This amendment restores the second-year transfer of \$2.0 million from Communications Sales and Use Tax revenues to the general fund, after payments (i) to the Department of Deaf and

Hard-of-Hearing for telephone relay services, and (ii) to localities for any franchise fee amounts due. The 2018 Appropriation Act included a transfer of \$2.0 million each year, representing savings from the decline in the cost of the telecommunications relay services contract.)

Item 3-1.01 #2s

Transfers

Interfund Transfers

Language

Language:

Page 552, line 7 strike "112,900,000" and insert "\$114,900,000."

Line 7 strike "\$117,200,000" and insert "\$120,000,000."

Explanation:

(This amendment increases ABC GF net profit transfers, based on above-target year-to-date sales.)

Item 3-5.15 #1s

Adjustments and Modifications to Tax Collections

Provider Coverage Assessment

Language

Language:

Page 565, strike lines 34 through 53.

Page 566, strike lines 1 through 52.

Page 567, strike lines 1 through 22, and insert:

"§ 3-5.15 Not Set Out."

Explanation:

(This amendment modifies the introduced budget bill (SB 1100) such that § 3-5.15 is not set out and therefore reflects the original language in Chapter 2, 2018 Special Session I, Acts of Assembly. This section will not be set out in the enrolled version of the bill.)

Item 3-5.16 #1s

Adjustments and Modifications to Tax Collections

Provider Payment Rate Assessment

Language

Language:

Page 567, strike lines 23 through 56.

Page 568, strike lines 1 through 53.
Page 569, strike lines 1 through 38, and insert:
"§ 3-5.16 Not Set Out."

Explanation:

(This amendment modifies the introduced budget bill (SB 1100) such that § 3-5.16 is not set out and therefore reflects the original language in Chapter 2, 2018 Special Session I, Acts of Assembly. This section will not be set out in the enrolled version of the bill.)

Item 3-5.17 #1s

Adjustments and Modifications to Tax Collections

Tobacco Tax Study

Language

Language:

Page 569, line 40, strike "study" and insert "continue studying".
Page 569, line 46, strike "2018" and insert "2019".

Explanation:

(This amendment extends, from November 2018 to November 2019, the conclusion of a study by the Joint Subcommittee to Evaluate Tax Preferences of options for the modernization of cigarette taxes and possible reforms to the taxation of tobacco products that will provide fairness and equity for all local governments.)

Item 3-5.20 #1s

Adjustments and Modifications to Tax Collections

Refundable Earned Income Tax Credit

Language

Language:

Page 570, strike lines 4 through 8.

Explanation:

(This amendment strikes language that would allow taxpayers who claim the Virginia Earned Income Tax Credit, to receive a refund for the amount of credit in excess of the taxpayer's tax liability.)

Item 4-2.01 #1s

Revenues

Language:

Page 579, line 50, after "three percent" insert ", subject to annual approval by the University's Board of Visitors,"

Page 579, at the end of line 51, insert "This exemption shall apply to the period beginning in fiscal year 2020 and extending through the end of fiscal year 2024."

Explanation:

(This amendment limits authority for Mary Washington University to exceed three percent adjustments to mandatory fees in auxiliary programs to FY 2020 through FY 2024.)

Item 4-4.01 #1s

Capital Projects

General

Language

Language:

Page 586, at the end of line 19, insert:

"Concurrent with submitting the report on the use of maintenance reserve funding and in possible consideration of future capital outlay requests, each higher education institution may provide, to the extent the information is available, the following: (1) a list of all their deferred maintenance with the cost estimates of each item and whether the item is either "energy related" or "non-energy related"; (2) a report on their energy expenditures; and (3) a comprehensive deferred maintenance strategy list and timelines for completion that utilize efficient resources from either internal or external sources."

Explanation:

(This amendment requests additional deferred maintenance and expenditure reporting including energy use and expenditures by institutions of higher education. This information can be considered in future capital outlay requests.)

Item 4-5.10 #1s

Special Conditions and Restrictions on Expenditures

Surplus Property Transfers for Economic Development

Language

Language:

Page 601, after line 45, insert:

"e. Prior to July 1, 2019, and notwithstanding any provision of law to the contrary, the Department of General Services shall convey approximately 80 acres, more or less, of surplus

state property located in York County, Virginia to the Eastern Virginia Regional Industrial Development Authority for an amount not to exceed \$1,350,000. Prior to execution of the property transfer, the Department shall provide to the Eastern Virginia Regional Industrial Development Authority certified copies of the two most recent state appraisals for the existing state owned property, and in no case shall the transaction price exceed the average of the two most recent state appraisals.

1. The Eastern Virginia Regional Industrial Development Authority is authorized to convey the property rights of approximately 80 acres to the operator of a 20 megawatt solar facility at an amount deemed sufficient, but in no case more than \$1,000,000.

2. Any remaining and abutting state-controlled acreage shall be made available to the Eastern Virginia Regional Industrial Development Authority for an amount not to exceed \$350,000 upon condition that half of the proceeds of any future land sale, less any infrastructure development costs incurred by the Eastern Virginia Regional Industrial Development Authority, will be returned to the Commonwealth and deposited to the General Fund. In no case shall the Eastern Virginia Regional Industrial Development Authority sell any parcel of the former state-controlled lands to entities other than unmanned systems companies or companies locating to the Hampton Roads Unmanned Systems Park."

Explanation:

(This amendment authorizes the sale of state controlled land to the Eastern Virginia Regional Industrial Development Authority for development of the Hampton Roads Unmanned Systems Park in York County, Virginia. The new facility will provide an open area and infrastructure for use by public institutions, private companies and individuals to develop, test and demonstrate unmanned systems.)

Item 4-6.01 #1s

Special Conditions and Restrictions on Expenditures

Employee Compensation

Language

Language:

Page 607, unstrike line 21, and replace the second and third occurrence of "\$90,537" with "\$92,348".

Page 607, strike line 37.

Explanation:

(This amendment addresses a technical error by moving the Director of Gunston Hall back to the Level IV Range from the Level V range of the agency head salary tables.)

Special Conditions and Restrictions on Expenditures

Employee Compensation

Language

Language:

Page 607, line 17, strike "Secretary" and unstrike "Commissioner".

Explanation:

(This amendment corrects an error in the agency head salary table. The title of the Commissioner of Elections was erroneously changed to Secretary of Elections.)

Special Conditions and Restrictions on Expenditures

Higher Education Employment and Benefit Restrictions

Language

Language:

Page 614, after line 6, insert:

"4-6.07 HIGHER EDUCATION EMPLOYMENT AND BENEFIT RESTRICTIONS

No baccalaureate public institution of higher education shall employ an individual appointed by the Governor to the Board of Visitors of such institution within two years of the expiration of his term. Such prohibition shall not apply to the employment of an individual to serve as an institution president or, in the case of Virginia Military Institute, the Superintendent."

Explanation:

(This amendment is self-explanatory.)

Effective Date

Additional Enactments

Language

Language:

Page 630, strike lines 47 through 49.

Page 631, strike lines 1 through 47.

Page 632, strike lines 1 through 6.

Explanation:

(This amendment removes language proposed by the Governor that would amend the Code of Virginia by adding in Chapter 6 of Title 58.1 sections numbered 58.1-612.1 and 58.1-612.2. These changes included in the introduced budget would establish economic nexus as the criteria for collecting retail sales and use tax and would require certain remote sellers and marketplace facilitators to collect the tax. The language proposed by the Governor in the introduced budget is in conflict with Senate Bill 1083 which passed the Senate.)

Item 4-14 #2s

Effective Date

Additional Enactments

Language

Language:

Page 630, strike lines 8 through 46, and insert:

"6. That §§ 58.1-301, 58.1-322.02, 58.1-322.03, and 58.1-402 of the Code of Virginia are 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 ~~February 9~~ *December 31, 2018*, 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; *and*
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 the taxable year shall be fully included in the taxpayer's Virginia taxable income for the taxable year, unless the taxpayer elects to include such income in the taxpayer's Virginia taxable income ratably over a three-taxable-year period beginning with taxable year 2009 for transactions completed in taxable year 2009, or over a three-taxable-year period beginning with taxable year 2010 for transactions completed in taxable year 2010 on or before April 21, 2010. For purposes of such election, all other provisions of § 108(i) of the

Internal Revenue Code 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, two-thirds of the amount deducted pursuant to § 199 of the Internal Revenue Code for federal income tax purposes during the taxable year may be deducted for Virginia income tax purposes for taxable years beginning on and after January 1, 2010. For taxable years beginning on and after January 1, 2013, the entire amount of the deduction allowed for domestic production activities pursuant to § 199 of the Internal Revenue Code may be deducted for Virginia income tax purposes;~~

~~6. The provisions of the Tax Cuts and Jobs Act (the Act) enacted December 22, 2017, as Public Law 115-97, provided, however, that this exception shall not apply to the following:~~

~~a. Treatment of certain individuals performing services in the Sinai Peninsula of Egypt pursuant to § 11026 of the Act;~~

~~b. Relief for 2016 disaster areas pursuant to § 11028 of the Act;~~

~~c. Any other provision of the Act that affects the computation of federal adjusted gross income of individuals or federal taxable income of corporations for taxable years beginning after December 31, 2016, and before January 1, 2018, other than the temporary reduction in the medical expense deduction floor pursuant to § 11027 of the Act; and~~

~~7. The provisions of the Bipartisan Budget Act of 2018 enacted February 9, 2018, as Public Law 115-123, that affect any taxable year other than a taxable year beginning after December 31, 2016, and before January 1, 2018.~~

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.).

§ 58.1-322.02. Virginia taxable income; subtractions.

In computing Virginia taxable income pursuant to § 58.1-322, to the extent included in federal adjusted gross income, there shall be subtracted:

1. Income derived from obligations, or on the sale or exchange of obligations, of the United States and on obligations or securities of any authority, commission, or instrumentality of the United States to the extent exempt from state income taxes under the laws of the United States, including, but not limited to, stocks, bonds, treasury bills, and treasury notes but not including interest on refunds of federal taxes, interest on equipment purchase contracts, or interest on other normal business transactions.

2. Income derived from obligations, or on the sale or exchange of obligations, of the Commonwealth or of any political subdivision or instrumentality of the Commonwealth.

3. Benefits received under Title II of the Social Security Act and other benefits subject to federal income taxation solely pursuant to § 86 of the Internal Revenue Code.

4. Up to \$20,000 of disability income, as defined in § 22(c)(2)(B)(iii) of the Internal Revenue Code; however, any person who claims a deduction under subdivision 5 of § 58.1-322.03 may

not also claim a subtraction under this subdivision.

5. The amount of any refund or credit for overpayment of income taxes imposed by the Commonwealth or any other taxing jurisdiction.

6. The amount of wages or salaries eligible for the federal Work Opportunity Credit which was not deducted for federal purposes on account of the provisions of § 280C(a) of the Internal Revenue Code.

7. Any amount included therein less than \$600 from a prize awarded by the Virginia Lottery.

8. The wages or salaries received by any person for active and inactive service in the National Guard of the Commonwealth of Virginia, not to exceed the amount of income derived from 39 calendar days of such service or \$3,000, whichever amount is less; however, only those persons in the ranks of O3 and below shall be entitled to the deductions specified in this subdivision.

9. Amounts received by an individual, not to exceed \$1,000 in any taxable year, as a reward for information provided to a law-enforcement official or agency, or to a nonprofit corporation created exclusively to assist such law-enforcement official or agency, in the apprehension and conviction of perpetrators of crimes. This subdivision shall not apply to the following: an individual who is an employee of, or under contract with, a law-enforcement agency, a victim or the perpetrator of the crime for which the reward was paid, or any person who is compensated for the investigation of crimes or accidents.

10. The amount of "qualified research expenses" or "basic research expenses" eligible for deduction for federal purposes, but which were not deducted, on account of the provisions of § 280C(c) of the Internal Revenue Code and which shall be available to partners, shareholders of S corporations, and members of limited liability companies to the extent and in the same manner as other deductions may pass through to such partners, shareholders, and members.

11. Any income received during the taxable year derived from a qualified pension, profit-sharing, or stock bonus plan as described by § 401 of the Internal Revenue Code, an individual retirement account or annuity established under § 408 of the Internal Revenue Code, a deferred compensation plan as defined by § 457 of the Internal Revenue Code, or any federal government retirement program, the contributions to which were deductible from the taxpayer's federal adjusted gross income, but only to the extent the contributions to such plan or program were subject to taxation under the income tax in another state.

12. Any income attributable to a distribution of benefits or a refund from a prepaid tuition contract or savings trust account with the Virginia College Savings Plan, created pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1. The subtraction for any income attributable to a refund shall be limited to income attributable to a refund in the event of a beneficiary's death, disability, or receipt of a scholarship.

13. All military pay and allowances, to the extent included in federal adjusted gross income and not otherwise subtracted, deducted, or exempted under this section, earned by military personnel while serving by order of the President of the United States with the consent of Congress in a combat zone or qualified hazardous duty area that is treated as a combat zone for federal tax purposes pursuant to § 112 of the Internal Revenue Code.

14. For taxable years beginning before January 1, 2015, the gain derived from the sale or exchange of real property or the sale or exchange of an easement to real property which results in the real property or the easement thereto being devoted to open-space use, as that term is

defined in § 58.1-3230, for a period of time not less than 30 years. To the extent that a subtraction is taken in accordance with this subdivision, no tax credit under this chapter for donating land for its preservation shall be allowed for three years following the year in which the subtraction is taken.

15. Fifteen thousand dollars of military basic pay for military service personnel on extended active duty for periods in excess of 90 days; however, the subtraction amount shall be reduced dollar-for-dollar by the amount by which the taxpayer's military basic pay exceeds \$15,000 and shall be reduced to zero if such military basic pay amount is equal to or exceeds \$30,000.

16. The first \$15,000 of salary for each federal and state employee whose total annual salary from all employment for the taxable year is \$15,000 or less.

17. Unemployment benefits taxable pursuant to § 85 of the Internal Revenue Code.

18. Any amount received as military retirement income by an individual awarded the Congressional Medal of Honor.

19. Items of income attributable to, derived from, or in any way related to (i) assets stolen from, hidden from, or otherwise lost by an individual who was a victim or target of Nazi persecution or (ii) damages, reparations, or other consideration received by a victim or target of Nazi persecution to compensate such individual for performing labor against his will under the threat of death, during World War II and its prelude and direct aftermath. This subtraction shall not apply to assets acquired with such items of income or with the proceeds from the sale of assets stolen from, hidden from, or otherwise lost to, during World War II and its prelude and direct aftermath, a victim or target of Nazi persecution. The provisions of this subdivision shall only apply to an individual who was the first recipient of such items of income and who was a victim or target of Nazi persecution, or a spouse, widow, widower, or child or stepchild of such victim. As used in this subdivision:

"Nazi regime" means the country of Nazi Germany, areas occupied by Nazi Germany, those European countries allied with Nazi Germany, or any other neutral European country or area in Europe under the influence or threat of Nazi invasion.

"Victim or target of Nazi persecution" means any individual persecuted or targeted for persecution by the Nazi regime who had assets stolen from, hidden from, or otherwise lost as a result of any act or omission in any way relating to (i) the Holocaust, (ii) World War II and its prelude and direct aftermath, (iii) transactions with or actions of the Nazi regime, (iv) treatment of refugees fleeing Nazi persecution, or (v) the holding of such assets by entities or persons in the Swiss Confederation during World War II and its prelude and aftermath. A "victim or target of Nazi persecution" also includes any individual forced into labor against his will, under the threat of death, during World War II and its prelude and direct aftermath.

20. The military death gratuity payment made after September 11, 2001, to the survivor of deceased military personnel killed in the line of duty, pursuant to 10 U.S.C. Chapter 75; however, the subtraction amount shall be reduced dollar-for-dollar by the amount that the survivor may exclude from his federal gross income in accordance with § 134 of the Internal Revenue Code.

21. The death benefit payments from an annuity contract that are received by a beneficiary of such contract, provided that (i) the death benefit payment is made pursuant to an annuity contract with an insurance company and (ii) the death benefit payment is paid solely by lump

sum. The subtraction under this subdivision shall be allowed only for that portion of the death benefit payment that is included in federal adjusted gross income.

22. Any gain recognized from the sale of launch services to space flight participants, as defined in 49 U.S.C. § 70102, or launch services intended to provide individuals with the training or experience of a launch, without performing an actual launch. To qualify for a deduction under this subdivision, launch services must be performed in Virginia or originate from an airport or spaceport in Virginia.

23. Any gain recognized as a result of resupply services contracts for delivering payload, as defined in 49 U.S.C. § 70102, entered into with the Commercial Orbital Transportation Services division of the National Aeronautics and Space Administration or other space flight entity, as defined in § 8.01-227.8, and launched from an airport or spaceport in Virginia.

24. Any income taxed as a long-term capital gain for federal income tax purposes, or any income taxed as investment services partnership interest income (otherwise known as investment partnership carried interest income) for federal income tax purposes. To qualify for a subtraction under this subdivision, such income shall be attributable to an investment in a "qualified business," as defined in § 58.1-339.4, or in any other technology business approved by the Secretary of Technology, provided that the business has its principal office or facility in the Commonwealth and less than \$3 million in annual revenues in the fiscal year prior to the investment. To qualify for a subtraction under this subdivision, the investment shall be made between the dates of April 1, 2010, and June 30, 2020. No taxpayer who has claimed a tax credit for an investment in a "qualified business" under § 58.1-339.4 shall be eligible for the subtraction under this subdivision for an investment in the same business.

25. For taxable years beginning on and after January 1, 2014, any income of an account holder for the taxable year taxed as (i) a capital gain for federal income tax purposes attributable to such person's first-time home buyer savings account established pursuant to Chapter 32 (§ 55-555 et seq.) of Title 55 and (ii) interest income or other income for federal income tax purposes attributable to such person's first-time home buyer savings account.

Notwithstanding the statute of limitations on assessments contained in § 58.1-312, any subtraction taken under this subdivision shall be subject to recapture in the taxable year or years in which moneys or funds withdrawn from the first-time home buyer savings account were used for any purpose other than the payment of eligible costs by or on behalf of a qualified beneficiary, as provided under § 55-558. The amount subject to recapture shall be a portion of the amount withdrawn in the taxable year that was used for other than the payment of eligible costs, computed by multiplying the amount withdrawn and used for other than the payment of eligible costs by the ratio of the aggregate earnings in the account at the time of the withdrawal to the total balance in the account at such time.

However, recapture shall not apply to the extent of moneys or funds withdrawn that were (i) withdrawn by reason of the qualified beneficiary's death or disability; (ii) a disbursement of assets of the account pursuant to a filing for protection under the United States Bankruptcy Code, 11 U.S.C. §§ 101 through 1330; or (iii) transferred from an account established pursuant to Chapter 32 (§ 55-555 et seq.) of Title 55 into another account established pursuant to such chapter for the benefit of another qualified beneficiary.

