

***Joint
Conference Committee
Report on***

House Bill 1700

2019 Session

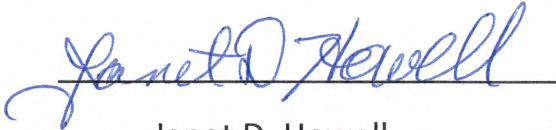
February 23, 2019

We, the conferees, appointed by the respective bodies to consider and report the disagreeing vote on House Bill 1700 report as follows:

- A. We recommend that the House and Senate amendments be rejected.**
- B. We recommend that House Bill 1700, as introduced, be amended as follows to resolve the matters under disagreement.**

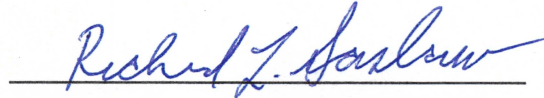
To the Conferees for HB 1700,

The undersigned hereby object to amendments 289 #1c, 292 #1c, and 4-5.04 #1c to the conference report on House Bill 1700, but are voting on the entire conference report for the budget as a whole.

A handwritten signature in blue ink, reading "Janet D. Howell", written over a horizontal line.

Janet D. Howell

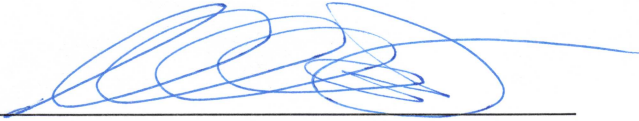
Senator, 32nd District

A handwritten signature in blue ink, reading "Richard L. Saslaw", written over a horizontal line.

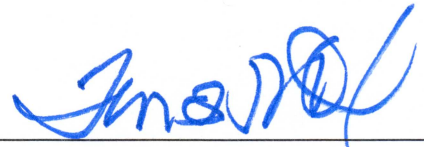
Richard L. Saslaw

Senator, 35th District

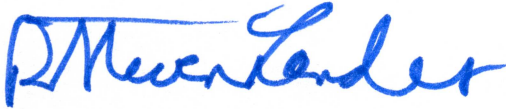
Respectfully submitted,




S. Chris Jones



Thomas K. Norment, Jr.



R. Steven Landes



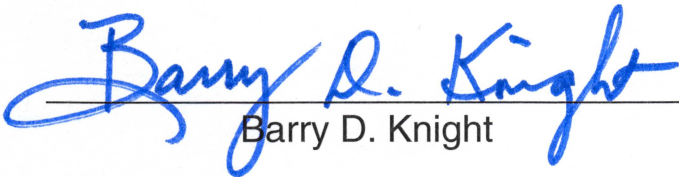
Emmett W. Hanger, Jr.



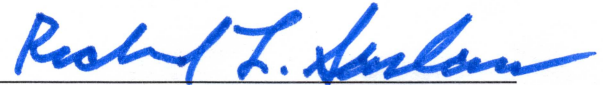
Christopher K. Peace



Janet D. Howell



Barry D. Knight



Richard L. Saslaw



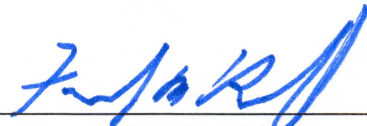
T. Scott Garrett



Stephen D. Newman



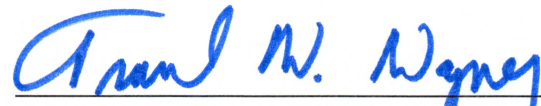
Luke E. Torian



Frank M. Ruff, Jr.



Mark D. Sickles



Frank W. Wagner

House Conferees

Senate Conferees

Conference Report to House Bill 1700

Item 0 #1c

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	(726,895,961)	336,198,952	(390,697,009)
Official Revenue Estimates	20,528,667,750	21,556,728,000	42,085,395,750
Transfers	639,095,037	635,773,381	1,274,868,418
Total General Fund Resources Available for Appropriation	21,670,807,826	22,528,700,333	44,199,508,159".

Page 2, strike lines 2 through 19, and insert:

	First Year	Second Year	Total
Balance, June 30, 2018	6,342,196,144	0	6,342,196,144
Official Revenue Estimates	31,681,290,709	35,358,308,703	66,638,170,312
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	1,112,397,936	743,590,336	2,257,417,372
Total Nongeneral Fund Revenues Available for Appropriation	41,867,930,206	38,801,143,956	80,669,074,162
TOTAL PROJECTED REVENUES	63,538,738,032	61,329,844,289	124,868,582,321".

Explanation:

(This amendment includes the general fund and nongeneral fund revenue adjustments contained in the cumulative amendments included in the Conference Report.)

Item 1 #1c

Conference Report to House Bill 1700

Legislative Department	FY18-19	FY19-20	
General Assembly of Virginia	\$4,250,000	\$4,250,000	GF

Language:

Page 4, line 5, strike "\$46,981,541" and insert "\$51,231,541".
Page 4, line 5, strike "\$46,981,541" and insert "\$51,231,541".
Page 4, line 9, strike "\$26,282,859" and insert "\$28,282,859".
Page 4, line 10, strike "\$27,291,062" and insert "\$29,291,062".
Page 4, line 10, strike "\$14,888,527" and insert "\$17,138,527".
Page 4, line 11 strike "\$15,799,993" and insert "\$18,049,993".
Page 4, line 28, strike "\$152,635" and insert "\$277,635".
Page 5, line 27, strike "\$20,885" and insert "\$67,217".
Page 6, line 16, after "attendance." strike the remainder the line.
Page 6, strike line 17.
Page 6, line 18, strike "than one official meeting during the day."
Page 6, line 16, after "attendance." insert:
"If the member attends two or more official meetings during the same day, and at least one of which occurs in the morning and one of which occurs in the afternoon, than the member shall be compensated at a rate of \$400 for the entire day, otherwise compensation is capped at the \$300 per day."

Explanation:

(This amendment provides \$4.25 million from the general fund each year in additional funding for the House and Senate Clerks offices.)

Item 1 #2c

Legislative Department	FY18-19	FY19-20	
General Assembly of Virginia	\$0	\$100,000	GF

Language:

Page 4, line 5, strike "\$46,981,541" and insert "\$47,081,541".

Explanation:

(This amendment provides \$100,000 GF in FY 2020 to provide interpreters to assist members of the General Assembly in communicating with constituents who are either hearing impaired or who are not fluent in English.)

Item 1 #3c

Legislative Department

General Assembly of Virginia

Language

Language:

Page 13, after line 45, insert:

"6. The Joint Subcommittee for Health and Human Resources Oversight shall consider 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 Health and Human Resources 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 recommendations, if any, to the General Assembly regarding a § 1332 Affordable Care Act waiver by December 15, 2019."

Explanation:

(This amendment directs the Joint Subcommittee for Health and Human Resources Oversight 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 #1c

Legislative Department

FY18-19

FY19-20

Division of Capitol Police

\$0

\$200,000 GF

Language:

Page 16, line 4, strike "\$10,380,214" and insert "\$10,580,214".

Explanation:

(This amendment provides \$200,000 from the general fund in fiscal year 2020 to the Capitol Police. A portion of the funding is to convert the part-time public information officer to a full-time position. The remaining funding is to implement a career development program for the Capitol Police.)