For purposes of this subdivision, "account holder," "eligible costs," "first-time home buyer

savings account," and "qualified beneficiary" mean the same as those terms are defined in § 55-555.

26. For taxable years beginning on and after January 1, 2015, any income for the taxable year attributable to the discharge of a student loan solely by reason of the student's death. For purposes of this subdivision, "student loan" means the same as that term is defined under § 108(f) of the Internal Revenue Code.

27. a. Income, including investment services partnership interest income (otherwise known as investment partnership carried interest income), attributable to an investment in a Virginia venture capital account. To qualify for a subtraction under this subdivision, the investment shall be made on or after January 1, 2018, but before December 31, 2023. No subtraction shall be allowed under this subdivision for an investment in a company that is owned or operated by a family member or an affiliate of the taxpayer. No subtraction shall be allowed under this subdivision for a taxpayer who has claimed a subtraction under subdivision 24 or a tax credit under § 58.1-339.4 for the same investment.

b. As used in this subdivision 27:

"Qualified portfolio company" means a company that (i) has its principal place of business in the Commonwealth; (ii) has a primary purpose of production, sale, research, or development of a product or service other than the management or investment of capital; and (iii) provides equity in the company to the Virginia venture capital account in exchange for a capital investment. "Qualified portfolio company" does not include a company that is an individual or sole proprietorship.

"Virginia venture capital account" means an investment fund that has been certified by the Department as a Virginia venture capital account. In order to be certified as a Virginia venture capital account, the operator of the investment fund shall register the investment fund with the Department prior to December 31, 2023, (i) indicating that it intends to invest at least 50 percent of the capital committed to its fund in qualified portfolio companies and (ii) providing documentation that it employs at least one investor who has at least four years of professional experience in venture capital investment or substantially equivalent experience. "Substantially equivalent experience" includes, but is not limited to, an undergraduate degree from an accredited college or university in economics, finance, or a similar field of study. The Department may require an investment fund to provide documentation of the investor's training, education, or experience as deemed necessary by the Department to determine substantial equivalency. If the Department determines that the investment fund employs at least one investor with the experience set forth herein, the Department shall certify the investment fund as a Virginia venture capital account at such time as the investment fund actually invests at least 50 percent of the capital committed to its fund in qualified portfolio companies.

28. a. Income attributable to an investment in a Virginia real estate investment trust. To qualify for a subtraction under this subdivision, the investment shall be made on or after January 1, 2019, but before December 31, 2024. No subtraction shall be allowed for an investment in a trust that is managed by a family member or an affiliate of the taxpayer. No subtraction shall be allowed under this subdivision for a taxpayer who has claimed a subtraction under subdivision 24 or 27 or a tax credit under § 58.1-339.4 for the same investment.

b. As used in this subdivision 28:

"Distressed" means satisfying the criteria applicable to a locality described in subdivision E 2 of § 2.2-115.

"Double distressed" means satisfying the criteria applicable to a locality described in subdivision E 3 of § 2.2-115.

"Virginia real estate investment trust" means a real estate investment trust, as defined in 26 U.S.C. § 856, that has been certified by the Department as a Virginia real estate investment trust. In order to be certified as a Virginia real estate investment trust, the trustee shall register the trust with the Department prior to December 31, 2024, indicating that it intends to invest at least 90 percent of trust funds in Virginia and at least 40 percent of trust funds in real estate in localities that are distressed or double distressed. If the Department determines that the trust satisfies the preceding criteria, the Department shall certify the trust as a Virginia real estate investment trust at such time as the trust actually invests at least 90 percent of trust funds in Virginia and at least 40 percent of trust funds in real estate in localities that are distressed or double distressed.

29. *For taxable years beginning on and after January 1, 2018, 20 percent of business interest disallowed as a deduction pursuant to § 163(j) of the Internal Revenue Code. For purposes of this subdivision, "business interest" means the same as that term is defined under § 163(j) of the Internal Revenue Code.*

§ 58.1-322.03. Virginia taxable income; deductions.

In computing Virginia taxable income pursuant to § 58.1-322, there shall be deducted from Virginia adjusted gross income as defined in § 58.1-321:

1. a. The amount allowable for itemized deductions for federal income tax purposes where the taxpayer has elected for the taxable year to itemize deductions on his federal return, but reduced by the amount of income taxes imposed by the Commonwealth or any other taxing jurisdiction and deducted on such federal return and increased by an amount that, when added to the amount deducted under § 170 of the Internal Revenue Code for mileage, results in a mileage deduction at the state level for such purposes at a rate of 18 cents per mile; or

b. ~~Three thousand dollars for single individuals and \$6,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return), provided~~ *Provided* that the taxpayer has not itemized deductions for the taxable year on his federal income tax return: (i) *for taxable years beginning before January 1, 2019, and on and after January 1, 2026, \$3,000 for single individuals and \$6,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return) and (ii) for taxable years beginning on and after January 1, 2019, but before January 1, 2026, \$4,500 for single individuals and \$9,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return).* For purposes of this section, any person who may be claimed as a dependent on another taxpayer's return for the taxable year may compute the deduction only with respect to earned income.

2. a. A deduction in the amount of \$930 for each personal exemption allowable to the taxpayer for federal income tax purposes.

b. Each blind or aged taxpayer as defined under § 63(f) of the Internal Revenue Code shall be

entitled to an additional personal exemption in the amount of \$800.

The additional deduction for blind or aged taxpayers allowed under this subdivision shall be allowable regardless of whether the taxpayer itemizes deductions for the taxable year for federal income tax purposes.

3. A deduction equal to the amount of employment-related expenses upon which the federal credit is based under § 21 of the Internal Revenue Code for expenses for household and dependent care services necessary for gainful employment.

4. An additional \$1,000 deduction for each child residing for the entire taxable year in a home under permanent foster care placement as defined in § 63.2-908, provided that the taxpayer can also claim the child as a personal exemption under § 151 of the Internal Revenue Code.

5. a. A deduction in the amount of \$12,000 for individuals born on or before January 1, 1939.

b. A deduction in the amount of \$12,000 for individuals born after January 1, 1939, who have attained the age of 65. This deduction shall be reduced by \$1 for every \$1 that the taxpayer's adjusted federal adjusted gross income exceeds \$50,000 for single taxpayers or \$75,000 for married taxpayers. For married taxpayers filing separately, the deduction shall be reduced by \$1 for every \$1 that the total combined adjusted federal adjusted gross income of both spouses exceeds \$75,000.

For the purposes of this subdivision, "adjusted federal adjusted gross income" means federal adjusted gross income minus any benefits received under Title II of the Social Security Act and other benefits subject to federal income taxation solely pursuant to § 86 of the Internal Revenue Code, as amended.

6. The amount an individual pays as a fee for an initial screening to become a possible bone marrow donor, if (i) the individual is not reimbursed for such fee or (ii) the individual has not claimed a deduction for the payment of such fee on his federal income tax return.

7. a. A deduction shall be allowed to the purchaser or contributor for the amount paid or contributed during the taxable year for a prepaid tuition contract or college savings trust account entered into with the Virginia College Savings Plan, pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1. Except as provided in subdivision b, the amount deducted on any individual income tax return in any taxable year shall be limited to \$4,000 per prepaid tuition contract or college savings trust account. No deduction shall be allowed pursuant to this subdivision 7 if such payments or contributions are deducted on the purchaser's or contributor's federal income tax return. If the purchase price or annual contribution to a college savings trust account exceeds \$4,000, the remainder may be carried forward and subtracted in future taxable years until the purchase price or college savings trust contribution has been fully deducted; however, except as provided in subdivision b, in no event shall the amount deducted in any taxable year exceed \$4,000 per contract or college savings trust account. Notwithstanding the statute of limitations on assessments contained in § 58.1-312, any deduction taken hereunder shall be subject to recapture in the taxable year or years in which distributions or refunds are made for any reason other than (i) to pay qualified higher education expenses, as defined in § 529 of the Internal Revenue Code or (ii) the beneficiary's death, disability, or receipt of a scholarship. For the purposes of this subdivision, "purchaser" or "contributor" means the person shown as such on the records of the Virginia College Savings Plan as of December 31 of the taxable year. In the case of a transfer of ownership of a prepaid tuition contract or college savings trust account, the

transferee shall succeed to the transferor's tax attributes associated with a prepaid tuition contract or college savings trust account, including, but not limited to, carryover and recapture of deductions.

b. A purchaser of a prepaid tuition contract or contributor to a college savings trust account who has attained age 70 shall not be subject to the limitation that the amount of the deduction not exceed \$4,000 per prepaid tuition contract or college savings trust account in any taxable year. Such taxpayer shall be allowed a deduction for the full amount paid for the contract or contributed to a college savings trust account, less any amounts previously deducted.

8. The total amount an individual actually contributed in funds to the Virginia Public School Construction Grants Program and Fund, established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1, provided that the individual has not claimed a deduction for such amount on his federal income tax return.

9. An amount equal to 20 percent of the tuition costs incurred by an individual employed as a primary or secondary school teacher licensed pursuant to Chapter 15 (§ 22.1-289.1 et seq.) of Title 22.1 to attend continuing teacher education courses that are required as a condition of employment; however, the deduction provided by this subdivision shall be available only if (i) the individual is not reimbursed for such tuition costs and (ii) the individual has not claimed a deduction for the payment of such tuition costs on his federal income tax return.

10. The amount an individual pays annually in premiums for long-term health care insurance, provided that the individual has not claimed a deduction for federal income tax purposes, or, for taxable years beginning before January 1, 2014, a credit under § 58.1-339.11. For taxable years beginning on and after January 1, 2014, no such deduction for long-term health care insurance premiums paid by the individual during the taxable year shall be allowed if the individual has claimed a federal income tax deduction for such taxable year for long-term health care insurance premiums paid by him.

11. Contract payments to a producer of quota tobacco or a tobacco quota holder, or their spouses, as provided under the American Jobs Creation Act of 2004 (P.L. 108-357), but only to the extent that such payments have not been subtracted pursuant to subsection D of § 58.1-402, as follows:

a. If the payment is received in installment payments, then the recognized gain may be subtracted in the taxable year immediately following the year in which the installment payment is received.

b. If the payment is received in a single payment, then 10 percent of the recognized gain may be subtracted in the taxable year immediately following the year in which the single payment is received. The taxpayer may then deduct an equal amount in each of the nine succeeding taxable years.

12. An amount equal to 20 percent of the sum paid by an individual pursuant to Chapter 6 (§ 58.1-600 et seq.), not to exceed \$500 in each taxable year, in purchasing for his own use the following items of tangible personal property: (i) any clothes washers, room air conditioners, dishwashers, and standard size refrigerators that meet or exceed the applicable energy star efficiency requirements developed by the U.S. Environmental Protection Agency and the U.S. Department of Energy; (ii) any fuel cell that (a) generates electricity using an electrochemical process, (b) has an electricity-only generation efficiency greater than 35 percent, and (c) has a

generating capacity of at least two kilowatts; (iii) any gas heat pump that has a coefficient of performance of at least 1.25 for heating and at least 0.70 for cooling; (iv) any electric heat pump hot water heater that yields an energy factor of at least 1.7; (v) any electric heat pump that has a heating system performance factor of at least 8.0 and a cooling seasonal energy efficiency ratio of at least 13.0; (vi) any central air conditioner that has a cooling seasonal energy efficiency ratio of at least 13.5; (vii) any advanced gas or oil water heater that has an energy factor of at least 0.65; (viii) any advanced oil-fired boiler with a minimum annual fuel-utilization rating of 85; (ix) any advanced oil-fired furnace with a minimum annual fuel-utilization rating of 85; and (x) programmable thermostats.

13. The lesser of \$5,000 or the amount actually paid by a living donor of an organ or other living tissue for unreimbursed out-of-pocket expenses directly related to the donation that arose within 12 months of such donation, provided that the donor has not taken a medical deduction in accordance with the provisions of § 213 of the Internal Revenue Code for such expenses. The deduction may be taken in the taxable year in which the donation is made or the taxable year in which the 12-month period expires.

14. For taxable years beginning on and after January 1, 2013, the amount an individual age 66 or older with earned income of at least \$20,000 for the year and federal adjusted gross income not in excess of \$30,000 for the year pays annually in premiums for (i) a prepaid funeral insurance policy covering the individual or (ii) medical or dental insurance for any person for whom individual tax filers may claim a deduction for such premiums under federal income tax laws. As used in this subdivision, "earned income" means the same as that term is defined in § 32(c) of the Internal Revenue Code. The deduction shall not be allowed for any portion of such premiums paid for which the individual has (a) been reimbursed, (b) claimed a deduction for federal income tax purposes, (c) claimed a deduction or subtraction under another provision of this section, or (d) claimed a federal income tax credit or any income tax credit pursuant to this chapter.

15. *For taxable years beginning on and after January 1, 2019, up to \$10,000 of the actual amount of real and personal property taxes imposed by the Commonwealth or any other taxing jurisdiction not otherwise deducted solely on account of the dollar limitation imposed on individual deductions by § 164(b)(6)(B) of the Internal Revenue Code.*

§ 58.1-402. Virginia taxable income.

A. For purposes of this article, Virginia taxable income for a taxable year means the federal taxable income and any other income taxable to the corporation under federal law for such year of a corporation adjusted as provided in subsections B, C, D, and E.

For a regulated investment company and a real estate investment trust, such term means the "investment company taxable income" and "real estate investment trust taxable income," respectively, to which shall be added in each case any amount of capital gains and any other income taxable to the corporation under federal law which shall be further adjusted as provided in subsections B, C, D, and E.

B. There shall be added to the extent excluded from federal taxable income:

1. Interest, less related expenses to the extent not deducted in determining federal taxable

income, on obligations of any state other than Virginia, or of a political subdivision of any such other state unless created by compact or agreement to which the Commonwealth is a party;

2. Interest or dividends, less related expenses to the extent not deducted in determining federal taxable income, on obligations or securities of any authority, commission or instrumentality of the United States, which the laws of the United States exempt from federal income tax but not from state income taxes;
3. [Repealed.]
4. The amount of any net income taxes and other taxes, including franchise and excise taxes, which are based on, measured by, or computed with reference to net income, imposed by the Commonwealth or any other taxing jurisdiction, to the extent deducted in determining federal taxable income;
5. Unrelated business taxable income as defined by § 512 of the Internal Revenue Code;
6. [Repealed.]
7. The amount required to be included in income for the purpose of computing the partial tax on an accumulation distribution pursuant to § 667 of the Internal Revenue Code;
8. a. For taxable years beginning on and after January 1, 2004, the amount of any intangible expenses and costs directly or indirectly paid, accrued, or incurred to, or in connection directly or indirectly with one or more direct or indirect transactions with one or more related members to the extent such expenses and costs were deductible or deducted in computing federal taxable income for Virginia purposes. This addition shall not be required for any portion of the intangible expenses and costs if one of the following applies:
 - (1) The corresponding item of income received by the related member is subject to a tax based on or measured by net income or capital imposed by Virginia, another state, or a foreign government that has entered into a comprehensive tax treaty with the United States government;
 - (2) The related member derives at least one-third of its gross revenues from the licensing of intangible property to parties who are not related members, and the transaction giving rise to the expenses and costs between the corporation and the related member was made at rates and terms comparable to the rates and terms of agreements that the related member has entered into with parties who are not related members for the licensing of intangible property; or
 - (3) The corporation can establish to the satisfaction of the Tax Commissioner that the intangible expenses and costs meet both of the following: (i) the related member during the same taxable year directly or indirectly paid, accrued or incurred such portion to a person who is not a related member, and (ii) the transaction giving rise to the intangible expenses and costs between the corporation and the related member did not have as a principal purpose the avoidance of any portion of the tax due under this chapter.
- b. A corporation required to add to its federal taxable income intangible expenses and costs pursuant to subdivision a may petition the Tax Commissioner, after filing the related income tax return for the taxable year and remitting to the Tax Commissioner all taxes, penalties, and interest due under this article for such taxable year including tax upon any amount of intangible expenses and costs required to be added to federal taxable income pursuant to subdivision a, to consider evidence relating to the transaction or transactions between the corporation and a related member or members that resulted in the corporation's taxable income being increased, as required under subdivision a, for such intangible expenses and costs.

If the corporation can demonstrate to the Tax Commissioner's sole satisfaction, by clear and convincing evidence, that the transaction or transactions between the corporation and a related member or members resulting in such increase in taxable income pursuant to subdivision a had a valid business purpose other than the avoidance or reduction of the tax due under this chapter, the Tax Commissioner shall permit the corporation to file an amended return. For purposes of such amended return, the requirements of subdivision a shall not apply to any transaction for which the Tax Commissioner is satisfied (and has identified) that the transaction had a valid business purpose other than the avoidance or reduction of the tax due under this chapter. Such amended return shall be filed by the corporation within one year of the written permission granted by the Tax Commissioner and any refund of the tax imposed under this article shall include interest at a rate equal to the rate of interest established under § 58.1-15 and such interest shall accrue as provided under § 58.1-1833. However, upon the filing of such amended return, any related member of the corporation that subtracted from taxable income amounts received pursuant to subdivision C 21 shall be subject to the tax imposed under this article on that portion of such amounts for which the corporation has filed an amended return pursuant to this subdivision. In addition, for such transactions identified by the Tax Commissioner herein by which he has been satisfied by clear and convincing evidence, the Tax Commissioner may permit the corporation in filing income tax returns for subsequent taxable years to deduct the related intangible expenses and costs without making the adjustment under subdivision a.

The Tax Commissioner may charge a fee for all direct and indirect costs relating to the review of any petition pursuant to this subdivision, to include costs necessary to secure outside experts in evaluating the petition. The Tax Commissioner may condition the review of any petition pursuant to this subdivision upon payment of such fee.