Item 6 #1c

Legislative Department

Division of Legislative Services

Language

Conference Report to House Bill 1700

Language:

Page 17, after line 20, insert:

"E. Out of the amounts re-appropriated to the Division of Legislative Services from prior year unexpended balances, an amount estimated at \$250,000, shall be available to cover expenses incurred for legislative redistricting, which is required after the 2020 Census."

Explanation:

(This amendment authorizes the Division of Legislative Services to utilize up to \$250,000 in prior year balances to acquire hardware, software and associated training required for the 2021 General Assembly 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 #2c

Legislative Department	FY18-19	FY19-20
Division of Legislative Services	\$263,642	\$0 NGF

Language:

Page 16, line 42, strike "\$6,884,115" and insert "\$7,147,757".

Page 17, after line 20, insert:

"E. Included in this item is \$263,642 in the first year from dedicated special revenue to implement the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee."

Explanation:

(This amendment appropriates \$263,642 in the first year in dedicated special revenue generated in fiscal year 2018 from sales of the "Friends of the Chesapeake Bay" license plate to the Chesapeake Bay Restoration Fund for the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee.)

Item 11 #1c

Legislative Department	
Commissioners for the Promotion of Uniformity of Legislation in the United States	Language

Language:

Page 18, after line 28, insert:

Conference Report to House Bill 1700

"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 #1c	
Legislative Department	FY18-19	FY19-20
Virginia State Crime Commission	\$0 0.00	\$240,000 2.00
		GF 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 had an increase of 1 FTE in the last ten years, despite the continuing increase in study requests and work load.)

	Item 31 #1c
Legislative Department	Language
Joint Legislative Audit and Review Commission	

Language:

Page 27, after line 36 insert:
"I.1. The General Assembly hereby designates the Joint Legislative Audit and Review Commission (JLARC) to review and evaluate the Commonwealth's enterprise resource planning and related financial, payroll, personnel management and benefit eligibility systems (Cardinal) on a continuing basis and to provide such special studies and reports as may be requested by the General Assembly, the House Appropriations Committee, or the Senate Finance Committee.
2. The areas of review and evaluation to be conducted by the Commission shall include, but are not limited to, the following: (i) procurement for the planning, development, implementation, operation, and maintenance of Cardinal and any subsequent contracts and amendments thereto;

Conference Report to House Bill 1700

(ii) the development, implementation, performance, and costs of Cardinal; (iii) the long-term viability of the technologies utilized in Cardinal; (iv) the adequacy of the system of governance for Cardinal, including the responsibility for, and control of specific data in Cardinal, the responsibility for systems support and maintenance, and the appropriate role of the Virginia Information Technologies Agency; and (v) the security of governmental and personally identifiable information contained in Cardinal.

3. For the purpose of carrying out its duties and notwithstanding any contrary provision of law, JLARC shall have the legal authority to access the information, records, facilities, and employees of all state agencies and institutions.

4. The following records shall be excluded from the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.), and shall not be disclosed by JLARC:

(a) records provided by a public body as defined in § 2.2-3701, Code of Virginia, to JLARC in connection with its evaluation of Cardinal, where the records would not be subject to disclosure by the public body providing the records. The public body providing the records to JLARC shall identify the specific portion of the records to be protected and the applicable provision of the Freedom of Information Act or other provision of law that excludes the record or portions thereof from mandatory disclosure.

(b) confidential proprietary records provided by private entities pursuant to a promise of confidentiality from JLARC, used by JLARC in connection with its evaluation of Cardinal where, if such records are made public, the financial interest of the private entity would be adversely affected.

5. The Chairman of JLARC may appoint a permanent subcommittee to provide guidance and direction for Cardinal review and evaluation activities, subject to the full Commission's supervision and such guidelines as the Commission itself may provide.

6. JLARC may employ on a consulting basis such professional or technical experts as may be reasonably necessary for the Commission to fulfill its responsibilities under this authority.

7. All agencies and institutions of the Commonwealth shall cooperate as requested by JLARC in the performance of its duties under this authority.

8. To aid in this effort, the Department of Accounts shall provide the following information to the Commission not later than June 30, 2019: (i) a history of the Commonwealth's efforts from 2004 to date in developing an Enterprise Resource Planning (ERP) application, including budgeting, financials, payroll, personnel management and benefit eligibility systems; (ii) all initial and revised project schedules for each current and proposed module or phase of Cardinal and the actual date of completion, including modules initially developed for use by the Department of Transportation; (iii) all initial and revised cost estimates for each current and proposed module or phase of Cardinal and the actual cost to date, including modules initially developed and funded by the Department of Transportation; (iv) the total amount of spending authorized to date including all working capital advances and appropriated amounts from all sources; and (v) the estimated ten-year total cost for the planning, development,

Conference Report to House Bill 1700

implementation, operation and maintenance of all current and planned modules or phases of Cardinal."

Explanation:

(This amendment directs the Joint Legislative Audit and Review Commission to review and evaluate the Commonwealth's enterprise resource planning and related financial, payroll; personnel management and benefits eligibility systems, and to conduct continuing oversight and provide such special studies and reports as may be requested by the General Assembly, the House Appropriations Committee and Senate Finance Committee.)

Item 31 #2c

Legislative Department	FY18-19	FY19-20
Joint Legislative Audit and Review Commission	\$300,000	\$0 GF

Language:

Page 24, line 7, strike "\$5,194,132" and insert "\$5,494,132".

Page 27, after line 36 insert:

"I. Included within this appropriation is \$300,000 the first year from the general fund to support the cost of actuarial analysis and consultant costs in the completion of the JLARC review of Virginia Workers' Compensation program and policies."

Explanation:

(This amendment provides \$300,000 from the general fund in fiscal year 2019 to support consultant and actuarial costs associated with JLARC's review of the Workers' Compensation program.)

Item 31 #3c

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

Conference Report to House Bill 1700

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 existing thoroughbred racing, breeding and related agribusiness industries, as well as 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 from the general fund in fiscal year 2019 to support consultant costs associated with JLARC's analysis of proposals to expand legalized gambling in Virginia.)

	Item 34 #1c	
Legislative Department	FY18-19	FY19-20
Legislative Department Reversion Clearing Account	\$395,000	\$100,000 GF

Language:

Page 28, line 22, strike "\$610,315" and insert "\$1,005,315".

Page 28, line 22, strike "\$610,315" and insert "\$710,315".

Page 28, after line 36, insert:

"D. Included within this appropriation is \$395,000 the first year and \$100,000 the second year from the general fund to provide funds, to be matched at a rate of fifty percent by the Virginia Historical Society, that support efforts to commemorate the 100th anniversary of the women's right to vote."

Explanation:

(This amendment provides funding, as recommended by the legislative task force which was created pursuant to Chapter 618, 2017 Acts of Assembly (House Bill 2348), to work with the Virginia Historical Society in commemorating the centennial anniversary of women's right to vote in 2020.)

	Item 38 #1c
Judicial Department	
Supreme Court	Language

Language:

Conference Report to House Bill 1700

Page 34, after line 9, insert:

"Q. On or before June 30, 2019, the Director, Department of Planning and Budget, shall authorize the reversion to the general fund of \$4,500,000 the first year from the balances of the Criminal Fund."

Explanation:

(This amendment directs the reversion of \$4.5 million to the general fund from the carryforward balances of the Criminal Fund.)

Item 38 #2c

Judicial Department

Supreme Court

Language

Language:

Page 34, line 5, strike "including but not limited to preventing" and insert: "to prevent".

Explanation:

(This amendment clarifies that the authorized uses of the Attorney Wellness Fund established in the introduced budget are restricted to services addressing substance abuse and behavioral health disorders among the individuals served through the program.)

Item 49 #1c

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 from the general fund in the second year for the Virginia State Bar for additional staff.)

Item 49 #2c

Judicial Department

FY18-19

FY19-20

Conference Report to House Bill 1700

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 from the general fund 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 54 #1c

Executive Offices

Office of the Governor

Language

Language:

Page 44, after line 34, insert:

"3. The amount calculated for disaster assistance for any event provided under this authority shall be made in consultation with the Secretary of Finance, and, as deemed appropriate by the Secretary, the Department of Planning and Budget."

Explanation:

(This amendment requires the Governor to consult with the Secretary of Finance on calculations of sum sufficient authorizations made for disasters.)

Item 56 #1c

Executive Offices

Attorney General and Department of Law

Language

Language:

Page 46, after line 28, insert:

"G. Except as otherwise specifically provided by law, all legal services of the Office of the Attorney General shall be performed exclusively by (i) an employee of the Office, (ii) an employee of another Virginia governmental entity as may be provided by law, or (iii) an employee of a federal governmental entity pursuant to an agreement between the Office of the Attorney General and such federal governmental entity. Except as otherwise specifically provided under this act, the sole source of compensation paid to employees of the Office of the Attorney General for performing legal services on behalf of the Commonwealth shall be from the appropriations provided under this act. In any case in which the Office of the Attorney

Conference Report to House Bill 1700

General is authorized under law to contract with, hire, or engage a person other than a person described in clauses (i), (ii), or (iii) to perform legal services on behalf of the Commonwealth, the sole consideration for such legal services shall be a monetary amount bargained for in an arm's length transaction with such person and the Office of the Attorney General or another Virginia governmental entity, stating under what authority that office enters the contract. Only persons described in clauses (i), (ii), or (iii) shall perform legal services on premises leased by the Office of the Attorney General. Nothing in this paragraph shall prohibit the Office of the Attorney General from entering into a settlement agreement with a defendant arising from a case litigated or prosecuted by a federal governmental entity, local governmental entity, or an Attorney General's Office in another state or United States territory. Nothing in this paragraph shall prohibit the Office of the Attorney General from employing and providing office space to an unpaid intern assisting in performing legal services provided that such intern does not possess a current license to practice law in the Commonwealth, any other state, or any United States territory."

Explanation:

(This amendment clarifies the policy regarding which entities are authorized to provide legal services in support of the Office of the Attorney General responsibilities.)

	Item 58 #1c	
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, unstrike "\$750,000" and "\$750,000" and strike: "\$1,250,000 and \$1,250,000".

Explanation:

(This amendment reverses the proposed increase for the nongeneral fund appropriation for the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund. The amendment returns the appropriation to \$750,000 annually, which is the amount appropriated for fiscal year 2018, and in Chapter 2.)

	Item 62 #1c	
Executive Offices	FY18-19	FY19-20
Secretary of the Commonwealth	(\$1,500,000)	\$0 GF

Conference Report to House Bill 1700

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 from the general fund in the first year and language supporting education and outreach efforts in advance of the 2020 Census.)

Item 65 #1c

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 from the general fund in the first year for the data sharing and analytics program to conduct a statewide data inventory.)

Item 65 #2c

Administration	Language
Secretary of Administration	

Language:

Page 51, line 26, after "program.", 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 69 #1c

Administration	FY18-19	FY19-20
-----------------------	----------------	----------------

Conference Report to House Bill 1700

Compensation Board \$0 \$31,250 GF

Language:

Page 59, line 12, strike "\$18,622,744" and insert "\$18,653,994".

Page 59, line 48, after "year," strike the remainder of the line.

Page 59, strike lines 49 through 51 and insert:

"the Compensation Board may increase the annual salary in paragraph A of this item by 9.3 percent following receipt of the commissioner's certification that the minimum requirements of the Commissioners' Career Development Program have been met, provided that such certifications are submitted by commissioners as part of their annual budget request to the Compensation Board on February 1 of each year."

Page 60, strike lines 1 through 13.

Explanation:

(This amendment conforms the salary increase percentage provided to qualified career development participants in the commissioners of revenue offices to those of the constitutional offices.)

Item 70 #1c

Administration	FY18-19	FY19-20
Compensation Board	\$0	\$747,808 GF

Language:

Page 60, line 26, strike "\$74,807,163" and insert "\$75,554,971".

Page 62, after line 43.

"J. The appropriations in this item includes \$1,471,288 the second year from the general fund to fund approximately twenty percent of the unfunded positions needed based on the fiscal year 2019 staffing standards calculation."

Explanation:

(This amendment provides \$747,808 from the general fund the second year, in addition to \$723,420 from the general fund the second year included in the introduced budget to fund additional positions within the Commonwealth's Attorney's offices.)

Item 70 #2c

Administration	Language
Compensation Board	Language

Language:

Conference Report to House Bill 1700

Page 62, after line 43, insert:

"J. 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."

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 71 #1c	
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:

Conference Report to House Bill 1700

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

Item 73 #1c

Administration

Compensation Board

Language

Language:

Page 67, line 3, strike "FY 2017 FY 2018" and insert "FY 2019 FY 2020".

Page 67, line 10, strike the second "1,271" and insert "1,303".

Explanation:

(This amendment updates the table in the Compensation Board which list the number of funded positions within the constitutional offices. The amendment updates the position count for Commonwealth's Attorneys to reflect the increase in funded positions.)

Item 74 #1c

Administration

FY18-19

FY19-20

Department of General Services

\$0

\$133,000 NGF

Language:

Page 70, line 26, strike "\$39,747,688" and insert "\$39,880,688".

Explanation:

(This amendment provides \$133,000 from the nongeneral fund the second year for the Division of Consolidated Laboratory Services pursuant to the provisions of House Bill 2026 of the 2019 session.)

Item 76 #1c

Administration

FY18-19

FY19-20

Department of General Services

\$0
0.00

\$487,799 NGF
4.00 FTE

Language:

Page 72, line 13, strike "\$58,069,382" and insert "\$58,557,181".

Explanation:

Conference Report to House Bill 1700

(This amendment provides \$487,799 from the nongeneral fund and 4.0 FTEs the second year for the Department of General Services to fulfill the provisions of House Bill 1668 of the 2019 General Assembly, which creates a definition of "high risk contracts" in the Code and sets out a process for managing high risk contracts.)