No suit for the purpose of contesting any action of the Tax Commissioner under this subdivision shall be maintained in any court of this Commonwealth.

c. Nothing in subdivision B 8 shall be construed to limit or negate the Department's authority under § 58.1-446;

9. a. For taxable years beginning on and after January 1, 2004, the amount of any interest expenses and costs directly or indirectly paid, accrued, or incurred to, or in connection directly or indirectly with one or more direct or indirect transactions with one or more related members to the extent such expenses and costs were deductible or deducted in computing federal taxable income for Virginia purposes. This addition shall not be required for any portion of the interest expenses and costs, if:

(1) The related member has substantial business operations relating to interest-generating activities, in which the related member pays expenses for at least five full-time employees who maintain, manage, defend or are otherwise responsible for operations or administration relating to the interest-generating activities; and

(2) The interest expenses and costs are not directly or indirectly for, related to or in connection with the direct or indirect acquisition, maintenance, management, sale, exchange, or disposition of intangible property; and

(3) The transaction giving rise to the expenses and costs between the corporation and the related member has a valid business purpose other than the avoidance or reduction of taxation and payments between the parties are made at arm's length rates and terms; and

(4) One of the following applies:

(i) The corresponding item of income received by the related member is subject to a tax based on or measured by net income or capital imposed by Virginia, another state, or a foreign government that has entered into a comprehensive tax treaty with the United States government;

(ii) Payments arise pursuant to a pre-existing contract entered into when the parties were not related members provided the payments continue to be made at arm's length rates and terms;

(iii) The related member engages in transactions with parties other than related members that generate revenue in excess of \$2 million annually; or

(iv) The transaction giving rise to the interest payments between the corporation and a related member was done at arm's length rates and terms and meets any of the following: (a) the related member uses funds that are borrowed from a party other than a related member or that are paid, incurred or passed-through to a person who is not a related member; (b) the debt is part of a regular and systematic funds management or portfolio investment activity conducted by the related member, whereby the funds of two or more related members are aggregated for the purpose of achieving economies of scale, the internal financing of the active business operations of members, or the benefit of centralized management of funds; (c) financing the expansion of the business operations; or (d) restructuring the debt of related members, or the pass-through of acquisition-related indebtedness to related members.

b. A corporation required to add to its federal taxable income interest expenses and costs pursuant to subdivision a may petition the Tax Commissioner, after filing the related income tax return for the taxable year and remitting to the Tax Commissioner all taxes, penalties, and interest due under this article for such taxable year including tax upon any amount of interest expenses and costs required to be added to federal taxable income pursuant to subdivision a, to consider evidence relating to the transaction or transactions between the corporation and a related member or members that resulted in the corporation's taxable income being increased, as required under subdivision a, for such interest expenses and costs.

If the corporation can demonstrate to the Tax Commissioner's sole satisfaction, by clear and convincing evidence, that the transaction or transactions between the corporation and a related member or members resulting in such increase in taxable income pursuant to subdivision a had a valid business purpose other than the avoidance or reduction of the tax due under this chapter and that the related payments between the parties were made at arm's length rates and terms, the Tax Commissioner shall permit the corporation to file an amended return. For purposes of such amended return, the requirements of subdivision a shall not apply to any transaction for which the Tax Commissioner is satisfied (and has identified) that the transaction had a valid business purpose other than the avoidance or reduction of the tax due under this chapter and that the related payments between the parties were made at arm's length rates and terms. Such amended return shall be filed by the corporation within one year of the written permission granted by the Tax Commissioner and any refund of the tax imposed under this article shall include interest at a rate equal to the rate of interest established under § 58.1-15 and such interest shall accrue as provided under § 58.1-1833. However, upon the filing of such amended return, any related member of the corporation that subtracted from taxable income amounts received pursuant to subdivision C 21 shall be subject to the tax imposed under this article on that portion of such amounts for which the corporation has filed an amended return pursuant to this subdivision. In

addition, for such transactions identified by the Tax Commissioner herein by which he has been satisfied by clear and convincing evidence, the Tax Commissioner may permit the corporation in filing income tax returns for subsequent taxable years to deduct the related interest expenses and costs without making the adjustment under subdivision a.

The Tax Commissioner may charge a fee for all direct and indirect costs relating to the review of any petition pursuant to this subdivision, to include costs necessary to secure outside experts in evaluating the petition. The Tax Commissioner may condition the review of any petition pursuant to this subdivision upon payment of such fee.

No suit for the purpose of contesting any action of the Tax Commissioner under this subdivision shall be maintained in any court of this Commonwealth.

c. Nothing in subdivision B 9 shall be construed to limit or negate the Department's authority under § 58.1-446.

d. For purposes of subdivision B 9:

"Arm's-length rates and terms" means that (i) two or more related members enter into a written agreement for the transaction, (ii) such agreement is of a duration and contains payment terms substantially similar to those that the related member would be able to obtain from an unrelated entity, (iii) the interest is at or below the applicable federal rate compounded annually for debt instruments under § 1274(d) of the Internal Revenue Code that was in effect at the time of the agreement, and (iv) the borrower or payor adheres to the payment terms of the agreement governing the transaction or any amendments thereto.

"Valid business purpose" means one or more business purposes that alone or in combination constitute the motivation for some business activity or transaction, which activity or transaction improves, apart from tax effects, the economic position of the taxpayer, as further defined by regulation.

10. a. For taxable years beginning on and after January 1, 2009, the amount of dividends deductible under §§ 561 and 857 of the Internal Revenue Code by a Captive Real Estate Investment Trust (REIT). For purposes of this subdivision, a REIT is a Captive REIT if:

- (1) It is not regularly traded on an established securities market;
- (2) More than 50 percent of the voting power or value of beneficial interests or shares of which, at any time during the last half of the taxable year, is owned or controlled, directly or indirectly, by a single entity that is (i) a corporation or an association taxable as a corporation under the Internal Revenue Code; and (ii) not exempt from federal income tax pursuant to § 501(a) of the Internal Revenue Code; and
- (3) More than 25 percent of its income consists of rents from real property as defined in § 856(d) of the Internal Revenue Code.

b. For purposes of applying the ownership test of subdivision 10 a (2), the following entities shall not be considered a corporation or an association taxable as a corporation:

- (1) Any REIT that is not treated as a Captive REIT;
- (2) Any REIT subsidiary under § 856 of the Internal Revenue Code other than a qualified REIT subsidiary of a Captive REIT;
- (3) Any Listed Australian Property Trust, or an entity organized as a trust, provided that a Listed Australian Property Trust owns or controls, directly or indirectly, 75 percent or more of the voting or value of the beneficial interests or shares of such trust; and

(4) Any Qualified Foreign Entity.

c. For purposes of subdivision B 10, the constructive ownership rules prescribed under § 318(a) of the Internal Revenue Code, as modified by § 856(d)(5) of the Internal Revenue Code, shall apply in determining the ownership of stock, assets, or net profits of any person.

d. For purposes of subdivision B 10:

"Listed Australian Property Trust" means an Australian unit trust registered as a Management Investment Scheme, pursuant to the Australian Corporations Act, in which the principal class of units is listed on a recognized stock exchange in Australia and is regularly traded on an established securities market.

"Qualified Foreign Entity" means a corporation, trust, association or partnership organized outside the laws of the United States and that satisfies all of the following criteria:

(1) At least 75 percent of the entity's total asset value at the close of its taxable year is represented by real estate assets, as defined in § 856(c)(5)(B) of the Internal Revenue Code, thereby including shares or certificates of beneficial interest in any REIT, cash and cash equivalents, and U.S. Government securities;

(2) The entity is not subject to a tax on amounts distributed to its beneficial owners, or is exempt from entity level tax;

(3) The entity distributes, on an annual basis, at least 85 percent of its taxable income, as computed in the jurisdiction in which it is organized, to the holders of its shares or certificates of beneficial interest;

(4) The shares or certificates of beneficial interest of such entity are regularly traded on an established securities market or, if not so traded, not more than 10 percent of the voting power or value in such entity is held directly, indirectly, or constructively by a single entity or individual; and

(5) The entity is organized in a country that has a tax treaty with the United States.

e. For taxable years beginning on or after January 1, 2016, for purposes of subdivision B 10, any voting power or value of the beneficial interests or shares in a REIT that is held in a segregated asset account of a life insurance corporation as described in § 817 of the Internal Revenue Code shall not be taken into consideration when determining if such REIT is a Captive REIT.

11. For taxable years beginning on or after January 1, 2016, to the extent that tax credit is allowed for the same donation pursuant to § 58.1-439.12:12, any amount claimed as a federal income tax deduction for such donation under § 170 of the Internal Revenue Code, as amended or renumbered.

C. There shall be subtracted to the extent included in and not otherwise subtracted from federal taxable income:

1. Income derived from obligations, or on the sale or exchange of obligations, of the United States and on obligations or securities of any authority, commission or instrumentality of the United States to the extent exempt from state income taxes under the laws of the United States including, but not limited to, stocks, bonds, treasury bills, and treasury notes, but not including interest on refunds of federal taxes, interest on equipment purchase contracts, or interest on other normal business transactions.

2. Income derived from obligations, or on the sale or exchange of obligations of this

Commonwealth or of any political subdivision or instrumentality of this Commonwealth.

3. Dividends upon stock in any domestic international sales corporation, as defined by § 992 of the Internal Revenue Code, 50 percent or more of the income of which was assessable for the preceding year, or the last year in which such corporation has income, under the provisions of the income tax laws of the Commonwealth.

4. The amount of any refund or credit for overpayment of income taxes imposed by this Commonwealth or any other taxing jurisdiction.

5. Any amount included therein by the operation of the provisions of § 78 of the Internal Revenue Code (foreign dividend gross-up).

6. The amount of wages or salaries eligible for the federal Targeted Jobs Credit which was not deducted for federal purposes on account of the provisions of § 280C(a) of the Internal Revenue Code.

7. Any amount included therein by the operation of § 951 of the Internal Revenue Code (subpart F income) *or, for taxable years beginning on and after January 1, 2018, § 951A of the Internal Revenue Code (Global Intangible Low-Taxed Income).*

8. Any amount included therein which is foreign source income as defined in § 58.1-302.

9. [Repealed.]

10. The amount of any dividends received from corporations in which the taxpaying corporation owns 50 percent or more of the voting stock.

11. [Repealed.]

12, 13. [Expired.]

14. For taxable years beginning on or after January 1, 1995, the amount for "qualified research expenses" or "basic research expenses" eligible for deduction for federal purposes, but which were not deducted, on account of the provisions of § 280C(c) of the Internal Revenue Code.

15. For taxable years beginning on or after January 1, 2000, the total amount actually contributed in funds to the Virginia Public School Construction Grants Program and Fund established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1.

16. For taxable years beginning on or after January 1, 2000, but before January 1, 2015, the gain derived from the sale or exchange of real property or the sale or exchange of an easement to real property which results in the real property or the easement thereto being devoted to open-space use, as that term is defined in § 58.1-3230, for a period of time not less than 30 years. To the extent a subtraction is taken in accordance with this subdivision, no tax credit under this chapter for donating land for its preservation shall be allowed for three years following the year in which the subtraction is taken.

17. For taxable years beginning on and after January 1, 2001, any amount included therein with respect to § 58.1-440.1.

18. For taxable years beginning on and after January 1, 1999, income received as a result of (i) the "Master Settlement Agreement," as defined in § 3.2-3100; and (ii) the National Tobacco Grower Settlement Trust dated July 19, 1999, by (a) tobacco farming businesses; (b) any business holding a tobacco marketing quota, or tobacco farm acreage allotment, under the Agricultural Adjustment Act of 1938; or (c) any business having the right to grow tobacco pursuant to such a quota allotment.

19, 20. [Repealed.]

21. For taxable years beginning on and after January 1, 2004, any amount of intangible expenses and costs or interest expenses and costs added to the federal taxable income of a corporation pursuant to subdivision B 8 or B 9 shall be subtracted from the federal taxable income of the related member that received such amount if such related member is subject to Virginia income tax on the same amount.

22. For taxable years beginning on and after January 1, 2009, any gain recognized from the sale of launch services to space flight participants, as defined in 49 U.S.C. § 70102, or launch services intended to provide individuals the training or experience of a launch, without performing an actual launch. To qualify for a deduction under this subdivision, launch services must be performed in Virginia or originate from an airport or spaceport in Virginia.

23. For taxable years beginning on and after January 1, 2009, any gain recognized as a result of resupply services contracts for delivering payload, as defined in 49 U.S.C. § 70102, entered into with the Commercial Orbital Transportation Services division of the National Aeronautics and Space Administration or other space flight entity, as defined in § 8.01-227.8, and launched from an airport or spaceport in Virginia.

24. For taxable years beginning on or after January 1, 2011, any income taxed as a long-term capital gain for federal income tax purposes, or any income taxed as investment services partnership interest income (otherwise known as investment partnership carried interest income) for federal income tax purposes. To qualify for a subtraction under this subdivision, such income must be attributable to an investment in a "qualified business," as defined in § 58.1-339.4, or in any other technology business approved by the Secretary of Technology, provided the business has its principal office or facility in the Commonwealth and less than \$3 million in annual revenues in the fiscal year prior to the investment. To qualify for a subtraction under this subdivision, the investment must be made between the dates of April 1, 2010, and June 30, 2020. No taxpayer who has claimed a tax credit for an investment in a "qualified business" under § 58.1-339.4 shall be eligible for the subtraction under this subdivision for an investment in the same business.

25. a. Income, including investment services partnership interest income (otherwise known as investment partnership carried interest income), attributable to an investment in a Virginia venture capital account. To qualify for a subtraction under this subdivision, the investment shall be made on or after January 1, 2018, but before December 31, 2023. No subtraction shall be allowed under this subdivision for an investment in a company that is owned or operated by an affiliate of the taxpayer. No subtraction shall be allowed under this subdivision for a taxpayer who has claimed a subtraction under subdivision C 24 for the same investment.

b. As used in this subdivision 25:

"Qualified portfolio company" means a company that (i) has its principal place of business in the Commonwealth; (ii) has a primary purpose of production, sale, research, or development of a product or service other than the management or investment of capital; and (iii) provides equity in the company to the Virginia venture capital account in exchange for a capital investment. "Qualified portfolio company" does not include a company that is an individual or sole proprietorship.

"Virginia venture capital account" means an investment fund that has been certified by the Department as a Virginia venture capital account. In order to be certified as a Virginia venture

capital account, the operator of the investment fund shall register the investment fund with the Department prior to December 31, 2023, (i) indicating that it intends to invest at least 50 percent of the capital committed to its fund in qualified portfolio companies and (ii) providing documentation that it employs at least one investor who has at least four years of professional experience in venture capital investment or substantially equivalent experience. "Substantially equivalent experience" includes, but is not limited to, an undergraduate degree from an accredited college or university in economics, finance, or a similar field of study. The Department may require an investment fund to provide documentation of the investor's training, education, or experience as deemed necessary by the Department to determine substantial equivalency. If the Department determines that the investment fund employs at least one investor with the experience set forth herein, the Department shall certify the investment fund as a Virginia venture capital account at such time as the investment fund actually invests at least 50 percent of the capital committed to its fund in qualified portfolio companies.

26. a. Income attributable to an investment in a Virginia real estate investment trust. To qualify for a subtraction under this subdivision, the investment shall be made on or after January 1, 2019, but before December 31, 2024. No subtraction shall be allowed for an investment in a trust that is managed by an affiliate of the taxpayer. No subtraction shall be allowed under this subdivision for a taxpayer who has claimed a subtraction under subdivision C 24 or 25 for the same investment.

b. As used in this subdivision 26:

"Distressed" means satisfying the criteria applicable to a locality described in subdivision E 2 of § 2.2-115.

"Double distressed" means satisfying the criteria applicable to a locality described in subdivision E 3 of § 2.2-115.

"Virginia real estate investment trust" means a real estate investment trust, as defined in 26 U.S.C. § 856, that has been certified by the Department as a Virginia real estate investment trust. In order to be certified as a Virginia real estate investment trust, the trustee shall register the trust with the Department prior to December 31, 2024, indicating that it intends to invest at least 90 percent of trust funds in Virginia and at least 40 percent of trust funds in real estate in localities that are distressed or double distressed. If the Department determines that the trust satisfies the preceding criteria, the Department shall certify the trust as a Virginia real estate investment trust at such time as the trust actually invests at least 90 percent of trust funds in Virginia and at least 40 percent of trust funds in real estate in localities that are distressed or double distressed.

27. *For taxable years beginning on and after January 1, 2018, 20 percent of business interest disallowed as a deduction pursuant to § 163(j) of the Internal Revenue Code. For purposes of this subdivision, "business interest" means the same as that term is defined under § 163(j) of the Internal Revenue Code.*

D. For taxable years beginning on and after January 1, 2006, there shall be subtracted from federal taxable income contract payments to a producer of quota tobacco or a tobacco quota holder as provided under the American Jobs Creation Act of 2004 (P.L. 108-357) as follows:

1. If the payment is received in installment payments, then the recognized gain, including any gain recognized in taxable year 2005, may be subtracted in the taxable year immediately

following the year in which the installment payment is received.

2. If the payment is received in a single payment, then 10 percent of the recognized gain may be subtracted in the taxable year immediately following the year in which the single payment is received. The taxpayer may then deduct an equal amount in each of the nine succeeding taxable years.

E. Adjustments to federal taxable income shall be made to reflect the transitional modifications provided in § 58.1-315.

F. Notwithstanding any other provision of law, the income from any disposition of real property which is held by the taxpayer for sale to customers in the ordinary course of the taxpayer's trade or business, as defined in § 453(l)(1)(B) of the Internal Revenue Code, of property made on or after January 1, 2009, may, at the election of the taxpayer, be recognized under the installment method described under § 453 of the Internal Revenue Code, provided that (i) the election relating to the dealer disposition of the property has been made on or before the due date prescribed by law (including extensions) for filing the taxpayer's return of the tax imposed under this chapter for the taxable year in which the disposition occurs, and (ii) the dealer disposition is in accordance with restrictions or conditions established by the Department, which shall be set forth in guidelines developed by the Department. Along with such restrictions or conditions, the guidelines shall also address the recapture of such income under certain circumstances. The development of the guidelines shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq.).

7. That the provisions of this act amending § 58.1-301 of the Code of Virginia shall be effective only for taxable years beginning on and after January 1, 2018.

8. That a special nonreverting fund is hereby established to be known as the "Tax Reform Fund."

9. In addition to any refund due pursuant to § 58.1-309 of the Code of Virginia, and for taxable years beginning on and after January 1, 2018, but before January 1, 2019, an individual filing a return before July 1, 2019, or married persons filing a joint return before July 1, 2019, shall be issued a refund out of the Tax Reform Fund, established by the eighth enactment of this act, in an amount up to \$110 for an individual, or \$220 for married persons filing a joint return. An individual shall only be allowed a refund pursuant to this enactment up to the amount of such individual's tax liability after the application of any deductions, subtractions, or credits to which the individual is entitled pursuant to Chapter 3 (§ 58.1-300 et seq.) of Title 58.1 of the Code of Virginia. Married persons filing a joint return shall only be allowed a refund pursuant to this enactment up to the amount of such married persons' tax liability after the application of any deductions, subtractions, or credits to which the married persons are entitled pursuant to Chapter 3 of Title 58.1 of the Code of Virginia. Refunds due pursuant to this enactment shall be issued on or after October 1, 2019, but before October 15, 2019.

10. That any additional revenues generated by the federal Tax Cuts and Jobs Act, P.L. 115-97 (2017), from the collection of taxes for taxable years beginning on and after January 1, 2018, but before January 1, 2019, beyond those revenues reasonably expected to be collected absent the federal policy changes, and after refunds are issued pursuant to

the ninth enactment of this act, shall be transferred to the Tax Reform Fund, established by the eighth enactment of this act. The General Assembly shall appropriate any revenues deposited in the Tax Reform Fund to effectuate temporary or permanent tax reform during the 2020-2022 biennium."

Page 630, line 47, strike "7" and insert "11".

Page 632, line 7, strike "8" and insert "12".

Page 632, line 8, strike "9" and insert "13".

Page 632, line 9, strike "10" and insert "14".

Page 632, line 10, strike "11" and insert "15".

Page 632, line 12, strike "12" and insert "16".

Page 632, line 16, strike "13" and insert "17".

Page 632, line 17, strike "14" and insert "18".

Page 632, line 19, strike "15" and insert "19".

Page 632, line 22, strike "19" and insert "20".

Page 632, line 23, strike "and".

Page 632, line 24, after "fifteenth", insert ", sixteenth, seventeenth, eighteenth, and nineteenth".

Explanation:

(This amendment advances conformity of the Commonwealth's tax code with the federal tax code to December 31, 2018, including conformity to the federal Tax Cuts and Jobs Act (TCJA) and provides for additional Virginia income tax changes: (1) For taxable year 2018, provides an income tax refund of up to \$110 for individual taxpayers and up to \$220 for married taxpayers filing jointly; (2) Beginning in taxable year 2018, extends the existing corporate income tax subtraction for foreign income to apply to the amount of Global Intangible Low-Taxed Income that is included in a corporation's federal taxable income; (3) Beginning in taxable year 2018, creates an individual and corporate income tax subtraction for one-fifth of the amount of business interest that is disallowed as a deduction from federal taxable income pursuant to the federal TCJA; (4) Starting with taxable year 2019, deconforms from the provision of the federal TCJA that limits the deduction for state and local taxes (SALT) to \$10,000; and (5) Increases the standard deduction to \$4,500 (single) and \$9,000 (married filing jointly) effective beginning in taxable year 2019, coincident with provisions of the federal TCJA.)

Item 4-14 #3s

Effective Date

Additional Enactments

Language

Language:

Page 632, after line 21, insert:

"16. That §§ 18.2-250.1, 18.2-251, 19.2-392.2, 19.2-392.3, and 19.2-392.4 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding sections numbered 18.2-251.04 and 19.2-387.3 as follows:

§18.2-250.1. Possession of marijuana unlawful.

A. It is unlawful for any person knowingly or intentionally to possess marijuana unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of his professional practice, or except as otherwise authorized by the Drug Control Act (§ 54.1-3400 et seq.).

Upon the prosecution of a person for violation of this section, ownership or occupancy of the premises or vehicle upon or in which marijuana was found shall not create a presumption that such person either knowingly or intentionally possessed such marijuana.

Any person who violates this section is guilty of a misdemeanor and shall be ~~confined in jail not more than 30 days and~~ fined not more than \$500, ~~either or both~~; any person, upon a second or subsequent conviction of a violation of this section, is guilty of a Class 1 misdemeanor. *A charge of a violation of this section that has been expunged under subdivision A 4 of § 19.2-392.2 shall be deemed a conviction for purposes of prosecuting a person for a second or subsequent violation of this section.*

B. The provisions of this section shall not apply to members of state, federal, county, city, or town law-enforcement agencies, jail officers, or correctional officers, as defined in § 53.1-1, certified as handlers of dogs trained in the detection of controlled substances when possession of marijuana is necessary for the performance of their duties.

C. In any prosecution under this section involving marijuana in the form of cannabidiol oil or THC-A oil as those terms are defined in §54.1-3408.3, it shall be an affirmative defense that the individual possessed such oil pursuant to a valid written certification issued by a practitioner in the course of his professional practice pursuant to § 54.1-3408.3 for treatment or to alleviate the symptoms of (i) the individual's intractable epilepsy or (ii) if such individual is the parent or legal guardian of a minor or of an incapacitated adult as defined in § 18.2-369, such minor's or incapacitated adult's intractable epilepsy. If the individual files the valid written certification with the court at least 10 days prior to trial and causes a copy of such written certification to be delivered to the attorney for the Commonwealth, such written certification shall be prima facie evidence that such oil was possessed pursuant to a valid written certification.

§18.2-251. Persons charged with first offense may be placed on probation; conditions; substance abuse screening, assessment treatment and education programs or services; drug tests; costs and fees; violations; discharge.

Whenever any person who has not previously been convicted of any offense under this article or under any statute of the United States or of any state relating to narcotic drugs, marijuana, or stimulant, depressant, or hallucinogenic drugs, or has not previously had a proceeding against

him for violation of such an offense dismissed as provided in this section *or expunged under subdivision A 4 of § 19.2-392.2*, pleads guilty to or enters a plea of not guilty to possession of a controlled substance under § **18.2-250** or to possession of marijuana under § **18.2-250.1**, the court, upon such plea if the facts found by the court would justify a finding of guilt, without entering a judgment of guilt and with the consent of the accused, may defer further proceedings and place him on probation upon terms and conditions. *Prior to deferring the proceedings under this section and at the time that the case is heard, the attorney for the Commonwealth or law-enforcement officer shall provide to the court, and the court shall review, the criminal history record and any records maintained by the Department of State Police pursuant to § 19.2-387.3 to ensure that the person is eligible for such deferral. The court shall not retain in the case file any such records provided to the court.*

As a term or condition, the court shall require the accused to undergo a substance abuse assessment pursuant to § **18.2-251.01** or **19.2-299.2**, as appropriate, and enter treatment and/or education program or services, if available, such as, in the opinion of the court, may be best suited to the needs of the accused based upon consideration of the substance abuse assessment. The program or services may be located in the judicial district in which the charge is brought or in any other judicial district as the court may provide. The services shall be provided by (i) a program licensed by the Department of Behavioral Health and Developmental Services, by a similar program which is made available through the Department of Corrections, (ii) a local community-based probation services agency established pursuant to § **9.1-174**, or (iii) an ASAP program certified by the Commission on VASAP.

The court shall require the person entering such program under the provisions of this section to pay all or part of the costs of the program, including the costs of the screening, assessment, testing, and treatment, based upon the accused's ability to pay unless the person is determined by the court to be indigent.

As a condition of probation, the court shall require the accused (a) to successfully complete treatment or education program or services, (b) to remain drug and alcohol free during the period of probation and submit to such tests during that period as may be necessary and appropriate to determine if the accused is drug and alcohol free, (c) to make reasonable efforts to secure and maintain employment, and (d) to comply with a plan of at least 100 hours of community service for a felony and up to 24 hours of community service for a misdemeanor. In addition to any community service required by the court pursuant to clause (d), if the court does not suspend or revoke the accused's license as a term or condition of probation for a violation of § **18.2-250.1**, the court shall require the accused to comply with a plan of 50 hours of community service. Such testing shall be conducted by personnel of the supervising probation agency or personnel of any program or agency approved by the supervising probation agency. The court shall, unless done at arrest, order the accused to report to the original arresting law-enforcement agency to submit to fingerprinting.

Upon violation of a term or condition, the court may enter an adjudication of guilt and proceed as otherwise provided. Upon fulfillment of the terms and conditions, the court shall discharge

the person and dismiss the proceedings against him. Discharge and dismissal under this section shall be without adjudication of guilt and is a conviction only for the purposes of applying this section in subsequent proceedings.

Notwithstanding any other provision of this section, whenever a court places an individual on probation upon terms and conditions pursuant to this section, such action shall be treated as a conviction for purposes of §§ **18.2-259.1**, **22.1-315**, and **46.2-390.1**, and the driver's license forfeiture provisions of those sections shall be imposed. However, if the court places an individual on probation upon terms and conditions for a violation of § **18.2-250.1**, such action shall not be treated as a conviction for purposes of § **18.2-259.1** or **46.2-390.1**, provided that a court (1) may suspend or revoke an individual's driver's license as a term or condition of probation and (2) shall suspend or revoke an individual's driver's license as a term or condition of probation for a period of six months if the violation of § **18.2-250.1** was committed while such person was in operation of a motor vehicle. The provisions of this paragraph shall not be applicable to any offense for which a juvenile has had his license suspended or denied pursuant to § **16.1-278.9** for the same offense.

§18.2-251.04. Heroin and Prescription Opioid Epidemic Fund.

*There is hereby created in the state treasury a special nonreverting fund to be known as the Heroin and Prescription Opioid Epidemic Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All moneys received from fees imposed under subsection L of § **19.2-392.2** on orders of expungement entered under subdivision A 4 of § **19.2-392.2** shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year that are not appropriated by the General Assembly shall not revert to the general fund but shall remain in the Fund. All moneys in the Fund shall be subject to annual appropriation by the General Assembly to the Department of Behavioral Health and Developmental Services to be used solely for prevention, treatment, and recovery services relating to the use of heroin and prescription opioid drugs. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Director of the Department of Behavioral Health and Developmental Services.*

§19.2-387.3. Possession of Marijuana Database.

*A. The Department of State Police shall keep and maintain a computerized database of charges of violations of § **18.2-250.1** that have been expunged under subdivision A 4 of § **19.2-392.2** separate and apart from all other records maintained by the Department. The Department of State Police shall make database information available, upon request, to criminal justice agencies, including local law-enforcement agencies and the attorney for the Commonwealth, through the Virginia Criminal Information Network. Database information provided under this section shall be used only for the purposes of the administration of criminal justice. Information in the database may be provided to the defendant for the purposes of determining eligibility for a deferred disposition as provided in § **18.2-251**. Information contained in the database shall*

not constitute a criminal record except as otherwise specified in the Code.

B. Use of the information contained in the database or received from the database for purposes not authorized by this section is prohibited, and a willful violation of this section with the intent to harass or intimidate another shall be punished as a Class 1 misdemeanor.

C. No liability shall be imposed upon any law-enforcement official or attorney for the Commonwealth who disseminates information or fails to disseminate information in good faith compliance with the requirements of this section, but this provision shall not be construed to grant immunity for gross negligence or willful misconduct.

D. Any record, including records maintained by electronic media, by photographic processes, or paper, in the office of the Department shall be admissible in evidence in any proceeding under §§ 18.2-250.1, 18.2-251, and 19.2-392.2. A copy, a machine-produced transcript, or a photograph of the record or paper attested by the Superintendent or his designee may be admitted as evidence in lieu of the original. In any case in which the records are transmitted by electronic means, a machine imprint of the Superintendent's name purporting to authenticate the record shall be the equivalent of attestation or certification by the Superintendent. Any copy, transcript, photograph, or certification purporting to be sealed or sealed and signed by the Superintendent or his designee or imprinted with the Superintendent's name may be admitted as evidence without any proof of the seal or signature or of the official character of the person whose name is signed thereto. If an issue as to the authenticity of any information transmitted by electronic means is raised, the court shall require that a record attested by the Superintendent or his designee be submitted for admission into evidence.

§19.2-392.2. Expungement of police and court records.

A. If a person is charged with the commission of a crime or any offense defined in Title 18.2; ~~and he may file a petition setting forth the relevant facts and requesting expungement of the police records and court records relating to the charge if:~~

- 1. ~~Is Such person is acquitted, or;~~*
- 2. ~~A nolle prosequi is taken or the;~~*
- 3. ~~The charge is otherwise dismissed, including dismissal by accord and satisfaction pursuant to § 19.2-151, he may file a petition setting forth the relevant facts and requesting expungement of the police records and the court records relating to the charge; or~~*
- 4. ~~The charge is for a first offense violation of § 18.2-250.1 and is deferred and dismissed pursuant to the provisions of § 18.2-251.~~*

B. If any person whose name or other identification has been used without his consent or authorization by another person who has been charged or arrested using such name or identification, he may file a petition with the court disposing of the charge for relief pursuant to this section. Such person shall not be required to pay any fees for the filing of a petition under this subsection. A petition filed under this subsection shall include one complete set of the petitioner's fingerprints obtained from a law-enforcement agency.

C. The petition with a copy of the warrant or indictment if reasonably available shall be filed in the circuit court of the county or city in which the case was disposed of by acquittal or being otherwise dismissed and shall contain, except where not reasonably available, the date of arrest and the name of the arresting agency. Where this information is not reasonably available, the petition shall state the reason for such unavailability. The petition shall further state the specific criminal charge to be expunged, the date of final disposition of the charge as set forth in the petition, the petitioner's date of birth, and the full name used by the petitioner at the time of arrest.

D. A copy of the petition shall be served on the attorney for the Commonwealth of the city or county in which the petition is filed. The attorney for the Commonwealth may file an objection or answer to the petition or may give written notice to the court that he does not object to the petition within 21 days after it is served on him.

E. The petitioner shall obtain from a law-enforcement agency one complete set of the petitioner's fingerprints and shall provide that agency with a copy of the petition for expungement. The law-enforcement agency shall submit the set of fingerprints to the Central Criminal Records Exchange (CCRE) with a copy of the petition for expungement attached. The CCRE shall forward under seal to the court a copy of the petitioner's criminal history, a copy of the source documents that resulted in the CCRE entry that the petitioner wishes to expunge, and the set of fingerprints. Upon completion of the hearing, the court shall return the fingerprint card to the petitioner. If no hearing was conducted, upon the entry of an order of expungement or an order denying the petition for expungement, the court shall cause the fingerprint card to be destroyed unless, within 30 days of the date of the entry of the order, the petitioner requests the return of the fingerprint card in person from the clerk of the court or provides the clerk of the court a self-addressed, stamped envelope for the return of the fingerprint card.

F. After receiving the criminal history record information from the CCRE, the court shall conduct a hearing on the petition. If the court finds that the continued existence and possible dissemination of information relating to the arrest *or charge* of the petitioner causes or may cause circumstances ~~which~~ *that* constitute a manifest injustice to the petitioner, it shall enter an order requiring the expungement of the police and court records, including electronic records, relating to the charge. Otherwise, it shall deny the petition. However, if the petitioner has no prior criminal record and the arrest *or charge* was for a misdemeanor violation, the petitioner shall be entitled, in the absence of good cause shown to the contrary by the Commonwealth, to expungement of the police and court records relating to the *arrest or charge*, and the court shall enter an order of expungement. If the attorney for the Commonwealth of the county or city in which the petition is filed (i) gives written notice to the court pursuant to subsection D that he does not object to the petition and (ii) when the charge to be expunged is a felony, stipulates in such written notice that the continued existence and possible dissemination of information relating to the arrest of the petitioner causes or may cause circumstances which constitute a manifest injustice to the petitioner, the court may enter an order of expungement without conducting a hearing.

G. The Commonwealth shall be made party defendant to the proceeding. Any party aggrieved by the decision of the court may appeal, as provided by law in civil cases.

H. Notwithstanding any other provision of this section, when the charge is dismissed because the court finds that the person arrested or charged is not the person named in the summons, warrant, indictment or presentment, the court dismissing the charge shall, upon motion of the person improperly arrested or charged, enter an order requiring expungement of the police and court records relating to the charge. Such order shall contain a statement that the dismissal and expungement are ordered pursuant to this subsection and shall be accompanied by the complete set of the petitioner's fingerprints filed with his petition. Upon the entry of such order, it shall be treated as provided in subsection K.

I. Notwithstanding any other provision of this section, when a person has been granted an absolute pardon for the commission of a crime that he did not commit, he may file in the circuit court of the county or city in which the conviction occurred a petition setting forth the relevant facts and requesting expungement of the police records and the court records relating to the charge and conviction, and the court shall enter an order requiring expungement of the police and court records relating to the charge and conviction. Such order shall contain a statement that the expungement is ordered pursuant to this subsection. Upon the entry of such order, it shall be treated as provided in subsection K.

J. Upon receiving a copy of a writ vacating a conviction pursuant to § **19.2-327.5** or **19.2-327.13**, the court shall enter an order requiring expungement of the police and court records relating to the charge and conviction. Such order shall contain a statement that the expungement is ordered pursuant to this subsection. Upon the entry of the order, it shall be treated as provided in subsection K.

K. Upon the entry of an order of expungement, the clerk of the court shall cause a copy of such order to be forwarded to the Department of State Police, which shall, pursuant to rules and regulations adopted pursuant to § **9.1-134**, direct the manner by which the appropriate expungement or removal of such records shall be effected.

*K1. Except as otherwise specified in the Code, an order of expungement entered under subdivision A 4 does not constitute a criminal record and need not be reported by the person so arrested or charged in response to any inquiries about the person's criminal record, including any inquiries contained in any application for employment, license, or other right or privilege. Except as provided in § **19.2-387.3**, all index references shall be deleted, and the court and law-enforcement officers and agencies shall reply and the person may reply to any inquiry that no record exists with respect to such person. Records relating to an order of expungement entered under subdivision A 4 shall be retained by the Department of State Police for the purposes specified in § **19.2-387.3**.*

L. Costs shall be as provided by § 17.1-275, but shall not be recoverable against the Commonwealth. If the court enters an order of expungement, the clerk of the court shall refund to the petitioner such costs paid by the petitioner. *Costs shall not be refunded to the petitioner for an order of expungement entered under subdivision A 4. In addition to the costs provided by § 17.1-275, an additional \$300 fee shall be assessed to the petitioner for an order of expungement entered under subdivision A 4, of which \$150 shall be paid into the Heroin and Prescription Opioid Epidemic Fund established pursuant to § 18.2-251.04 and \$150 shall be paid into the state treasury and credited to the Department of State Police.*

M. Any order entered where (i) the court or parties failed to strictly comply with the procedures set forth in this section or (ii) the court enters an order of expungement contrary to law, shall be voidable upon motion and notice made within three years of the entry of such order.

§19.2-392.3. Disclosure of expunged records.

A. ~~It~~ *Subject to § 19.2-387.3, it shall be unlawful for any person having or acquiring access to an expunged court or police record to open or review it or to disclose to another person any information from it without an order from the court which ordered the record expunged.*

B. Upon a verified petition filed by the attorney for the Commonwealth alleging that the record is needed by a law-enforcement agency for purposes of employment application as an employee of a law-enforcement agency or for a pending criminal investigation and that the investigation will be jeopardized or that life or property will be endangered without immediate access to the record, the court may enter an ex parte order, without notice to the person, permitting such access. An ex parte order may permit a review of the record, but may not permit a copy to be made of it.

C. Any person who willfully violates this section is guilty of a Class 1 misdemeanor.

§19.2-392.4. Prohibited practices by employers, educational institutions, agencies, etc., of state and local governments.

A. An employer or educational institution shall not, in any application, interview, or otherwise, require an applicant for employment or admission to disclose information concerning any arrest or criminal charge against him that has been expunged. An applicant need not, in answer to any question concerning any arrest or criminal charge that has not resulted in a conviction, include a reference to or information concerning arrests or charges that have been expunged.