Item 80 #1c

Administration

Department of General Services

Language

Language:

Page 75, after line 48, insert:

"A. The Department of General Services (DGS) shall conduct a review of current Virginia law and best practices as it relates to the statute of limitations on state contracts for construction services and its fiscal implications, consistent with recommendations made by the Joint Legislative Audit and Review Commission (JLARC) in its June 2016 "Development and Management of State Contracts" report. DGS shall conduct this review in consultation with state and local government public bodies, the Office of the Attorney General, and representatives from the private sector construction community, to include contractors, insurers, and legal representatives. DGS shall report its findings and recommendations to the Chairmen of the House Appropriations and Senate Finance Committees, and the Governor by December 31, 2019. JLARC shall provide oversight of, and assistance as needed to, DGS pursuant to the review and completion of the report."

Explanation:

(This amendment directs the Department of General Services to evaluate current Virginia law and best practices as it relates to statute of limitations on state contracts for construction services and its fiscal implications.)

Item 81 #1c

Administration

Department of Human Resource Management

Language

Language:

Page 78, after line 44, insert:

"M. The Department of Human Resource Management shall work with the Department of Veterans Services to identify and promote policies to support the hiring and continued employment of disabled veterans in the state workforce. The Departments shall submit any recommendations for state workforce policy changes to the Chairmen of the House

Conference Report to House Bill 1700

Appropriations and Senate Finance Committees by November 15, 2019."

Explanation:

(This amendment directs the Department of Human Resource Management and the Department of Veterans Services to identify and promote policies to support the hiring of disabled veterans in the state workforce, with a report due to the Chairmen of the House Appropriations and Senate Finance Committees, and the Governor by November 15, 2019.)

	Item 81 #2c	
Administration	FY18-19	FY19-20
Department of Human Resource Management	\$0	\$250,000 GF

Language:

Page 76, line 13, strike "\$108,114,532" and insert "\$108,364,532".

Page 78, after line 44, insert:

"M.1. The Department of Human Resource Management shall convene a workgroup to develop a methodology that can be used to determine (i) the amount of funding that should be appropriated for state employee salary increases each year and (ii) how to distribute that funding to address state agencies' most significant workforce challenges.

2. The methodology should be data-driven and include (i) recruitment and retention trends for each job role in the state workforce, (ii) how salaries and total compensation for each job role compare to similar jobs at other employers, (iii) the extent to which recruitment and retention challenges can be addressed by salary increases, and (iv) the impact of recruitment and retention challenges in each job role on state agency operations.

3. In developing the methodology, the workgroup shall incorporate data from the Personnel Management Information System, the Department of Human Resource Management's employee exit survey, and data from Occupationally Based Data Services.

4. The workgroup shall include representatives from the Department of Human Resource Management, the Department of Planning and Budget, House Appropriations Committee staff, Senate Finance Committee staff, and human resources staff from multiple state agencies.

5. The methodology developed by the workgroup shall be used to develop the biennial report required by House Bill 2055 of the 2019 General Assembly Session. Notwithstanding the provisions of House Bill 2055, the first biennial report using this methodology shall be due by December 1, 2019."

Explanation:

(This amendment provides language to supplement House Bill 2055 of the 2019 General Assembly, which directs the Department of Human Resource Management to convene a

Conference Report to House Bill 1700

workgroup to develop workforce and salary related methodologies, and specifies that, notwithstanding the bill's provisions, the first report developed pursuant to the bill is due December 1, 2019.)

Item 83 #1c

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 comparison of General Registrars' salaries, in relation to other local constitutional officers' salaries, between the years 1981 and 2018. Additionally, the Department shall prepare an analysis detailing the duties and job responsibilities for general registrars. The Department shall submit this information to the Chairmen of the Senate Finance and House Appropriations Committees by September 1, 2019."

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 #2c

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 from the general fund in the second year to advertise for a voter referendum on the Equal Rights Amendment.)

Item 83 #3c

Administration

Conference Report to House Bill 1700

Department of Elections

Language

Language:

Page 81, after line 27, insert:

"H. No funds available within this appropriation shall be expended to substantially rebuild the Virginia Election & Registration Information System (VERIS) until such time as the Department of Elections, in consultation with the Virginia Information Technology Agency (VITA), has (i) solicited feedback from the GR/EB Duties Workgroup, (ii) developed a product requirements document, and (iii) developed a draft request for proposals document for a potential replacement to the VERIS system. The Department shall submit a report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2019, including the completed product requirements document and draft request for proposals document, as well as an assessment by the Department regarding the options of replacing or rebuilding the VERIS system, including the use of third-party vendors."

Explanation:

(This amendment provides that, prior to expending funds for a substantial rebuild or replacement of the Virginia Election and Registration Information System, that the Department of Elections, in consultation with the Virginia Information Technologies Agency, has met certain requirements, and has submitted those requirements in a report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2019.)

Item 83 #4c

Administration	FY18-19	FY19-20	
Department of Elections	\$0 0.00	\$261,265 1.00	GF FTE

Language:

Page 80, line 42, strike "\$16,068,370" and insert "\$16,329,635".

Explanation:

(This amendment provides funding of \$261,265 from the general fund the second year, and 1.0 FTE, pursuant to House Bill 2760 and Senate Bill 1018, which require the use of Geographic Information System maps when redrawing boundaries for local elections. The Department of Elections is required to review all maps, and the estimated impact includes one full-time GIS coordinator in addition to hardware, licensing and data storage cost.)

Item 83 #5c

Conference Report to House Bill 1700

Administration	FY18-19	FY19-20	
Department of Elections	\$0	\$147,038	GF

Language:

Page 80, line 42, strike "\$16,068,370" and insert "\$16,215,408".

Page 81, after line 27, insert:

"H. Out of this appropriation, \$147,308 the second year from the general fund is provided to fund expenses incurred by the Department associated with the 2020 presidential primary."

Explanation:

(This amendment provides funding of \$147,308 from the general fund the second year to fund the cost the Department will incur pursuant to the 2020 presidential primary. Funding for the Department was included in the introduced budget in central appropriations.)

Item 83 #6c

Administration	FY18-19	FY19-20	
Department of Elections	\$0	(\$202,500)	GF
	0.00	-1.00	FTE

Language:

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

Explanation:

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

Item 84.20 #1c

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 generation 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

Conference Report to House Bill 1700

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 #2c

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 § 56-484.17(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 E-911 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 #1c

Administration

Virginia Information Technologies Agency

Language

Language:

Page 86, after line 4, insert:

"F. The Virginia Information Technologies Agency shall identify the charge-back structure to allocate costs based on agencies' consumption of data storage. The funds from this new charge-back structure, effective July 1, 2020, shall be used to support the Chief Data Officer's efforts to

Conference Report to House Bill 1700

create a Commonwealth data inventory, and enterprise data dictionary and catalog."

Explanation:

(This amendment directs the Virginia Information Technologies Agency to establish a cost-allocation charge-back structure based on agencies' consumption of data storage, the funds from which shall be used to support initiatives of the Chief Data Officer, effective July 1, 2020.)

Item 84.30 #2c

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 84.60 #1c

Administration

FY18-19

FY19-20

Virginia Information Technologies
Agency

\$0
0.00

\$800,000
4.00

NGF
FTE

Language:

Page 86, line 26, strike "\$41,590,093" and insert "\$42,390,093".

Explanation:

(This amendment provides \$800,000 from the nongeneral fund and 4.0 FTEs the second year for the Virginia Information Technologies Agency, pursuant to House Bill 1668 of the 2019 General Assembly, which creates a definition of "high risk contracts" in the Code and sets out a process for managing high risk contracts.)