B. Agencies, officials, and employees of the state and local governments shall not, in any application, interview, or otherwise, require an applicant for a license, permit, registration, or governmental service to disclose information concerning any arrest or criminal charge against him that has been expunged. An applicant need not, in answer to any question concerning any arrest or criminal charge that has not resulted in a conviction, include a reference to or information concerning *arrests or charges* that have been expunged. Such an application may

not be denied solely because of the applicant's refusal to disclose information concerning any arrest or criminal charge against him that has been expunged.

C. A person who willfully violates this section is guilty of a Class 1 misdemeanor for each violation.

17. That the provisions of this act amending §§ 18.2-251 and 19.2-392.2 of the Code of Virginia and creating §§ 18.2-251.04 and 19.2-387.3 of the Code of Virginia shall become effective on January 1, 2020.

18. That the State Board of Behavioral Health and Developmental Services shall promulgate regulations pursuant to § 37.2-203 of the Code of Virginia to implement the provisions of this act by January 1, 2020."

Page 632, line 22, strike "16." and insert "19."

Page 632, line 23, strike "and".

Page 632, line 24, after "fifteenth" insert ", sixteenth, seventeenth, and eighteenth".

Explanation:

(This amendment reduces the penalties for possession of marijuana to a fine of not more than \$500 and makes a first offense violation that has been deferred and dismissed under § 18.2-251 eligible for expungement. The amendment provides that any person seeking expungement of such first offense violation shall be assessed a \$300 fee, of which \$150 shall be paid into the Heroin and Prescription Opioid Epidemic Fund, created by the bill, and \$150 shall be paid into the state treasury and credited to the Department of State Police.)

Item 4-14 #4s

Effective Date

Additional Enactments

Language

Language:

Page 632, after line 21, insert:

16. That §§ 2.2-3711, 19.2-389, 37.2-304, 58.1-4002, 58.1-4006, and 59.1-364 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 3 of Title 11 a section numbered 11-16.1, by adding a section numbered 18.2-334.5, by adding in Article 1 of Chapter 3 of Title 37.2 a section numbered 37.2-314.1, and by adding in Title 58.1 a chapter numbered 41, containing articles numbered 1 through 9, consisting of sections numbered 58.1-4100 through 58.1-4130, as follows:

§ 2.2-3711. Closed meetings authorized for certain limited purposes.

A. Public bodies may hold closed meetings only for the following purposes:

1. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some student and the student involved in the matter is present, provided the teacher makes a written request to be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be construed to authorize a closed meeting by a local governing body or an elected school board to discuss compensation matters that affect the membership of such body or board collectively.

2. Discussion or consideration of admission or disciplinary matters or any other matters that would involve the disclosure of information contained in a scholastic record concerning any student of any public institution of higher education in the Commonwealth or any state school system. However, any such student, legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be present during the taking of testimony or presentation of evidence at a closed meeting, if such student, parents, or guardians so request in writing and such request is submitted to the presiding officer of the appropriate board.

3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

4. The protection of the privacy of individuals in personal matters not related to public business.

5. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

6. Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation" means litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is

consulted on a matter.

8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

9. Discussion or consideration by governing boards of public institutions of higher education of matters relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public institution of higher education in the Commonwealth shall be subject to public disclosure upon written request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government" means any government other than the United States government or the government of a state or a political subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by foreign governments or foreign persons or if a majority of the membership of any such entity is composed of foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii) "foreign person" means any individual who is not a citizen or national of the United States or a trust territory or protectorate thereof.

10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, and The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private sources.

11. Discussion or consideration of honorary degrees or special awards.

12. Discussion or consideration of tests, examinations, or other information used, administered, or prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

13. Discussion, consideration, or review by the appropriate House or Senate committees of possible disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed by the member, provided the member may request in writing that the committee meeting not be conducted in a closed meeting.

14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the governing body or the establishment of the terms, conditions and provisions of the siting agreement, or both. All discussions with the applicant or its representatives may be conducted in a closed meeting.

15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic activity and estimating general and nongeneral fund revenues.

16. Discussion or consideration of medical and mental health records subject to the exclusion in subdivision 1 of § 2.2-3705.5.

17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to subsection D of § 58.1-4007 regarding the denial or revocation of a license of a lottery sales agent; and discussion, consideration or review of Virginia Lottery matters related to proprietary lottery game information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and subdivision 11 of § 2.2-3705.7.

18. Those portions of meetings in which the Board of Corrections discusses or discloses the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency service officials concerning actions taken to respond to such matters or a related threat to public safety; discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in an open meeting would jeopardize the safety of any person or the security of any facility, building, structure, information technology system, or software program; or discussion of reports or plans related to the security of any governmental facility, building or structure, or the safety of persons using such facility, building or structure.

20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust established by one or more local public bodies to invest funds for postemployment benefits other than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Virginia College Savings Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or other ownership interest in an entity, where such security or ownership interest is not traded on a governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or a local finance board or board of trustees, or the Virginia College Savings Plan or provided to the retirement system, a local finance board or board of trustees, or the Virginia College Savings Plan under a promise of confidentiality, of the future value of such ownership interest or the future financial performance of the entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or board of trustees, the board of visitors of the University of Virginia, or the Virginia College Savings Plan. Nothing in this subdivision shall be construed to prevent the disclosure of information relating to the identity of any investment

held, the amount invested or the present value of such investment.

21. Those portions of meetings in which individual child death cases are discussed by the State Child Fatality Review team established pursuant to § 32.1-283.1, those portions of meetings in which individual child death cases are discussed by a regional or local child fatality review team established pursuant to § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5, those portions of meetings in which individual adult death cases are discussed by a local or regional adult fatality review team established pursuant to § 32.1-283.6, and those portions of meetings in which individual death cases are discussed by overdose fatality review teams established pursuant to § 32.1-283.7.

22. Those portions of meetings of the board of visitors of the University of Virginia or the Eastern Virginia Medical School Board of Visitors, as the case may be, and those portions of meetings of any persons to whom management responsibilities for the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, have been delegated, in which there is discussed proprietary, business-related information pertaining to the operations of the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, including business development or marketing strategies and activities with existing or future joint venturers, partners, or other parties with whom the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, has formed, or forms, any arrangement for the delivery of health care, if disclosure of such information would adversely affect the competitive position of the Medical Center or Eastern Virginia Medical School, as the case may be.

23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or disposition by the Authority of real property, equipment, or technology software or hardware and related goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and contracts for services or work to be performed by the Authority; marketing or operational strategies plans of the Authority where disclosure of such strategies or plans would adversely affect the competitive position of the Authority; and members of the Authority's medical and teaching staffs and qualifications for appointments thereto.

24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the Department of Health Professions to the extent such discussions identify any practitioner who may be, or who actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

25. Meetings or portions of meetings of the Board of the Virginia College Savings Plan wherein personal information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf of individuals who have requested information about, applied for, or

entered into prepaid tuition contracts or savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

26. Discussion or consideration, by the former Wireless Carrier E-911 Cost Recovery Subcommittee created pursuant to former § 56-484.15, of trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), submitted by CMRS providers as defined in § 56-484.12, related to the provision of wireless E-911 service.

27. Those portions of disciplinary proceedings by any regulatory board within the Department of Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or meetings of health regulatory boards or conference committees of such boards to consider settlement proposals in pending disciplinary actions or modifications to previously issued board orders as requested by either of the parties.

28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6 by a responsible public entity or an affected locality or public entity, as those terms are defined in § 33.2-1800, or any independent review panel appointed to review information and advise the responsible public entity concerning such records.

29. Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

30. Discussion or consideration of grant or loan application information subject to the exclusion in subdivision 17 of § 2.2-3705.6 by (i) the Commonwealth Health Research Board or (ii) the Innovation and Entrepreneurship Investment Authority or the Research and Technology Investment Advisory Committee appointed to advise the Innovation and Entrepreneurship Investment Authority.

31. Discussion or consideration by the Commitment Review Committee of information subject to the exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

32. Discussion or consideration of confidential proprietary information and trade secrets developed and held by a local public body providing certain telecommunication services or cable television services and subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets subject to the exclusion in subdivision 19 of § 2.2-3705.6.

34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security matters made confidential pursuant to § 24.2-625.1.

35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files subject to the exclusion in subdivision B 1 of § 2.2-3706.
36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of information or confidential matters subject to the exclusion in subdivision A 3 of § 2.2-3705.4, and meetings of the Committee to deliberate concerning the annual maximum scholarship award, review and consider scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover scholarship awards.
37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia Port Authority.
38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by any local retirement system, acting pursuant to § 51.1-803, by the Board of the Virginia College Savings Plan acting pursuant to § 23.1-706, or by the Virginia College Savings Plan's Investment Advisory Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.
39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6 related to economic development.
40. Discussion or consideration by the Board of Education of information relating to the denial, suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.
41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by executive order for the purpose of studying and making recommendations regarding preventing closure or realignment of federal military and national security installations and facilities located in Virginia and relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a local governing body, during which there is discussion of information subject to the exclusion in subdivision 8 of § 2.2-3705.2.
42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable information of donors.
43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained in grant applications.
44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary information of a private entity provided to the

Authority.

45. Discussion or consideration of personal and proprietary information related to the resource management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain information that has been certified for release by the person who is the subject of the information or transformed into a statistical or aggregate form that does not allow identification of the person who supplied, or is the subject of, the information.

46. Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of applicants for licenses and permits and of licensees and permittees.

47. Discussion or consideration of grant or loan application records subject to the exclusion in subdivision 28 of § 2.2-3705.6 related to the submission of an application for an award from the Virginia Research Investment Fund pursuant to Article 8 (§ 23.1-3130 et seq.) of Chapter 31 of Title 23.1 or interviews of parties to an application by a reviewing entity pursuant to subsection D of § 23.1-3133 or by the Virginia Research Investment Committee.

48. Discussion or development of grant proposals by a regional council established pursuant to Article 26 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity Board.

49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault team established pursuant to § 15.2-1627.4 or (ii) individual child abuse or neglect cases or sex offenses involving a child by a child abuse team established pursuant to § 15.2-1627.5.

50. Discussion or consideration by the Board of the Virginia Economic Development Partnership Authority, the Joint Legislative Audit and Review Commission, or any subcommittees thereof, of the portions of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33 of § 2.2-3705.7.

51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114.

52. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to § 58.1-4105 regarding the denial or revocation of a license of a casino gaming operator and discussion, consideration, or review of matters related to investigations exempted from disclosure under subdivision 1 of § 2.2-3705.3.

B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that shall have its substance reasonably identified in the

open meeting.

C. Public officers improperly selected due to the failure of the public body to comply with the other provisions of this section shall be de facto officers and, as such, their official actions are valid until they obtain notice of the legal defect in their election.

D. Nothing in this section shall be construed to prevent the holding of conferences between two or more public bodies, or their representatives, but these conferences shall be subject to the same procedures for holding closed meetings as are applicable to any other public body.

E. This section shall not be construed to (i) require the disclosure of any contract between the Department of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1 or (ii) require the board of directors of any authority created pursuant to the Industrial Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body empowered to issue industrial revenue bonds by general or special law, to identify a business or industry to which subdivision A 5 applies. However, such business or industry shall be identified as a matter of public record at least 30 days prior to the actual date of the board's authorization of the sale or issuance of such bonds.

§ 11-16.1. Exemption from the chapter.

This chapter shall not apply to any bet, wager, or casino gaming permitted by Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 or to any contract, conduct, or transaction arising from conduct lawful thereunder.

§ 18.2-334.5. Exemptions to article; certain gaming operations.

Nothing in this article shall be construed to make it illegal to participate in any casino gaming operation conducted in accordance with Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1.

§ 19.2-389. Dissemination of criminal history record information.

A. Criminal history record information shall be disseminated, whether directly or through an intermediary, only to:

1. Authorized officers or employees of criminal justice agencies, as defined by § 9.1-101, for purposes of the administration of criminal justice and the screening of an employment application or review of employment by a criminal justice agency with respect to its own employees or applicants, and dissemination to the Virginia Parole Board, pursuant to this subdivision, of such information on all state-responsible inmates for the purpose of making parole determinations pursuant to subdivisions 1, 2, 3, and 5 of § 53.1-136 shall include collective dissemination by electronic means every 30 days. For purposes of this subdivision, criminal history record information includes information sent to the Central Criminal Records Exchange pursuant to §§ 37.2-819 and 64.2-2014 when disseminated to any full-time or part-time employee of the State Police, a police department or sheriff's office that is a part of or administered by the Commonwealth or any political subdivision thereof, and who is responsible for the prevention and detection of crime and the enforcement of the penal, traffic or highway laws of the Commonwealth for the purposes of the administration of criminal justice;

2. Such other individuals and agencies that require criminal history record information to implement a state or federal statute or executive order of the President of the United States or Governor that expressly refers to criminal conduct and contains requirements or exclusions expressly based upon such conduct, except that information concerning the arrest of an individual may not be disseminated to a noncriminal justice agency or individual if an interval of one year has elapsed from the date of the arrest and no disposition of the charge has been recorded and no active prosecution of the charge is pending;
3. Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide services required for the administration of criminal justice pursuant to that agreement which shall specifically authorize access to data, limit the use of data to purposes for which given, and ensure the security and confidentiality of the data;
4. Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant to an agreement with a criminal justice agency that shall specifically authorize access to data, limit the use of data to research, evaluative, or statistical purposes, and ensure the confidentiality and security of the data;
5. Agencies of state or federal government that are authorized by state or federal statute or executive order of the President of the United States or Governor to conduct investigations determining employment suitability or eligibility for security clearances allowing access to classified information;
6. Individuals and agencies where authorized by court order or court rule;
7. Agencies of any political subdivision of the Commonwealth, public transportation companies owned, operated or controlled by any political subdivision, and any public service corporation that operates a public transit system owned by a local government for the conduct of investigations of applicants for employment, permit, or license whenever, in the interest of public welfare or safety, it is necessary to determine under a duly enacted ordinance if the past criminal conduct of a person with a conviction record would be compatible with the nature of the employment, permit, or license under consideration;
- 7a. Commissions created pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.) of Title 33.2 and their contractors, for the conduct of investigations of individuals who have been offered a position of employment whenever, in the interest of public welfare or safety and as authorized in the Transportation District Act of 1964, it is necessary to determine if the past criminal conduct of a person with a conviction record would be compatible with the nature of the employment under consideration;
8. Public or private agencies when authorized or required by federal or state law or interstate compact to investigate (i) applicants for foster or adoptive parenthood or (ii) any individual, and the adult members of that individual's household, with whom the agency is considering placing a child or from whom the agency is considering removing a child due to abuse or neglect, on an emergency, temporary, or permanent basis pursuant to §§ 63.2-901.1 and 63.2-1505, subject to the restriction that the data shall not be further disseminated to any party other than a federal or

state authority or court as may be required to comply with an express requirement of law;

9. To the extent permitted by federal law or regulation, public service companies as defined in § 56-1, for the conduct of investigations of applicants for employment when such employment involves personal contact with the public or when past criminal conduct of an applicant would be incompatible with the nature of the employment under consideration;

10. The appropriate authority for purposes of granting citizenship and for purposes of international travel, including, but not limited to, issuing visas and passports;

11. A person requesting a copy of his own criminal history record information as defined in § 9.1-101 at his cost, except that criminal history record information shall be supplied at no charge to a person who has applied to be a volunteer with (i) a Virginia affiliate of Big Brothers/Big Sisters of America; (ii) a volunteer fire company; (iii) the Volunteer Emergency Families for Children; (iv) any affiliate of Prevent Child Abuse, Virginia; (v) any Virginia affiliate of Compeer; or (vi) any board member or any individual who has been offered membership on the board of a Crime Stoppers, Crime Solvers or Crime Line program as defined in § 15.2-1713.1;

12. Administrators and board presidents of and applicants for licensure or registration as a child welfare agency as defined in § 63.2-100 for dissemination to the Commissioner of Social Services' representative pursuant to § 63.2-1702 for the conduct of investigations with respect to employees of and volunteers at such facilities, caretakers, and other adults living in family day homes or homes approved by family day systems, and foster and adoptive parent applicants of private child-placing agencies, pursuant to §§ 63.2-1719, 63.2-1720, 63.2-1720.1, 63.2-1721, and 63.2-1721.1, subject to the restriction that the data shall not be further disseminated by the facility or agency to any party other than the data subject, the Commissioner of Social Services' representative or a federal or state authority or court as may be required to comply with an express requirement of law for such further dissemination;

13. The school boards of the Commonwealth for the purpose of screening individuals who are offered or who accept public school employment and those current school board employees for whom a report of arrest has been made pursuant to § 19.2-83.1;

14. The Virginia Lottery for the conduct of investigations as set forth in the Virginia Lottery Law (§ 58.1-4000 et seq.) *and casino gaming as set forth in Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1*, and the Department of Agriculture and Consumer Services for the conduct of investigations as set forth in Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2;

15. Licensed nursing homes, hospitals and home care organizations for the conduct of investigations of applicants for compensated employment in licensed nursing homes pursuant to § 32.1-126.01, hospital pharmacies pursuant to § 32.1-126.02, and home care organizations pursuant to § 32.1-162.9:1, subject to the limitations set out in subsection E;

16. Licensed assisted living facilities and licensed adult day care centers for the conduct of investigations of applicants for compensated employment in licensed assisted living facilities and licensed adult day care centers pursuant to § 63.2-1720, subject to the limitations set out in

subsection F;

17. The Virginia Alcoholic Beverage Control Authority for the conduct of investigations as set forth in § 4.1-103.1;

18. The State Board of Elections and authorized officers and employees thereof and general registrars appointed pursuant to § 24.2-110 in the course of conducting necessary investigations with respect to voter registration, limited to any record of felony convictions;

19. The Commissioner of Behavioral Health and Developmental Services for those individuals who are committed to the custody of the Commissioner pursuant to §§ 19.2-169.2, 19.2-169.6, 19.2-182.2, 19.2-182.3, 19.2-182.8, and 19.2-182.9 for the purpose of placement, evaluation, and treatment planning;

20. Any alcohol safety action program certified by the Commission on the Virginia Alcohol Safety Action Program for (i) assessments of habitual offenders under § 46.2-360, (ii) interventions with first offenders under § 18.2-251, or (iii) services to offenders under § 18.2-51.4, 18.2-266, or 18.2-266.1;

21. Residential facilities for juveniles regulated or operated by the Department of Social Services, the Department of Education, or the Department of Behavioral Health and Developmental Services for the purpose of determining applicants' fitness for employment or for providing volunteer or contractual services;

22. The Department of Behavioral Health and Developmental Services and facilities operated by the Department for the purpose of determining an individual's fitness for employment pursuant to departmental instructions;

23. Pursuant to § 22.1-296.3, the governing boards or administrators of private elementary or secondary schools which are accredited pursuant to § 22.1-19 or a private organization coordinating such records information on behalf of such governing boards or administrators pursuant to a written agreement with the Department of State Police;

24. Public institutions of higher education and nonprofit private institutions of higher education for the purpose of screening individuals who are offered or accept employment;

25. Members of a threat assessment team established by a local school board pursuant to § 22.1-79.4, by a public institution of higher education pursuant to § 23.1-805, or by a private nonprofit institution of higher education, for the purpose of assessing or intervening with an individual whose behavior may present a threat to safety; however, no member of a threat assessment team shall redisclose any criminal history record information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose that such disclosure was made to the threat assessment team;

26. Executive directors of community services boards or the personnel director serving the community services board for the purpose of determining an individual's fitness for employment, approval as a sponsored residential service provider, or permission to enter into a shared living arrangement with a person receiving medical assistance services pursuant to a

waiver pursuant to §§ 37.2-506 and 37.2-607;

27. Executive directors of behavioral health authorities as defined in § 37.2-600 for the purpose of determining an individual's fitness for employment, approval as a sponsored residential service provider, or permission to enter into a shared living arrangement with a person receiving medical assistance services pursuant to a waiver pursuant to §§ 37.2-506 and 37.2-607;

28. The Commissioner of Social Services for the purpose of locating persons who owe child support or who are alleged in a pending paternity proceeding to be a putative father, provided that only the name, address, demographics and social security number of the data subject shall be released;

29. Authorized officers or directors of agencies licensed pursuant to Article 2 (§ 37.2-403 et seq.) of Chapter 4 of Title 37.2 by the Department of Behavioral Health and Developmental Services for the purpose of determining if any applicant who accepts employment in any direct care position or requests approval as a sponsored residential service provider or permission to enter into a shared living arrangement with a person receiving medical assistance services pursuant to a waiver has been convicted of a crime that affects his fitness to have responsibility for the safety and well-being of individuals with mental illness, intellectual disability, or substance abuse pursuant to §§ 37.2-416, 37.2-506, and 37.2-607;

30. The Commissioner of the Department of Motor Vehicles, for the purpose of evaluating applicants for and holders of a motor carrier certificate or license subject to the provisions of Chapters 20 (§ 46.2-2000 et seq.) and 21 (§ 46.2-2100 et seq.) of Title 46.2;

31. The chairmen of the Committees for Courts of Justice of the Senate or the House of Delegates for the purpose of determining if any person being considered for election to any judgeship has been convicted of a crime;

32. Heads of state agencies in which positions have been identified as sensitive for the purpose of determining an individual's fitness for employment in positions designated as sensitive under Department of Human Resource Management policies developed pursuant to § 2.2-1201.1;

33. The Office of the Attorney General, for all criminal justice activities otherwise permitted under subdivision A 1 and for purposes of performing duties required by the Civil Commitment of Sexually Violent Predators Act (§ 37.2-900 et seq.);

34. Shipyards, to the extent permitted by federal law or regulation, engaged in the design, construction, overhaul, or repair of nuclear vessels for the United States Navy, including their subsidiary companies, for the conduct of investigations of applications for employment or for access to facilities, by contractors, leased laborers, and other visitors;

35. Any employer of individuals whose employment requires that they enter the homes of others, for the purpose of screening individuals who apply for, are offered, or have accepted such employment;

36. Public agencies when and as required by federal or state law to investigate (i) applicants as providers of adult foster care and home-based services or (ii) any individual with whom the

agency is considering placing an adult on an emergency, temporary, or permanent basis pursuant to § 63.2-1601.1, subject to the restriction that the data shall not be further disseminated by the agency to any party other than a federal or state authority or court as may be required to comply with an express requirement of law for such further dissemination, subject to limitations set out in subsection G;

37. The Department of Medical Assistance Services, or its designee, for the purpose of screening individuals who, through contracts, subcontracts, or direct employment, volunteer, apply for, are offered, or have accepted a position related to the provision of transportation services to enrollees in the Medicaid Program or the Family Access to Medical Insurance Security (FAMIS) Program, or any other program administered by the Department of Medical Assistance Services;

38. The State Corporation Commission for the purpose of investigating individuals who are current or proposed members, senior officers, directors, and principals of an applicant or person licensed under Chapter 16 (§ 6.2-1600 et seq.) or Chapter 19 (§ 6.2-1900 et seq.) of Title 6.2. Notwithstanding any other provision of law, if an application is denied based in whole or in part on information obtained from the Central Criminal Records Exchange pursuant to Chapter 16 or 19 of Title 6.2, the Commissioner of Financial Institutions or his designee may disclose such information to the applicant or its designee;

39. The Department of Professional and Occupational Regulation for the purpose of investigating individuals for initial licensure pursuant to § 54.1-2106.1;

40. The Department for Aging and Rehabilitative Services and the Department for the Blind and Vision Impaired for the purpose of evaluating an individual's fitness for various types of employment and for the purpose of delivering comprehensive vocational rehabilitation services pursuant to Article 11 (§ 51.5-170 et seq.) of Chapter 14 of Title 51.5 that will assist the individual in obtaining employment;

41. Bail bondsmen, in accordance with the provisions of § 19.2-120;

42. The State Treasurer for the purpose of determining whether a person receiving compensation for wrongful incarceration meets the conditions for continued compensation under § 8.01-195.12;

43. The Department of Social Services and directors of local departments of social services for the purpose of screening individuals seeking to enter into a contract with the Department of Social Services or a local department of social services for the provision of child care services for which child care subsidy payments may be provided;

44. The Department of Juvenile Justice to investigate any parent, guardian, or other adult members of a juvenile's household when completing a predispositional or postdispositional report required by § 16.1-273 or a Board of Juvenile Justice regulation promulgated pursuant to § 16.1-233; and

45. Other entities as otherwise provided by law.

Upon an ex parte motion of a defendant in a felony case and upon the showing that the records requested may be relevant to such case, the court shall enter an order requiring the Central Criminal Records Exchange to furnish the defendant, as soon as practicable, copies of any records of persons designated in the order on whom a report has been made under the provisions of this chapter.

Notwithstanding any other provision of this chapter to the contrary, upon a written request sworn to before an officer authorized to take acknowledgments, the Central Criminal Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish a copy of conviction data covering the person named in the request to the person making the request; however, such person on whom the data is being obtained shall consent in writing, under oath, to the making of such request. A person receiving a copy of his own conviction data may utilize or further disseminate that data as he deems appropriate. In the event no conviction data is maintained on the data subject, the person making the request shall be furnished at his cost a certification to that effect.

B. Use of criminal history record information disseminated to noncriminal justice agencies under this section shall be limited to the purposes for which it was given and may not be disseminated further.

C. No criminal justice agency or person shall confirm the existence or nonexistence of criminal history record information for employment or licensing inquiries except as provided by law.

D. Criminal justice agencies shall establish procedures to query the Central Criminal Records Exchange prior to dissemination of any criminal history record information on offenses required to be reported to the Central Criminal Records Exchange to ensure that the most up-to-date disposition data is being used. Inquiries of the Exchange shall be made prior to any dissemination except in those cases where time is of the essence and the normal response time of the Exchange would exceed the necessary time period. A criminal justice agency to whom a request has been made for the dissemination of criminal history record information that is required to be reported to the Central Criminal Records Exchange may direct the inquirer to the Central Criminal Records Exchange for such dissemination. Dissemination of information regarding offenses not required to be reported to the Exchange shall be made by the criminal justice agency maintaining the record as required by § 15.2-1722.

E. Criminal history information provided to licensed nursing homes, hospitals and to home care organizations pursuant to subdivision A 15 shall be limited to the convictions on file with the Exchange for any offense specified in §§ 32.1-126.01, 32.1-126.02, and 32.1-162.9:1.

F. Criminal history information provided to licensed assisted living facilities and licensed adult day care centers pursuant to subdivision A 16 shall be limited to the convictions on file with the Exchange for any offense specified in § 63.2-1720.

G. Criminal history information provided to public agencies pursuant to subdivision A 36 shall be limited to the convictions on file with the Exchange for any offense set forth in clause (i) of the definition of barrier crime in § 19.2-392.02.

H. Upon receipt of a written request from an employer or prospective employer, the Central Criminal Records Exchange, or the criminal justice agency in cases of offenses not required to be reported to the Exchange, shall furnish at the employer's cost a copy of conviction data covering the person named in the request to the employer or prospective employer making the request, provided that the person on whom the data is being obtained has consented in writing to the making of such request and has presented a photo-identification to the employer or prospective employer. In the event no conviction data is maintained on the person named in the request, the requesting employer or prospective employer shall be furnished at his cost a certification to that effect. The criminal history record search shall be conducted on forms provided by the Exchange.

I. Nothing in this section shall preclude the dissemination of a person's criminal history record information pursuant to the rules of court for obtaining discovery or for review by the court.

§ 37.2-304. Duties of Commissioner.

The Commissioner shall be the chief executive officer of the Department and shall have the following duties and powers:

1. To supervise and manage the Department and its state facilities.
2. To employ the personnel required to carry out the purposes of this title.
3. To make and enter into all contracts and agreements necessary or incidental to the performance of the Department's duties and the execution of its powers under this title, including contracts with the United States, other states, and agencies and governmental subdivisions of the Commonwealth, consistent with policies and regulations of the Board and applicable federal and state statutes and regulations.
4. To accept, hold, and enjoy gifts, donations, and bequests on behalf of the Department from the United States government, agencies and instrumentalities thereof, and any other source, subject to the approval of the Governor. To these ends, the Commissioner shall have the power to comply with conditions and execute agreements that may be necessary, convenient, or desirable, consistent with policies and regulations of the Board.
5. To accept, execute, and administer any trust in which the Department may have an interest, under the terms of the instruments creating the trust, subject to the approval of the Governor.
6. To transfer between state hospitals and training centers school-age individuals who have been identified as appropriate to be placed in public school programs and to negotiate with other school divisions for placements in order to ameliorate the impact on those school divisions located in a jurisdiction in which a state hospital or training center is located.
7. To provide to the Director of the Commonwealth's designated protection and advocacy system, established pursuant to § 51.5-39.13, a written report setting forth the known facts of (i) critical incidents, as that term is defined in § 37.2-709.1, or deaths of individuals receiving services in facilities and (ii) serious injuries, as that term is defined in regulations adopted by

the Board pursuant to § 37.2-400, or deaths of individuals receiving services in programs operated or licensed by the Department within 15 working days of the critical incident, serious injury, or death.

8. To work with the appropriate state and federal entities to ensure that any individual who has received services in a state facility for more than one year has possession of or receives prior to discharge any of the following documents, when they are needed to obtain the services contained in his discharge plan: a Department of Motor Vehicles approved identification card that will expire 90 days from issuance, a copy of his birth certificate if the individual was born in the Commonwealth, or a social security card from the Social Security Administration. State facility directors, as part of their responsibilities pursuant to § 37.2-837, shall implement this provision when discharging individuals.

9. To work with the Department of Veterans Services and the Department for Aging and Rehabilitative Services to establish a program for mental health and rehabilitative services for Virginia veterans and members of the Virginia National Guard and Virginia residents in the Armed Forces Reserves not in active federal service and their family members pursuant to § 2.2-2001.1.

10. To establish and maintain a pharmaceutical and therapeutics committee composed of representatives of the Department of Medical Assistance Services, state facilities operated by the Department, community services boards, at least one health insurance plan, and at least one individual receiving services to develop a drug formulary for use at all community services boards, state facilities operated by the Department, and providers licensed by the Department.

11. To establish and maintain the Commonwealth Mental Health First Aid Program pursuant to § 37.2-312.2.

12. To submit a report for the preceding fiscal year by December 1 of each year to the Governor and the Chairmen of the House Appropriations and Senate Finances Committees that provides information on the operation of Virginia's publicly funded behavioral health and developmental services system. The report shall include a brief narrative and data on the number of individuals receiving state facility services or community services board services, including purchased inpatient psychiatric services; the types and amounts of services received by these individuals; and state facility and community services board service capacities, staffing, revenues, and expenditures. The annual report shall describe major new initiatives implemented during the past year and shall provide information on the accomplishment of systemic outcome and performance measures during the year.

13. To administer the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.1.

Unless specifically authorized by the Governor to accept or undertake activities for compensation, the Commissioner shall devote his entire time to his duties.

§ 37.2-314.1. Problem Gambling Treatment and Support Fund.

There is hereby created in the state treasury a special nonreverting fund to be known as the Problem Gambling Treatment and Support Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All moneys required to be deposited into the Fund pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of (i) providing counseling and other support services for compulsive and problem gamblers, (ii) developing and implementing compulsive and problem gambling treatment and prevention programs, and (iii) providing grants to support organizations that provide assistance to compulsive and problem gamblers. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Commissioner.

§ 58.1-4002. Definitions.

~~For the purposes of~~ *As used in this chapter, unless the context requires a different meaning:*

"Board" means the Virginia Lottery Board established by this chapter.

"Casino gaming" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines, sports betting, roulette wheels, Klondike tables, punchboards, faro layouts, keno layouts, numbers tickets, push cards, jar tickets, or pull tabs and any other activity that is authorized by the Board as a wagering game or device under Chapter 41 (§ 58.1-4100 et seq.).

"Department" means the independent agency responsible for the administration of the Virginia Lottery created in this chapter.

"Director" means the Director of the Virginia Lottery.

"Lottery" or "state lottery" means the lottery or lotteries established and operated pursuant to this chapter.

"Ticket courier service" means a service operated for the purpose of purchasing Virginia Lottery tickets on behalf of individuals located within or outside the Commonwealth and delivering or transmitting such tickets, or electronic images thereof, to such individuals as a business-for-profit delivery service.

§ 58.1-4006. Powers of the Director.

A. The Director shall supervise and administer ~~the~~:

- 1. The operation of the lottery in accordance with the provisions of this chapter and with the rules and regulations promulgated hereunder; and*
- 2. The regulation of casino gaming in accordance with Chapter 41 (§ 58.1-4100 et seq.).*

B. The Director shall also:

1. Employ such deputy directors, professional, technical and clerical assistants, and other employees as may be required to carry out the functions and duties of the Department.
2. Act as secretary and executive officer of the Board.
3. Require bond or other surety satisfactory to the Director from licensed agents as provided in subsection E of § 58.1-4009 and Department employees with access to Department funds or lottery funds, in such amount as provided in the rules and regulations of the Board. The Director may also require bond from other employees as he deems necessary.
4. Confer regularly, but not less than four times each year, with the Board on the operation and administration of the lottery *and the regulation of casino gaming*; make available for inspection by the Board, upon request, all books, records, files, and other information and documents of the Department; and advise the Board and recommend such matters as he deems necessary and advisable to improve the operation and administration of the lottery *and the regulation of casino gaming*.
5. Suspend, revoke, or refuse to renew any license issued pursuant to this chapter or the rules and regulations adopted hereunder.
6. *Suspend, revoke, or refuse to renew any license or permit issued pursuant to Chapter 41 (§ 58.1-4100 et seq.).*
7. *Eject or exclude from a casino gaming establishment any person, whether or not he possesses a license or permit, whose conduct or reputation is such that his presence may, in the opinion of the Director, reflect negatively on the honesty and integrity of casino gaming or interfere with the orderly gaming operations.*
8. *Immediately upon the receipt of a credible complaint of an alleged criminal violation of Chapter 41 (§ 58.1-4100 et seq.), report the complaint to the Attorney General and the State Police for appropriate action.*
9. *Inspect and investigate, and have free access to the offices, facilities, or other places of business of any licensee or permit holder and may compel the production of any of the books, documents, records, or memoranda of any licensee or permit holder for the purpose of ensuring compliance with Chapter 41 (§ 58.1-4100 et seq.) and Department regulations.*
10. *Compel any person holding a license or permit pursuant to Chapter 41 (§ 58.1-4100 et seq.) to file with the Department such information as shall appear to the Director to be necessary for the performance of the Department's functions, including financial statements and information relative to principals and all others with any pecuniary interest in such person.*
11. *Enter into arrangements with any foreign or domestic governmental agency for the purposes of exchanging information or performing any other act to better ensure the proper conduct of gaming operations or the efficient conduct of the Director's duties.*
12. Enter into contracts for the operation of the lottery, or any part thereof, for the promotion of the lottery and into interstate lottery contracts with other states. A contract awarded or entered

into by the Director shall not be assigned by the holder thereof except by specific approval of the Director.

~~7.~~ 13. Certify monthly to the State Comptroller and the Board a full and complete statement of lottery revenues, prize disbursements and other expenses for the preceding month.

~~8.~~ 14. Report monthly to the Governor, the Secretary of Finance, and the Chairmen of the Senate *Committee on Finance* ~~Committee~~, House *Committee on Finance* ~~Committee~~, and House *Committee on Appropriations* ~~Committee~~ the total lottery revenues, prize disbursements, and other expenses for the preceding month; and make an annual report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other expenses, *as well as a separate financial statement of the expenses incurred in the regulation of casino operations as defined in § 58.1-4100*, to the Governor and the General Assembly. Such annual report shall also include such recommendations for changes in this chapter *and Chapter 41 (§ 58.1-4100 et seq.)* as the Director and Board deem necessary or desirable.

~~9.~~ 15. Report immediately to the Governor and the General Assembly any matters ~~which~~ *that* require immediate changes in the laws of ~~this~~ *the* Commonwealth in order to prevent abuses and evasions of this chapter *and Chapter 41 (§ 58.1-4100 et seq.)* or the rules and regulations adopted hereunder or to rectify undesirable conditions in connection with the administration or operation of the lottery.

~~10.~~ 16. Notify prize winners and appropriate state and federal agencies of the payment of prizes in excess of \$600 in the manner required by the lottery rules and regulations.

~~11.~~ 17. Provide for the withholding of the applicable amount of state and federal income tax of persons claiming a prize for a winning ticket in excess of \$5,001.

C. The Director and the director of security or investigators appointed by the Director shall be vested with the powers of sheriff and sworn to enforce the statutes and regulations pertaining to the Department and to investigate violations of the statutes and regulations that the Director is required to enforce.

D. The Director may authorize temporary bonus or incentive programs for payments to licensed sales agents ~~which~~ *that* he determines will be cost effective and support increased sales of lottery products.

CHAPTER 41.

CASINO GAMING.

Article 1.

General Provisions.

§ 58.1-4100. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Adjusted gross receipts" means the gross receipts from casino gaming less winnings paid to winners.

"Board" means the Virginia Lottery Board established in the Virginia Lottery Law (§ 58.1-4000 et seq.).

"Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines, sports betting, roulette wheels, Klondike tables, punchboards, faro layouts, keno layouts, numbers tickets, push cards, jar tickets, or pull tabs and any other activity that is authorized by the Board as a wagering game or device under this chapter.

"Casino gaming establishment" means the premises upon which lawful casino gaming is authorized and licensed as provided in this chapter. "Casino gaming establishment" does not include a riverboat or similar vessel.