Item 91 #1c

Conference Report to House Bill 1700

Agriculture and Forestry	FY18-19	FY19-20	
Department of Agriculture and Consumer Services	\$0 0.00	(\$138,237) -1.00	GF FTE

Language:

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

Explanation:

(This amendment removes funding proposed in House Bill 1700 as introduced to support VDACS emergency responsiveness efforts as it relates to animal care.)

Item 98 #1c

Agriculture and Forestry	FY18-19	FY19-20	
Department of Forestry	\$0	(\$718,529)	GF

Language:

Page 96, line 17, strike "\$34,664,547" and insert "\$33,946,018".

Explanation:

(This amendment removes funding proposed in House Bill 1700 as introduced to support new initiatives at Forestry, including funding for new positions and to support an agency apprenticeship program.)

Item 98 #2c

Agriculture and Forestry	FY18-19	FY19-20	
Department of Forestry	\$0	\$200,000	GF

Language:

Page 96, line 17, strike "\$34,664,547" and insert "\$34,864,547".

Page 97, after line 28, insert:

"K. Out of this appropriation, \$200,000 the second year from the general fund is provided to increase bandwidth capacity at the agency's offices in Abingdon, Appomattox-Buckingham State Forest, New Kent, Salem, and Tappahannock."

Explanation:

(This amendment provides \$200,000 from the general fund in fiscal year 2020 to improve broadband capacity at five of Forestry's offices to better support the agency's ability to dispatch and track personnel and assets assigned to wildfires.)

Item 102 #1c

Commerce and Trade

Secretary of Commerce and Trade

Language

Language:

Page 99, after line 40 insert:

"E.1. The Secretary of Commerce and Trade, or his designee, shall convene a workgroup to address the challenges outlined in House Bill 2153 introduced in the 2019 session of the Virginia General Assembly. The workgroup shall include representatives from, but not be limited to, the following: (i) the Secretary of Commerce and Trade, or his designee; (ii) the Secretary of Finance, or his designee; (iii) the Director of Small Business and Supplier Diversity; (iv) the Director of the Small Business Finance Authority; and, (v) the State Coordinator of Emergency Management.

2. The workgroup shall consider, but not be limited to, the following topics: (i) short-term direct loans to eligible small businesses adversely affected by a disaster for which a state emergency has been declared; (ii) the creation of a small business emergency bridge loan fund and its management and functionality; (iii) federal and state resources available to assist small businesses in the case of an emergency declaration; and, (iv) terms under which small business loans could be made and repaid."

Explanation:

(This amendment directs the Secretary of Commerce and Trade to establish a workgroup to address the challenges faced by small businesses that are impacted by emergency declarations as a result of natural disasters and other similar situations whereby state and federal assistance is forthcoming but not timely.)

Item 102 #2c

Commerce and Trade

Secretary of Commerce and Trade

FY18-19

(\$140,000)

FY19-20

\$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 from the general fund each year for this purpose. The first-year appropriation is

Conference Report to House Bill 1700

unnecessary as unused fiscal year 2018 carry-forward balances are sufficient.)

Item 103 #1c

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 from the general fund the second year to the Semiconductor Manufacturing Grant Fund pursuant to Senate Bill 1370 and House Bill 2180, and subject to the terms agreed to in a memorandum of understanding between a qualified manufacturing company and the Commonwealth.)

Item 103 #2c

Commerce and Trade

Economic Development Incentive Payments

Language

Language:

Page 100, after line 45, insert:

"7. Up to \$2,675,000 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 \$2.7 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

Conference Report to House Bill 1700

Southern Corporation and Arconic.)

Item 103 #3c

Commerce and Trade	FY18-19	FY19-20	
Economic Development Incentive Payments	\$0	\$1,700,000	GF

Language:

Page 99, line 47, strike "\$43,823,498" and insert "\$45,523,498".

Page 102, after line 43, insert:

"J.1. There is hereby established on the books of the Comptroller, a special nonreverting fund to be known as the "Commonwealth Center for Advanced Manufacturing Incentive Fund," hereafter referred to as "the Fund." Interest earned on moneys in the Fund shall remain in the Fund and be credit 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.

2. Out of the amounts in this item, \$1,100,000 in the second year from the general fund shall be transferred to the Fund for the purpose of providing private sector incentive grants to industry members of the Commonwealth Center for Advanced Manufacturing (CCAM) as follows: (i) \$200,000 for incentive grants for new industry members with no prior membership at CCAM; and, (ii) \$300,000 for incentive grants to small manufacturing members who locate their primary job center in the Commonwealth, as determined by the Virginia Economic Development Partnership (VEDP), in order to mitigate inaugural, industry membership costs associated with joining CCAM; and (iii) \$600,000 for grants dedicated to CCAM industry members to be used exclusively for research project costs and require a minimum one-to-one match in funds to conduct additional directed research at the CCAM facility after their base amount of directed research is exhausted.

3. Out of the amounts in the item, \$600,000 in the second year from the general fund shall be transferred to the Fund for university research grants requiring a minimum one-to-one match in funds that bring in external research funds from federal and private organizations for research to be conducted at the CCAM facility and meet the following conditions: (i) project approvals are contingent upon each university partner entering into a memorandum of understanding with CCAM that includes specific details about the university's anticipated commitment of financial and human resources, as well as programming and academic credentialing plans, to the CCAM facility; and, (ii) all project proposals are reviewed by the Virginia Research Investment Committee with a recommendation to the Board of Directors for VEDP prior to Board consideration.

4. No grant funds shall be disbursed until the conditions of paragraph P.2, Item 122, of this act have been met and approval from the Board of Directors for VEDP has been granted."

Explanation:

Conference Report to House Bill 1700

(This amendment provides \$1.7 million from the general fund in the second year to establish membership and research grant incentives for current and potential private sector, industry partners, as well as research grant incentives for university research to be conducted at the Center for Advanced Manufacturing facility in an effort to increase access to federal resources.)

Item 105 #1c

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 from the general fund each year for the Housing Trust Fund, bringing the total deposit to \$7.0 million for the general fund annually.)

Item 105 #2c

Commerce and Trade	
Department of Housing and Community Development	Language

Language:

Page 104, after line 41, insert
"I. The Department of Housing and Community Development shall work with the Virginia Housing Commission to identify the impact of legislation that passed the 2019 session of the General Assembly that is designed to mitigate eviction rates and recommend if any further action is necessary to complement these efforts. The Department shall consider current federal, state and local resources, including but not limited to the following: (a) current counseling and social services provided by state agencies and authorities; (b) the potential needs of the cities of Richmond, Newport News, Hampton, Norfolk, and Chesapeake, as well as eviction prevention and diversion programs established in the cities of Arlington and Richmond; (c) data collected pursuant to Senate Bill 1450; and, (d) eviction prevention and diversion programs in other states. The Department shall analyze and recommend how to better coordinate current public and private resources and programs to reduce eviction rates in Virginia, as well as how current prevention efforts can coordinate with existing and newly created eviction diversion laws and

Conference Report to House Bill 1700

programs."