"Cheat" means to alter the selection criteria that determine the result of a game or the amount or frequency of payment in a game for the purpose of obtaining an advantage for one or more participants in a game over other participants in a game.

"College Sports" means an athletic event in which at least one participant is a team from a public or private institute of higher education.

"Department" means the independent agency responsible for the administration of the Virginia Lottery created in the Virginia Lottery Law (§ 58.1-4000 et seq.).

"Director" means the Director of the Virginia Lottery.

"Entity" means a person that is not a natural person.

"Gaming operation" means the conduct of authorized casino gaming within a casino gaming establishment.

"Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens, or electronic cards by casino gaming patrons.

"Immediate family" means (i) a spouse and (ii) any other person residing in the same household as an officer or employee and who is a dependent of the officer or employee or of whom the officer or employee is a dependent.

"Individual" means a natural person.

"Licensee" or "license holder" means any person holding an operator's license under § 58.1-4111.

"Permit holder" means any person holding a supplier or service permit pursuant to this chapter.

"Person" means an individual, partnership, joint venture, association, limited liability company, stock corporation, or nonstock corporation and includes any person that directly or indirectly controls or is under common control with another person.

"Principal" means any individual who solely or together with his immediate family members (i) owns or controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a licensee or (ii) has the power to vote or cause the vote of five percent or more of the voting securities or other ownership interests of such entity, and any person who manages a gaming operation on behalf of a licensee.

"Professional sports" means an athletic event involving at least two competing individuals who receive compensation, in excess of their expenses, for participating in such event.

"Security" has the same meaning as provided in § 13.1-501. If the Board finds that any obligation, stock, or other equity interest creates control of or voice in the management operations of an entity in the manner of a security, then such interest shall be considered a security.

"Sports betting" means placing wagers on professional sports and college sports.

"Supplier" means any person that sells or leases, or contracts to sell or lease, any casino gaming equipment, devices, or supplies, or provides any management services, to a licensee.

"Voluntary exclusion program" means a program established by the Board that allows individuals to voluntarily exclude themselves from the gaming areas of facilities under the jurisdiction of the Board by placing their name on a voluntary exclusion list and following the procedures set forth by the Board.

"Youth sports" means an athletic event (i) involving a participant under age 18 or (ii) in which at least one participant is a team from a public or private elementary, middle, or secondary school, regardless of where such school is located.

§ 58.1-4101. Regulation and control of casino gaming; limitation.

A. Casino gaming shall be licensed and permitted as herein provided to benefit the people of the Commonwealth. The Board is vested with control of all casino gaming in the Commonwealth, with authority to prescribe regulations and conditions under this chapter. The purposes of this chapter are to assist economic development, promote tourism, and provide for the implementation of casino gaming operations of the highest quality, honesty, and integrity and free of any corrupt, incompetent, dishonest, or unprincipled practices.

B. The conduct of casino gaming shall be limited to:

1. Any city (i) in which at least 40 percent of the assessed value of all real estate in such locality is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2017, and (ii) that experienced a population decrease of at least seven percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;

2. Any city that had (i) an unemployment rate of at least five percent in November 2017, according to data provided by the U.S. Bureau of Labor Statistics; (ii) a poverty rate of at least 20 percent in 2016, according to data provided by the U.S. Census Bureau; and (iii) a population decrease of at least 20 percent from 1990 to 2016, according to data provided by the

U.S. Census Bureau;

3. Any city that (i) had an unemployment rate of at least four percent in November 2017, according to data provided by the U.S. Bureau of Labor Statistics; (ii) had a poverty rate of at least 20 percent in 2016, according to data provided by the U.S. Census Bureau; (iii) experienced a population decrease of at least four percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and (iv) is located adjacent to a state that has adopted a Border Region Retail Tourism Development District Act; and

4. Any city (i) with a population greater than 200,000 according to the 2017 population estimates from the Weldon Cooper Center for Public Service of the University of Virginia and (ii) in which at least 24 percent of the assessed value of all real estate in such locality is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2017, provided that such casino gaming is conducted by a Virginia Indian tribe recognized in House Joint Resolution No. 54 (1983) and acknowledged by the United States Assistant Secretary-Indian Affairs as an Indian tribe within the meaning of federal law that has the authority to conduct gaming activities as a matter of claimed inherent authority or under the authority of the Indian Gaming Regulatory Act (25 U.S.C. § 2701 et seq.).

C. The Board shall be limited to the issuance of a single operator's license for each city described in subsection B.

D. The conduct of any casino gaming establishment and entrance to such establishment is a privilege that may be granted or denied by the Board or its duly authorized representatives in its discretion in order to effectuate the purposes set forth in this chapter. Any proposed site for a casino gaming establishment shall be privately owned property subject to the local land use and property taxation authority of the locality in which the casino gaming establishment is located.

§ 58.1-4102. Powers and duties of the Board; regulations.

The Board shall have the power and duty to:

1. Issue permits and licenses under this chapter and supervise all gaming operations licensed under the provisions of this chapter, including all persons conducting or participating in any gaming operation. The Board shall employ such persons to be present during gaming operations as are necessary to ensure that such gaming operations are conducted with order and the highest degree of integrity.

2. Adopt regulations regarding the conditions under which casino gaming shall be conducted in the Commonwealth and all such other regulations it deems necessary and appropriate to further the purposes of this chapter.

3. Issue an operator's license only to a person who meets the criteria of § 58.1-4111.

4. Issue subpoenas for the attendance of witnesses before the Board, administer oaths, and compel production of records or other documents and testimony of such witnesses whenever in the judgment of the Board it is necessary to do so for the effectual discharge of its duties.

5. *Order such audits as it deems necessary and desirable.*
6. *Provide for the withholding of the applicable amount of state and federal income tax of persons claiming a prize or payoff for winning a game and establish the thresholds for such withholdings.*

§ 58.1-4103. Voluntary exclusion program.

A. The Board shall adopt regulations to establish and implement a voluntary exclusion program in the Commonwealth.

B. The regulations shall include the following provisions:

1. *Except as provided by rule of the Board, an individual who participates in the voluntary exclusion program agrees to be excluded from entering a casino gaming establishment.*
2. *The name of an individual participating in the program shall be included on a list of individuals excluded from all casino gaming establishments.*
3. *Except as provided by rule of the Board, an individual who participates in the voluntary exclusion program may not petition the Board for readmittance to any casino gaming establishment.*
4. *The list of participants in the voluntary exclusion program and the personal information of the participants shall be confidential with dissemination by the Board limited to the owner or operator of a casino gaming establishment for purposes of enforcement and to other entities, upon request by the participant and agreement by the Board.*
5. *The operator of a casino gaming establishment shall make all reasonable attempts as determined by the Board to cease all direct marketing efforts to an individual participating in the program. An individual's participation in the voluntary exclusion program shall not preclude an operator from seeking the payment of a debt accrued by such individual prior to entering the program.*

§ 58.1-4104. Fingerprints and background investigations.

The Board shall require a background investigation, including a criminal history records check and fingerprinting, of the following individuals by a representative of a law-enforcement agency of the Commonwealth or federal government: (i) every individual applying for a license or permit pursuant to this chapter; (ii) every individual who is an officer, director, or principal of a licensee or applicant for a license and every employee of the licensee who conducts gaming operations; (iii) all security personnel of any licensee; (iv) all permit holders and officers, directors, principals, and employees of permit holders whose duties relate to gaming operations in Virginia; and (v) any other individual determined by the Department as an active participant in the casino gaming activities of any licensee or permit holder or applicant for a license or permit. Each such individual shall submit his fingerprints and personal descriptive information to the Central Criminal Records Exchange to be forwarded to the Federal Bureau of Investigation for a National Criminal Records search and to the Department of State Police for

a Virginia criminal history records search.

§ 58.1-4105. Hearing and appeal.

Any person aggrieved by a refusal of the Department to issue any license or permit, the suspension or revocation of a license or permit, the imposition of a fine, or any other action of the Board may seek review of such action in accordance with Department regulations and Article 3 (§ 2.2-4018 et seq.) of the Administrative Process Act (§ 2.2-4000 et seq.). Further appeals shall also be in accordance with Article 5 (§ 2.2-4025 et seq.) of the Administrative Process Act.

§ 58.1-4106. Injunction.

The Department may apply to the appropriate circuit court for an injunction against any person who has violated or may violate any provision of this chapter or any regulation or final decision of the Board. The order granting or refusing such injunction shall be subject to appeal as in other cases in equity.

Article 2.

Licenses.

§ 58.1-4107. Operator's license required; license may be transferred under certain conditions.

A. No person shall operate a gaming operation unless he has obtained an operator's license issued by the Department in accordance with the provisions of this chapter and the regulations promulgated hereunder.

B. In order to be eligible to obtain an operator's license issued under the provisions of this chapter, the person shall make a capital investment of at least \$100 million in a casino gaming establishment, excluding the value of the real property upon which the establishment is located.

C. A license issued under the provisions of this chapter shall be transferrable, provided that the Department has approved the proposed transfer and that all licensure requirements are satisfied at the time the transfer takes effect.

§ 58.1-4108. Application for operator's license; penalty.

A. Any person desiring to operate a gaming operation shall file with the Department an application for an operator's license. Such application shall be filed at the place prescribed by the Department and shall be in such form and contain such information as prescribed by the Department, including but not limited to the following:

1. The name and address of such person; if a corporation, the state of its incorporation, the full name and address of each officer and director thereof, and, if a foreign corporation, whether it is qualified to do business in the Commonwealth; if a partnership or joint venture, the name and address of each general partner thereof; if a limited liability company, the name and address of each manager thereof; or if another entity, the name and address of each person performing duties similar to those of officers, directors, and general partners;

2. *The name and address of each principal and of each person who has contracted to become a principal of the applicant, including providing management services with respect to any part of gaming operations; the nature and cost of such principal's interest; and the name and address of each person who has agreed to lend money to the applicant;*

3. *Such information as the Department considers appropriate regarding the character, background, and responsibility of the applicant and the principals, officers, and directors of the applicant;*

4. *A description of the casino gaming establishment in which such gaming operations are to be conducted and the city where such casino gaming establishment will be located. The Board shall require such information about a casino gaming establishment and its location as it deems necessary and appropriate to determine whether it complies with the minimum standards provided in this chapter and whether gaming operations at such location will be in furtherance of the purposes of this chapter;*

5. *Such information relating to the financial responsibility of the applicant and the applicant's ability to perform under its license as the Department considers appropriate;*

6. *If any of the facilities necessary for the conduct of gaming operations are to be leased, the terms of such lease;*

7. *Evidence of compliance by the applicant with the economic development and land use plans and design review criteria of the local governing body of the locality in which the casino gaming establishment is proposed to be located, including certification that the project complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;*

8. *A resolution adopted by the locality in which the casino gaming establishment is proposed to be located affirming support for such application; and*

9. *Any other information that the Department in its discretion considers appropriate.*

B. A nonrefundable application fee of \$50,000 shall be paid at the time of filing to defray the costs associated with the background investigation conducted for the Department. If the reasonable costs of the investigation exceed the application fee, the applicant shall pay the additional amount to the Department. The Board may establish regulations calculating the reasonable costs to the Department in performing its functions under this chapter and allocating such costs to the applicants for licensure at the time of filing.

C. Any application filed hereunder shall be verified by the oath or affirmation of the applicant. Any person who knowingly makes a false statement on an application is guilty of a Class 4 felony.

D. The licensed operator shall be the person primarily responsible for the gaming operations under his license and compliance of such operations with the provisions of this chapter.

§ 58.1-4109. Notice to local government body; local impact.

The Department shall notify the local governing body and the chief law-enforcement officer of the locality where a proposed casino gaming establishment will be located within 15 days of the filing of the application. Within 90 days of receipt of the notification from the Department, the local governing body shall submit any comments it may have in writing on the proposed casino gaming establishment and indicate whether the locality supports the proposition.

§ 58.1-4110. Issuance of operator's license.

A. The Department may issue an operator's license to a person only if it finds that:

- 1. The casino gaming establishment the applicant proposes to use on a permanent basis is or will be appropriate for gaming operations consistent with the purposes of this chapter;*
- 2. The locality where the casino gaming establishment will be located certifies that the proposed project complies with all applicable land use ordinances pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2;*
- 3. Any required local infrastructure or site improvements, including necessary sewerage, water, drainage facilities, or traffic flow are to be paid exclusively by the applicant without state or local financial assistance.*
- 4. If the applicant is an entity, its securities are fully paid and, in the case of stock, nonassessable and have been subscribed and will be paid for only in cash or property to the exclusion of past services;*
- 5. All principals meet the criteria of this subsection and have submitted to the jurisdiction of the Virginia courts, and all nonresident principals have designated the Director as their agent for receipt of process;*
- 6. If the applicant is an entity, it has the right to purchase at fair market value the securities of, and require the resignation of, any person who is or becomes disqualified under subsection B;*
- 7. The applicant meets any other criteria established by this chapter and the Department's regulations for the granting of an operator's license;*
- 8. The applicant is qualified to do business in Virginia or is subject to the jurisdiction of the courts of the Commonwealth; and*
- 9. The applicant has not previously been denied a license pursuant to subsection B.*

B. The Department shall deny a license to an applicant if it finds that for any reason the issuance of a license to the applicant would reflect adversely on the honesty and integrity of the casino gaming industry in the Commonwealth or that the applicant, or any officer, principal, manager, or director of the applicant:

- 1. Is or has been guilty of any illegal act, conduct, or practice in connection with gaming operations in this or any other state or has been convicted of a felony;*
- 2. Has had a license or permit to hold or conduct a gaming operation denied for cause,*

suspended, or revoked, in this or any other state or country, unless the license or permit was subsequently granted or reinstated;

3. Has at any time during the previous five years knowingly failed to comply with the provisions of this chapter or any Department regulation;

4. Has knowingly made a false statement of material fact to the Department or has deliberately failed to disclose any information requested by the Department;

5. Has defaulted in the payment of any obligation or debt due to the Commonwealth and has not cured such default; or

6. Has operated or caused to be operated a casino gaming establishment for which a license is required under this chapter without obtaining such license.

C. The Department shall make a determination regarding whether to issue the operator's license within 60 days of the receipt of a completed application.

§ 58.1-4111. Duration and form of operator's license; bond.

A. A license issued under this chapter shall be for the period set by the Department regulations, which shall be no less than 10 years, but shall be reviewed no less frequently than annually to determine compliance with this chapter and Department regulations. The Board shall establish by regulation the criteria and procedures for license renewal and for amending licenses to conform to changes in a licensee's gaming operations. Renewal shall not be unreasonably refused.

B. The Department shall require a bond with surety acceptable to it, and in an amount determined by it, to be sufficient to cover any indebtedness incurred by the licensee to the Commonwealth.

§ 58.1-4112. Records to be kept; reports.

A. A licensed operator shall keep his books and records so as to clearly indicate the total amount of gross receipts and adjusted gross receipts.

B. The licensed operator shall furnish to the Department reports and information as the Department may require with respect to its activities on forms designated and supplied for such purpose by the Department.

C. The books and records required under this section to be kept by a licensed operator are public records and the examination, publication, and dissemination of the books and records are governed by the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

§ 58.1-4113. Audit or financial review of licensed gaming operations.

Within 90 days after the end of each fiscal year, the licensed operator shall transmit to the Board an audit or financial review of the financial transactions and condition of the licensee's total operations. All audits and financial reviews required by this section shall conform to Board regulations.

Article 3.

Supplier's Permits.

§ 58.1-4114. Supplier's permits; penalty.

A. The Department may issue a supplier's permit to any person upon application and payment of a nonrefundable application fee set by the Department, a determination by the Department that the applicant is eligible for a supplier's permit, and payment of a \$5,000 initial permit fee. A supplier's permit shall be renewed annually at a fee to be determined by the Department, not to exceed \$5,000, and is not transferable.

B. The holder of a supplier's permit may sell or lease, or contract to sell or lease, casino gaming equipment and supplies, or provide management services, to any licensee involved in the ownership or management of gaming operations to the extent provided in the permit.

C. Gaming equipment, devices, and supplies shall not be distributed unless such equipment, devices, and supplies conform to standards adopted by the Department.

D. A person is ineligible to receive a supplier's permit if:

1. The person has been convicted of a felony under the laws of the Commonwealth or any other state or of the United States;

2. The person has submitted an application for a license under this chapter that contains false information;

3. The person is a Board member, employee of the Department, or a member of the immediate household of a Board member or Department employee;

4. The person is an entity in which a person defined in subdivision 1, 2, or 3 is an officer, director, principal, or managerial employee;

5. The firm or corporation employs a person who participates in the management or operation of casino gaming authorized under this chapter; or

6. A prior permit issued to such person to own or operate casino gaming facilities or supply goods or services to a gaming operation under this chapter or any laws of any other jurisdiction has been revoked.

E. Any person that supplies any casino gaming equipment, devices, or supplies to a licensed gaming operation or manages any operation, including a computerized network, of a casino gaming establishment shall first obtain a supplier's permit. A supplier shall furnish to the Department a list of all management services, equipment, devices, and supplies offered for sale or lease in connection with the games authorized under this chapter. A supplier shall keep books and records for the furnishing of casino gaming equipment, devices, and supplies to gaming operations separate and distinct from any other business that the supplier might operate. A supplier shall file a quarterly return with the Department listing all sales and leases for which a permit is required. A supplier shall permanently affix its name to all its equipment,

devices, and supplies for gaming operations. Any supplier's equipment, devices, or supplies that are used by any person in an unauthorized gaming operation shall be forfeited to the Commonwealth.

F. A licensed operator may operate its own equipment, devices, and supplies and may utilize casino gaming equipment, devices, and supplies at such locations as may be approved by the Department for the purpose of training enrollees in a school operated by the licensee to train persons who desire to become qualified for employment or promotion in gaming operations. The Board may promulgate regulations for the conduct of any such schools.

G. Each holder of an operator's license under this chapter shall file an annual report with the Department listing its inventories of casino gaming equipment, devices, and supplies related to its operations in Virginia.

H. Any person who knowingly makes a false statement on an application for a supplier's permit is guilty of a Class 4 felony.

§ 58.1-4115. Denial of permit final.

The denial of a supplier's permit by the Department shall be final unless appealed under § 58.1-4105. A permit may not be applied for again for a period of five years from the date of denial without the permission of the Department.

Article 4.

Suspension and Revocation of Licenses and Supplier's Permits; Acquisition of Interest in Licensee or Holder of Supplier's Permit.

§ 58.1-4116. Suspension or revocation of license or permit.