Explanation:

(This amendment provides \$104,050 in the second year from the general fund for the Department of Housing and Community Development to conduct a study about the potential need for an eviction diversion and prevention program. The Department is to work in conjunction with the Virginia Housing Commission as it studies the impact of a legislative package passed by the General Assembly in the 2019 session that is designed to address the eviction rates in Virginia.)

		Item 106 #1c	
Commerce and Trade	FY18-19	FY19-20	
Department of Housing and Community Development	\$0	\$1,000,000	GF

Language:

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

Page 106, line 31, strike the second "\$1,500,000" and insert "\$2,500,000".

Page 106, line 33, after "revitalization.", insert:

"Out of the amounts in this paragraph, \$1,000,000 the second year from the general fund is designated for removing, renovating or modernizing port-related buildings and facilities in the cities of Portsmouth, Norfolk, Newport News, Richmond or Front Royal."

Explanation:

(This amendment increases funding \$1,000,000 from the general fund in the second year for the Virginia Removal or Rehabilitation of Derelict Structures Fund and designates that the increase be used for removing, renovating or modernizing port-related buildings and facilities in the cities of Portsmouth, Norfolk, Newport News, Richmond or Front Royal.)

		Item 106 #2c	
Commerce and Trade	FY18-19	FY19-20	
Department of Housing and Community Development	\$0	\$100,000	GF

Language:

Page 104, line 43, strike "\$120,855,721" and insert "\$120,955,721".

Page 106, line 28, strike "\$71,250 the second year" and insert:

"\$171,250 the second year".

Explanation:

(This amendment provides funding increase of \$100,000 the second year from the general fund to the Virginia's Heritage Music Trail: The Crooked Road, to serve its expanded region (nine additional counties and one city), to build sustainability through leveraging the requested funding, and to increase the economic impact beyond current \$9.1 million per year.)

Item 106 #3c

Commerce and Trade

Department of Housing and Community Development

Language

Language:

Page 108, after line 21, insert:

"6. For the purpose of awards in accordance with § 2.2-2487, Code of Virginia, related to site development, that site development will be deemed to meet requirements of clause (iii) of the definition of regional activity in § 2.2-2484, Code of Virginia, if carried out, performed on behalf of, or contracted for by a single locality, political subdivision or public body corporate and politic once the interested local governments within the region have entered into some kind of revenue-sharing agreement."

Explanation:

(This amendment facilitates the the eligibility of the regional Virginia Growth and Opportunity Boards to develop business-ready sites through access to state funds once the participating local governments within the region have entered into a revenue-sharing agreement.)

Item 106 #4c

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".

Explanation:

(This amendment provides an increase of \$15.0 million from the general fund the second year for the Virginia Telecommunication Initiative to accelerate broadband deployment in unserved areas of the Commonwealth.)

Conference Report to House Bill 1700

Item 106 #5c

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 from the general fund 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 107 #1c

Commerce and Trade	FY18-19	FY19-20	
Department of Housing and Community Development	\$0	\$1,000,000	GF

Language:

Page 108, line 22, strike "\$13,773,354" and insert "\$14,773,354".

Page 108, line 27, strike the second "\$13,500,000" and insert "\$14,500,000".

Explanation:

(This amendment increases funding for Enterprise Zone Grant Fund by \$1.0 million from the general fund in the second year to reduce pro-ration of the Real Property Improvement Grant.)

Item 107 #2c

Commerce and Trade		
Department of Housing and Community Development		Language

Language:

Page 108, at the end of line 35, insert:

"Consistent with the provisions of § 59.1-548, Code of Virginia, beginning on January 1, 2019, the installation of solar panels shall be considered eligible investments for the purposes of the real property improvement grants, provided that such solar installation investment is in an amount of at least \$50,000 and the grant shall be calculated at a rate of 20 percent of the amount

Conference Report to House Bill 1700

of qualified real property investments in excess of \$450,000 in the case of the construction of a new building or facility. Grants shall be calculated at a rate of 20 percent of the amount of qualified real property investment in excess of \$50,000 in the case of the rehabilitation or expansion of an existing building or facility. In the case where a grant is awarded based solely on a solar investment, the grant shall be calculated at a rate of 20 percent of the amount of total qualified real property investments made in solar installation. For such properties eligible for real property improvement grants made solely on the basis of solar installation investments of at least \$50,000 but not more than \$100,000, awards shall not exceed \$1,000,000 in aggregate in any fiscal year.”

Explanation:

(This amendment clarifies that the installation of solar panels is an eligible expense for the Enterprise Zone Real Property Grant Program provided the investment is at least \$50,000.)

	Item 113 #1c	
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 from the general fund for staffing to increase health and safety inspections.)

	Item 116 #1c	
Commerce and Trade	FY18-19	FY19-20
Department of Mines, Minerals and Energy	\$0	\$90,000 NGF

Language:

Page 110, line 15, strike "\$29,917,215" and insert "\$30,007,215".

Explanation:

(This amendment increases new mineral mine permit fees and renewal or transfer fees resulting in an increase of \$90,000 from the nongeneral fund in the second year. The fee increase is intended to offset the actual cost of processing permit applications which has risen since the last

Conference Report to House Bill 1700

time fees were increased 15 years ago.)

Item 117 #1c

Commerce and Trade	FY18-19	FY19-20	
Department of Mines, Minerals and Energy	(\$10,000,000)	\$0	GF

Language:

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

Page 111, strike lines 31 through 36.

Explanation:

(This amendment removes funding proposed in House Bill 1700 as introduced for the development of a revolving loan fund and loan-loss reserve fund intended to incentivize private investments in energy efficiency, renewable energy, alternative fuels, and similar conservation-related projects in the public and private sectors.)

Item 117 #2c

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 eliminates proposed new spending increases \$250,000 from the general fund in the second year to establish the Office of Offshore Wind.)

Item 117 #3c

Commerce and Trade	
Department of Mines, Minerals and Energy	Language

Language:

Page 111, after line 36, insert:

"E. Out of this appropriation, \$137,000 the second year from the general fund is provided to support one position within the Division of Energy to assist localities with siting, procurement,

land use concerns, and other solar energy-related issues."

Explanation:

(This amendment directs that funding of \$137,000 from the general fund included in the second year for one position within the Division of Energy shall be used to assist localities with siting, procurement, land use concerns, and other solar-energy related issues.)

Item 119 #1c

Commerce and Trade

Department of Professional and Occupational Regulation

Language

Language:

Page 112, after line 16, insert:

"A. Any fund balances currently held in the Dedicated Special Revenue Fund (0900), the Common Interest Community Management Information Fund (0259) and the Special Revenue Fund (0200) shall be held in reserve and may not be dispersed by the Department of Professional and Occupational Regulation, but shall be applied to offset the anticipated, future costs of restructuring its organization, including additional staffing needs and the replacement or upgrade of the Department's information technology systems requirements as listed in (B) and (C) of this item. Such reserve funds shall be dispersed only to cover expenses of the Department or its regulatory boards as provided in § 54.1-308.

B.1. The Department of Professional and Occupational Regulation shall conduct a comprehensive assessment of its staffing needs and organizational structure to improve its performance, increase efficiency and effectively conduct its responsibilities and obligations.

2. The purpose of the assessment is to ensure that the department has sufficient staffing resources to (i) meet performance goals for processing transactions and handling customer inquiries and (ii) perform employment verifications and on-site audits recommended by JLARC. If the assessment finds additional positions are needed, DPOR should evaluate whether existing part-time positions should be converted to full-time positions and if existing positions elsewhere in the department can be reallocated.

3. During its comprehensive assessment the Department shall: (i) consider establishing one or more positions vested with the following agency-wide duties: (a) coordinate and assist in the development of agency regulations; (b) coordinate agency legislative efforts; (c) lead agency communications with external parties; and (d) serve as staff to the Board for Professional and Occupational Regulation; (ii) rank all vacant positions based on how critical they are to the department's ability to fulfill its responsibilities in order to enable its human resources staff to use the rankings to prioritize the advertising and filling of positions, using hiring processes that reflect best practices; and, (iii) consider reassignment to other divisions the following functions that are currently assigned to the licensing division: (a) handling Freedom of Information Act

Conference Report to House Bill 1700

requests; (b) scanning documents; (c) managing policies and procedures; (d) evaluating business processes; and (e) agency-wide training.

4. The assessment should be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations Committee and Senate Finance Committee along with the agency's estimated funding needs by November 1, 2019.

C.1. In consultation and cooperation with the Virginia Information Technologies Agency (VITA) and the Commonwealth's Chief Data Officer, the Department of Professional and Occupational Regulation shall develop a plan to replace or upgrade the current information technology system, including the licensing system, utilized by the Department. At a minimum, the new or improved information technology system should have the capacity to do the following: (i) accept and process applications and payments online; (ii) improve the ease of online renewals; and (iii) integrate licensing data with enforcement case management data. The plan should identify the expected staffing needs during and after the system upgrade or replacement project, how staffing needs will be met, and the cost of the proposed upgrade or project.

2. When developing the plan to replace or upgrade the current information technology system, including the licensing system, the Department of Professional and Occupational Regulation shall consider the transfer of information technology-related responsibilities for its licensing system and technical aspects of website management, records management, and electronic forms, from the licensing division to the Information Technology division.

3. The plan should be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations Committee and Senate Finance Committee along with the agency's estimated funding needs by November 1, 2019."

Explanation:

(This amendment secures the surplus nongeneral funds collected by the Department of Professional and Occupational Regulation, while the Department conducts assessments of its structure, staffing needs and potential replacement or upgrade of its information technology systems. The Department is to issue a report by November 1, 2019 with any recommendations for changes that may be necessary along with cost estimates to implement those changes, and the funds will be available to help offset any potential costs that may be incurred to bring the agency into the 21st century to better serve its constituency.)

Item 119 #2c

Commerce and Trade

Department of Professional and Occupational Regulation

Language

Language:

Conference Report to House Bill 1700

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.)

	Item 121 #1c	
Commerce and Trade	FY18-19	FY19-20
Fort Monroe Authority	(\$156,922)	\$0 GF

Language:

Page 114, line 23, strike "\$6,472,528" and insert "\$6,315,606".

Page 114, line 29, strike "\$6,472,528" and insert "\$6,315,606".

Explanation:

(This amendment eliminates new spending \$156,922 from the general fund in the first year for Fort Monroe Authority.)

	Item 122 #1c	
Commerce and Trade	FY18-19	FY19-20
Virginia Economic Development Partnership	(\$18,000,000)	\$0 GF

Language:

Page 115, line 16, strike "\$51,597,198" and insert "\$33,597,198".

Page 117, after line 12, insert:

"S. Out of the amounts in this item, \$1,000,000 in the first year and \$1,000,000 in the second year from the general fund is provided for the development of a site and building assessment and development program to identify, assess and develop the Commonwealth's industrial sites.

Conference Report to House Bill 1700

Notwithstanding § 2.2-2238, the Virginia Economic Development Partnership may include sites of at least 25 acres in developing such a program and shall establish assessment guidelines and procedures for identification of industrial sites, resource requirements, and development oversight. The Authority shall invite participation by regional and industry stakeholders to assess potential sites, identify product shortfalls, and make recommendations to the Governor and General Assembly for marketing such sites, in alignment with the goals outlined in the Governor's economic development plan and other economic development initiatives. Up to \$2,000,000 may be utilized for characterization of publicly or privately-owned sites. No public funds associated with this program may be utilized to develop any sites owned exclusively by private interests unless such private interests contractually commit to refund the Commonwealth for its investment at the time the property is sold or leased for an eligible or ineligible use."

Explanation:

(This amendment increases funds \$1,000,000 in the first year and \$1,000,000 in the second year from the general fund for the Virginia Economic Development Partnership business-ready sites program in order to assess, characterize and develop potential industry sites owned partially or entirely by the Commonwealth, its political subdivisions, or public bodies corporate and politic or its local governments.)

		Item 122 #2c	
Commerce and Trade	FY18-19	FY19-20	
Virginia Economic Development Partnership	\$0	\$1,000,000	GF

Language:

Page 115, line 15, strike "\$35,107,392" and insert "\$36,107,392".
Page 116, line 46, strike lines 46 through 48, and insert:
"P.1. Out of the amounts in this item, the Virginia Economic Development Partnership (VEDP) shall provide \$925,000 in the first year and \$1,925,000 in the second year from the general fund to the Commonwealth Center for Advanced Manufacturing for rent, operating support and maintenance. The Board of Directors of VEDP shall approve any and all disbursements of these funds to the Center for Advanced Manufacturing before distribution. These funds shall not revert back to the general fund at the end of the fiscal year.

2. The Center for Advanced Manufacturing (CCAM) must submit a detailed operating plan to the Board of Directors of VEDP by August 1, 2019 that shall include, but not be limited to, the following: (i) a schedule for annual and quarterly reporting of financial performance, research activity, and industry membership, and is based upon the Commonwealth's fiscal year; (ii) updated management and organization structure that specifies and defines all full-time positions; (iii) specific commitments from each university partner to hire, fund and place faculty and graduate students at the CCAM facility, as well as any collaborative efforts between CCAM

Conference Report to House Bill 1700

industry members and university partners taking place outside the CCAM facility; (iv) a financial plan that includes specific budget estimates for operations at CCAM for fiscal year 2021 to fiscal year 2025, as well as estimates for a potential lease agreement between the Commonwealth of Virginia and CCAM; (v) specific details in regards to any outstanding loans or other outstanding debt, cash or in-kind, to public and private institutions and organizations and a financial plan for their satisfactory settlement; (vi) expansion of the membership of the Board of Directors for CCAM to include a university chief financial officer and a schedule for rotation of this Board seat among its university partner institutions; (vii) specific guidelines to implement the grant programs listed in Item 103.J. of this act; and, (viii) any other additional information that may be requested by the Board of Directors of VEDP.

Explanation:

(This amendment provides increased funding of \$1.0 million from the general fund in the second year for the Commonwealth Center for Advanced Manufacturing for rent, operations and maintenance.)

	Item 123 #1c	
Commerce and Trade	FY18-19	FY19-20
Virginia Employment Commission	(\$124,635) -3.00	(\$1,884,070) GF -6.00 FTE

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 through 14.