A. The Director may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of a license or permit in a sum not to exceed \$100,000, after notice and a hearing. Such license or permit may, however, be temporarily suspended by the Director without prior notice, pending any prosecution, hearing, or investigation, whether by a third party or by the Director. A license may be suspended, revoked, or refused renewal by the Director for one or more of the following reasons:

- 1. Failure to comply with, or violation of, any provision of this chapter or any regulation or condition of the Department;*
- 2. Failure to disclose facts during the application process that indicate that such license or permit should not have been issued;*
- 3. Conviction of a felony under the laws of the Commonwealth or any other state or of the United States subsequent to issuance of a license or permit;*
- 4. Failure to file any return or report, to keep any records, or to pay any fees or other charges required by this chapter;*

5. Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity of gaming operations;

6. A material change, since issuance of the license or permit, with respect to any matters required to be considered by the Director under this chapter; or

7. Other factors established by Department regulation.

B. Such action by the Director shall be final unless appealed in accordance with § 58.1-4105. Suspension or revocation of a license or permit for any violation shall not preclude criminal liability for such violation.

§ 58.1-4117. Acquisition of interest in licensee or permit holder.

The Department shall require any person desiring to become a principal of, or other investor in, any licensee or holder of a supplier's permit to apply to the Department for approval and may demand such information of the applicant as it finds necessary. The Department shall consider such application within 60 days of its receipt and if in its judgment the acquisition by the applicant would be detrimental to the public interest, to the honesty and integrity of gaming operations, or to its reputation, the application shall be denied. All reasonable costs for review by the Department shall be borne by the applicant.

Article 5.

Service Permits.

§ 58.1-4118. Service permit required.

No person shall participate in any gaming operation as a casino gaming employee, concessionaire, or employee thereof or other occupation the Department considers necessary to regulate in order to ensure the integrity of casino gaming in the Commonwealth unless such person possesses a service permit to perform such occupation issued by the Department and complies with the provisions of this chapter and all Department regulations. A service permit issued under the provisions of this chapter may be transferable upon approval of the Department.

§ 58.1-4119. Application for service permit.

A. Any person desiring to obtain a service permit as required by this chapter shall apply on a form prescribed by the Department. The application shall be accompanied by a fee prescribed by the Department.

B. Any application filed hereunder shall be verified by the oath or affirmation of the applicant.

§ 58.1-4120. Consideration of service permit application.

A. The Department shall promptly consider any application for a service permit and issue or deny such service permit based on the information in the application and all other information provided, including any investigation it considers appropriate. If an application for a service

permit is approved, the Department shall issue a service permit, containing such information as the Department considers appropriate. Such service permit shall be valid for one year. The Department shall establish criteria and procedures for service permit renewal.

B. The Department shall deny the application and refuse to issue the service permit, which denial shall be final unless an appeal is taken under § 58.1-4105, if it finds that the issuance of such service permit to such applicant would not be in the best interests of the Commonwealth or would reflect negatively on the honesty and integrity of casino gaming in the Commonwealth or that the applicant:

1. Has knowingly made a false statement of a material fact in the application or has deliberately failed to disclose any information requested by the Department;

2. Is or has been guilty of any corrupt or fraudulent practice or conduct in connection with gaming operations in the Commonwealth or any other state;

3. Has knowingly failed to comply with the provisions of this chapter or the regulations promulgated hereunder;

4. Has had a service permit to engage in activity related to casino gaming denied for cause, suspended, or revoked in the Commonwealth or any other state, and such denial, suspension, or revocation is still in effect;

5. Is unqualified to perform the duties required for the service permit sought; or

6. Has been convicted of a misdemeanor or felony involving unlawful conduct of wagering, fraudulent use of a gaming credential, unlawful transmission of information, touting, bribery, embezzlement, administration or possession of drugs, or any crime considered by the Department to be detrimental to the honesty and integrity of casino gaming in the Commonwealth.

C. The Department may refuse to issue a service permit if for any reason it determines the granting of such service permit is not consistent with the provisions of this chapter or its responsibilities or any regulations promulgated by any other agency of the Commonwealth.

§ 58.1-4121. Suspension or revocation of service permit; civil penalty.

A. The Director may suspend, revoke, refuse to renew, or assess a civil penalty against the holder of a service permit in a sum not to exceed \$10,000, after notice and a hearing. Such service permit may, however, be temporarily suspended by the Director without prior notice, pending any prosecution, hearing, or investigation, whether by a third party or by the Director. A service permit may be suspended, revoked or refused renewal by the Director for one or more of the following reasons:

1. Failure to comply with, or violation of, any provision of this chapter, or any regulation or condition of the Department;

2. Failure to disclose facts during the application process that indicate that such service permit should not have been issued;

3. *Conviction of a felony under the laws of the Commonwealth or any other state or of the United States subsequent to issuance of a service permit;*
 4. *Failure to file any return or report, keep any record, or pay any fees or other charges required by this chapter;*
 5. *Any act of fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the integrity of gaming operations;*
 6. *A material change, since issuance of the service permit, with respect to any matters required to be considered by the Director under this chapter; or*
 7. *Other factors established by Department regulation.*
- B. Actions taken by the Director pursuant to this section shall be final unless appealed in accordance with § 58.1-4105. Suspension or revocation of a service permit for any violation shall not preclude criminal liability for such violation.*

Article 6.

Conduct of Casino Gaming.

§ 58.1-4122. *Conduct of casino gaming.*

A. Casino gaming may be conducted by licensed operators, subject to the following:

1. *Minimum and maximum wagers on games shall be set by the licensee.*
2. *Agents of the Department, the Department of State Police, and the local law-enforcement and fire departments may enter any casino gaming establishment and inspect such facility at any time for the purpose of determining compliance with this chapter and other applicable fire prevention and safety laws.*
3. *Employees of the Department shall have the right to be present in any facilities under the control of the licensee.*
4. *Gaming equipment, devices, and supplies customarily used in conducting casino gaming shall be purchased or leased only from suppliers holding permits for such purpose under this chapter.*
5. *Persons licensed under this chapter shall permit no form of wagering on games except as permitted by this chapter.*
6. *Wagers may be received only from a person present at the licensed casino gaming establishment. No person present at such facility shall place or attempt to place a wager on behalf of another person who is not present at the facility.*
7. *No person under age 21 shall be permitted to make a wager under this chapter or be present where casino gaming is being conducted.*
8. *No person shall place or accept a wager on youth sports.*

9. No licensee or permit holder shall accept postdated checks in payment for participation in any gaming operation. No licensee or permit holder, or any person on the premises of a casino gaming establishment, shall extend lines of credit or accept any credit card or other electronic fund transfer in payment for participation in any gaming operation.

B. Casino gaming wagers shall be conducted only with tokens, chips, or electronic cards purchased from a licensed casino gaming operator. Such tokens, chips, or electronic cards may be used only for the purpose of (i) making wagers on games or (ii) making a donation to a charitable entity granted tax exempt status under § 501(c)(3) of the Internal Revenue Code, provided that the donated tokens, chips, or electronic cards are redeemed by the same charitable entity accepting the donation.

Article 7.

Local Referendum.

§ 58.1-4123. Local referendum required.

A. The Department shall not grant any initial license to operate a gaming operation until a referendum approving the question is held in each city in which such casino gaming operation is to be located.

B. The governing body of any city meeting the requirements of subsection B of § 58.1-4101 shall petition the court, by resolution, asking that a referendum be held on the question of whether casino gaming be permitted within the city. The court, by order entered of record in accordance with Article 5 (§ 24.2-681 et seq.) of Chapter 6 of Title 24.2, shall require the regular election officials of the county to open the polls and take the sense of the voters on the question as herein provided.

C. The clerk of such court of record of such city shall publish notice of such election in a newspaper of general circulation in such city once a week for three consecutive weeks prior to such election.

D. The regular election officers of such city shall open the polls at the various voting places in such city on the date specified in such order and conduct such election in the manner provided by law. The election shall be by ballot, which shall be prepared by the electoral board of the city and on which shall be printed the following question:

"Shall casino gaming be permitted at a casino gaming establishment in _____ (name of city and location) as may be approved by the Virginia Lottery Board?"

[] Yes

[] No"

In the blank shall be inserted the name of the city in which such election is held and the proposed location of the casino gaming establishment. Any voter desiring to vote "Yes" shall mark in the square provided for such purpose immediately preceding the word "Yes," leaving

the square immediately preceding the word "No" unmarked. Any voter desiring to vote "No" shall mark in the square provided for such purpose immediately preceding the word "No," leaving the square immediately preceding the word "Yes" unmarked.

E. The ballots shall be counted, the returns made and canvassed as in other elections, and the results certified by the electoral board to the court ordering such election. Thereupon, such court shall enter an order proclaiming the results of such election and a duly certified copy of such order shall be transmitted to the Board and to the governing body of such city.

F. A subsequent local referendum shall be required if a license has not been granted by the Board within five years of the court order proclaiming the results of the election.

Article 8.

Taxation.

§ 58.1-4124. Wagering tax; rate; state and local distribution.

A. A tax at the rate set forth in subsection B is imposed on the adjusted gross receipts of each licensed operator received from games authorized under this chapter. The taxes imposed by this section shall be paid by the licensed operator to the Department no later than the close of the business day following the day when the adjusted gross receipts were received and shall be accompanied by forms and returns prescribed by the Board. Revenues collected pursuant to this section shall be credited to the Gaming Proceeds Fund to be appropriated as set forth in § 58.1-4125. The Department may suspend or revoke the license of an operator for willful failure to submit the wagering tax payment or the return within the specified time.

B. In the first year of operation, a licensed operator shall pay the tax set forth in this section at a rate of 14 percent of adjusted gross receipts from gaming activities. Each year thereafter, and based on the immediately preceding year's adjusted gross receipts, the rate shall be as follows:

- 1. Thirteen percent for a licensed operator with less than \$200 million annual adjusted gross receipts;*
- 2. Fourteen percent for a licensed operator with at least \$200 million but less than \$300 million annual adjusted gross receipts; and*
- 3. Fifteen percent for a licensed operator with at least \$300 million annual adjusted gross receipts.*

§ 58.1-4125. Gaming Proceeds Fund.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Gaming Proceeds Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All moneys required to be deposited into the Fund pursuant to this chapter shall be paid into the state treasury and credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.

B. Revenues from the Fund shall be appropriated by the General Assembly as follows:

- 1. Thirty percent shall be used to support transportation construction and maintenance in the Commonwealth, with (i) one-third of such funds to be allocated by the Commonwealth Transportation Board for projects benefitting the Interstate 81 corridor, (ii) one-third of such funds to be allocated to the Northern Virginia Transportation Authority Fund established pursuant to § 33.2-2509, and (iii) one-third of such funds to be allocated to the Hampton Roads Transportation Fund established pursuant to § 33.2-2600;*
- 2. Thirty percent shall be used to support school construction and modernization at public elementary and secondary schools in the Commonwealth;*
- 3. Ten percent shall be used to support increases to teacher pay in the Commonwealth;*
- 4. Ten percent shall be used to support initiatives to limit the increase of tuition and fees at public institutions of higher education;*
- 5. Ten percent shall be returned to the county or city in which they were collected on a pro rata basis;*
- 6. Nine percent shall be used to support activities directly related to the marketing and promotion of tourism destinations in the Commonwealth; and*
- 7. One percent shall be appropriated to the Problem Gambling Treatment and Support Fund established pursuant to § 37.2-314.1.*

Article 9.

Prohibited Acts; Penalties.

§ 58.1-4126. *Illegal operation; penalty.*

A. No person shall:

- 1. Operate casino gaming where wagering is used or to be used without a license issued by the Department.*
- 2. Operate casino gaming where wagering is permitted other than in the manner specified by this chapter.*
- 3. Offer, promise, or give anything of value or benefit to a person who is connected with a gaming operation, including an officer or employee of a licensed operator or permit holder, pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a game, or to influence official action of a member of the Board, the Director, a Department employee, or a local governing body.*
- 4. Solicit or knowingly accept a promise of anything of value or benefit while the person is connected with a gaming operation, including an officer or employee of a licensed operator or permit holder, pursuant to an understanding or arrangement or with the intent that the promise*

or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a game, or to influence official action of a member of the Board, the Director, a Department employee, or a local governing body.

5. Use or possess with the intent to use a device to assist in:

a. Projecting the outcome of a game;

b. Keeping track of the cards played;

c. Analyzing the probability of the occurrence of an event relating to a game; or

d. Analyzing the strategy for playing or betting to be used in a game except as permitted by Department regulation.

6. Cheat at gaming.

7. Manufacture, sell, or distribute any card, chip, dice, game, or device that is intended to be used to violate any provision of this chapter.

8. Alter or misrepresent the outcome of a game on which wagers have been made after the outcome is made sure but before it is revealed to the players.

9. Place a bet after acquiring knowledge, not available to all players, of the outcome of the game that is the subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet contingent on that outcome.

10. Claim, collect, or take, or attempt to claim, collect, or take, money or anything of value in or from a game, with intent to defraud, without having made a wager contingent on winning the game or claim, collect, or take an amount of money or thing of value of greater value than the amount won.

11. Use counterfeit chips or tokens in a game.

12. Possess any key or device designed for the purpose of opening, entering, or affecting the operation of a game, drop box, or electronic or mechanical device connected with the game or for removing coins, tokens, chips, or other contents of a game. This subdivision does not apply to a casino gaming licensee or employee of a casino gaming licensee acting in furtherance of the employee's employment.

B. Any person convicted of a violation of this section is guilty of a Class 6 felony. In addition, any person convicted of a violation of subsection A shall be barred for life from gaming operations under the jurisdiction of the Board.

§ 58.1-4127. Fraudulent use of credential; penalty.

Any person other than the lawful holder thereof who has in his possession any credential, license, or permit issued by the Department, or any person who has in his possession any forged or simulated credential, license, or permit of the Department, and who uses such credential, license, or permit for the purposes of misrepresentation, fraud, or touting is guilty of a Class 4

felony.

Any credential, license, or permit issued by the Department, if used by the holder thereof for a purpose other than identification and in the performance of legitimate duties in a casino gaming establishment, shall be automatically revoked.

§ 58.1-4128. Prohibition on persons under 21 years of age placing wagers and sports betting on youth sports; penalty.

A. No person shall wager on or conduct any wagering on the outcome of a game pursuant to the provisions of this chapter unless such person is 21 years of age or older. No person shall accept any wager from a person under age 21.

B. No person shall wager on or conduct any wagering on the outcome of a youth sports game. No person shall accept any wager from a person on a youth sports game.

C. Violation of this section is a Class 1 misdemeanor.

§ 58.1-4129. Conspiracies and attempts to commit violations; penalty.

A. Any person who conspires, confederates, or combines with another, either within or outside the Commonwealth, to commit a felony prohibited by this chapter is guilty of a Class 6 felony.

B. Any person who attempts to commit any act prohibited by this article is guilty of a criminal offense and shall be punished as provided in § 18.2-26, 18.2-27, or 18.2-28, as appropriate.

§ 58.1-4130. Civil penalties.

Any person who conducts a gaming operation without first obtaining a license to do so, or who continues to conduct such games after revocation of his license, in addition to other penalties provided, shall be subject to a civil penalty assessed by the Board equal to the amount of gross receipts derived from wagering on games, whether unauthorized or authorized, conducted on the day as well as confiscation and forfeiture of all casino gaming equipment, devices, and supplies used in the conduct of unauthorized games. Any civil penalties collected pursuant to this section shall be payable to the State Treasurer for deposit to the general fund.

§ 59.1-364. Control of racing with pari-mutuel wagering.

A. Horse racing with pari-mutuel wagering as licensed herein shall be permitted in the Commonwealth for the promotion, sustenance and growth of a native industry, in a manner consistent with the health, safety and welfare of the people. The Virginia Racing Commission is vested with control of all horse racing with pari-mutuel wagering in the Commonwealth, with plenary power to prescribe regulations and conditions under which such racing and wagering shall be conducted, so as to maintain horse racing in the Commonwealth of the highest quality and free of any corrupt, incompetent, dishonest or unprincipled practices and to maintain in such racing complete honesty and integrity. The Virginia Racing Commission shall encourage participation by local individuals and businesses in those activities associated with horse racing.

B. The conduct of any horse racing with pari-mutuel wagering participation in such racing or

wagering and entrance to any place where such racing or wagering is conducted is a privilege which may be granted or denied by the Commission or its duly authorized representatives in its discretion in order to effectuate the purposes set forth in this chapter.

C. The award of any prize money for any pari-mutuel wager placed at a racetrack or satellite facility licensed by the Commission shall not be deemed to be a part of any gaming contract within the purview of § 11-14.

D. This section shall not apply to any sports betting or related activity that is lawful under Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1.

17. That the provisions of this act may result in a net increase in periods of imprisonment or commitment. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 2 of the Acts of Assembly of 2018, Special Session I, requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000. Pursuant to § 30-19.1:4 of the Code of Virginia, the estimated amount of the necessary appropriation cannot be determined for periods of commitment to the custody of the Department of Juvenile Justice.

18. That the Joint Legislative Audit and Review Commission shall conduct a review of casino gaming laws in other states and report any findings and recommendations to the Chairmen of the Senate Committee on General Laws and Technology and the House Committee on General Laws on or before November 1, 2019.

19. That no referendum shall be authorized pursuant to this act unless § 58.1-4123 is reenacted by the 2020 Session of the General Assembly.

20. That no referendum shall be held pursuant to § 58.1-4123 of the Code of Virginia prior to the publication of the Joint Legislative Audit and Review Commission's findings and recommendations regarding casino gaming pursuant to the third enactment of this act, and no referendum shall be held after January 1, 2021.

21. That the Virginia Lottery Board promulgate regulations to implement the provisions of this act beginning January 1, 2020, and shall complete work on such regulations by June 30, 2020.

22. That the Virginia Lottery Board shall not issue a license to operate a gaming operation before July 1, 2020.

Page 632, line 22, strike "16." and insert "23."

Page 632, line 23, strike "and".

Page 632, line 24, after "fifteenth" insert ", sixteenth, seventeenth, eighteenth, nineteenth, twentieth, twenty-first and twenty-second".

Explanation:

(This amendment authorizes casino gaming in the Commonwealth consistent with the

provisions of SB 1126 of the 2018 General Assembly.)

Item 4-14 #5s

Effective Date

Additional Enactments

Language

Language:

Page 632, after line 21, insert:

"16. That, provided that the provisions of SB 1652 of the 2018 General Assembly are enacted by the General Assembly and become law, only Virginia port volume increase tax credits initially issued in tax years beginning in and after 2018 shall be transferrable."

Page 632, line 22, strike "16." and insert "17.".

Page 632, line 23, strike "and".

Page 632, line 24, after "fifteenth" insert ", and sixteenth".

Explanation:

(This amendment limits the transferability of Port Volume tax credits to those issued beginning in tax year 2018 and later. A companion amendment to Item 0 addresses the assumed revenue impact in FY 2020, pursuant to the second enactment of Senate Bill 1652 of the 2019 General Assembly.)