Explanation:

(This amendment eliminates new spending \$124,635 from the general fund in the first year and \$1,884,070 from the general fund in the second year and nine new FTE's for a new workforce dashboard to be managed by the Virginia Employment Commission. This amendment also reverses a new policy of providing general fund revenue to the Commission.)

	Item 126 #1c	
Commerce and Trade	FY18-19	FY19-20
Virginia Tourism Authority	(\$550,000)	\$400,000 GF

Language:

Page 118, line 37, strike "\$21,585,424" and insert "\$21,035,424".
 Page 118, line 36, strike "\$20,810,424" and insert "\$21,210,424".

Conference Report to House Bill 1700

Page 119, line 16, after "E.", insert "1."

Page 119, line 16, strike "\$3,025,000" and insert "\$2,475,000".

Page 119, line 16, strike "\$2,475,000" and insert "\$2,875,000".

Page 119, line 20, strike "\$350,000" and unstrike "\$100,000".

Page 119, line 21, strike "\$100,000" and insert "\$200,000".

Page 119, line 23, strike "\$850,000" and unstrike "\$550,000".

Page 119, line 23, strike "\$550,000" and insert "\$850,000".

Page 119, after line 26, insert:

"2. Out of the amounts in this paragraph provided for the Southwest Virginia Regional Recreation Authority, up to \$25,000 the second year from the general fund, shall be provided to establish a peer-support program for Virginia veterans in partnership with the Spearhead Trails initiative. The Virginia Department of Behavioral Health and Developmental Services and the Virginia Department of Veterans Services shall provide assistance in establishing such program upon the request of the board of the Southwest Regional Recreation Authority."

Explanation:

(This amendment increases funding \$100,000 from the general fund in the second year for the Coalfield Regional Tourism Authority and \$300,000 from the general fund in the second year for the Southwest Virginia Regional Recreation Authority's Spearhead Trails project. This amendment also provides that out of the amounts provided, up to \$25,000 from the general fund the second year shall be used to establish a peer-support and recovery program for Virginia veterans with post traumatic stress disorder.)

Item 126 #2c

Commerce and Trade

Virginia Tourism Authority

Language

Language:

Page 120, after line 14, insert:

"N. With such funds as are available, the Virginia Tourism Authority shall collaborate with "Opening Doors for Virginians with Disabilities" to maintain and update the Opening Doors for Virginians with Disabilities travel guide and establish a more user-friendly link to this information on the Virginia Tourism Corporation website home page".

Explanation:

(This amendment is self-explanatory.)

Item 126 #3c

Conference Report to House Bill 1700

Commerce and Trade	FY18-19	FY19-20	
Virginia Tourism Authority	\$0	\$25,000	GF

Language:

Page 118, line 36, strike "\$20,810,424" and insert "\$20,835,424".

Page 120, line 13 after "year" insert:

"and \$25,000 the second year".

Explanation:

(This amendment provides level funding of \$25,000 from the general fund in the second year for the Carver Price Legacy Museum.)

Item 128 #1c

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".

Page 129, after line 16, insert:

"M. Out of this appropriation, \$80,000 the second year from the general fund is provided to the Department of Education to cover all of the costs associated with the set up and design of a seventeenth career cluster, pursuant to the passage of House Bill 2008."

Explanation:

(This amendment provides \$80,000 the second year to the Department of Education to cover all of the costs associated with the set up and design of a seventeenth career cluster, pursuant to the passage of House Bill 2008 and Senate Bill 1348. The bill, as introduced, requires the Department, in consultation with representatives from pertinent industries such as renewable energy, natural gas, nuclear energy, coal, and oil, to establish an energy career cluster. The bill also requires the Department to base the knowledge and skill sets contained in such energy career cluster on the energy industry competency and credential models developed by the Center for Energy Workforce Development in partnership with the U.S. Department of Labor. The bill directs the Department to report to the Chairmen of the House Committee on Education and the Senate Committee on Education and Health no later than December 1, 2019, on its progress toward establishing such energy career cluster.)

Item 128 #2c

Conference Report to House Bill 1700

Education	FY18-19	FY19-20	
Department of Education, Central Office Operations	\$0	\$9,900,948	NGF

Language:

Page 126, line 39, strike "\$21,419,207" and insert "\$31,320,155".

Explanation:

(This amendment provides \$9.9 million the second year from federal funds for an awarded grant through the U.S. Department of Health and Human Services' Administration for Children and Families. These federal funds will be used by VDOE and its partners to support statewide initiatives that bolster Virginia's early childhood system. These initiatives include producing a statewide needs assessment and strategic plan, aligning early learning standards, and developing kindergarten-readiness tools for teachers and families.)

Item 128 #3c

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 from the general fund the second year for an additional early childhood education staff position at the Virginia Department of Education.)

Item 128 #4c

Education	FY18-19	FY19-20	
Department of Education, Central Office Operations	\$0	(\$553,000)	GF

Language:

Page 126, line 39, strike "\$21,419,207" and insert "\$20,866,207".
Page 129, strike lines 13 through 16.

Explanation:

Conference Report to House Bill 1700

(This amendment saves \$553,000 the second year from the general fund from eliminating a new proposed contract between the Department of Education and the University of Virginia for the institution to develop computer science related curriculum and training.)

Item 129 #1c

Education

Department of Education, Central Office Operations

Language

Language:

Page 130, after line 16, insert:

"G.1. The Department of Education shall serve as the lead agency to collect and report data that succinctly measures the progress and outcomes of students that are placed in private provider settings by such student's public school of residence in Virginia or have been placed in a private provider facility by other legal means for which the Commonwealth is responsible for providing education. In keeping with the November 1, 2018, Private Day Special Education Outcomes report's findings and recommendations, the data shall include at least student attendance rates, graduation rates, individual student progress improvement rates relative to student individual education plans, standardized test scores, return to public school setting percentages, suspension and expulsion rates, transition to enrolling in post-secondary education percentages, and parental and student perspectives.

2. The Department of Education, in collaboration with the Office of Children's Services, shall establish an implementation advisory group to assist in refining the outcome measures contained in paragraph G.1 of this item and the collection of any additional information that is beneficial in determining and measuring outcomes of such students in private day school settings that ensure a consistent set of comparable and compatible data relative to such data of students enrolled in the public schools in Virginia and who have an individualized education plan. The advisory 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 as necessary. The advisory group shall assist in the development of data collection protocols, requirements, and outcome reporting mechanisms. The relevant data shall be provided to the department annually by each private provider that receives state funding for the purpose of providing services as prescribed in such student's individualized education plan.

3. 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. If warranted, other state agencies shall provide appropriate support to facilitate the collection of such data. All public school divisions that have students enrolled in such a private provider facility shall include in their contract for services with the private provider a requirement for the department to receive the data necessary to satisfy the data collections and subsequent reporting

Conference Report to House Bill 1700

requirements. The department shall report annually on the outcome data for students enrolled in special education private day schools to Chairmen of the House Appropriations, House Education, Senate Finance, and Senate Education and Health Committees by the first day of the regular General Assembly Session.

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

5. The Department of Education and the Office of Children's Services shall have authority to implement these changes effective July 1, 2019, and prior to the completion of any regulatory process undertaken in order to effect such changes."

Explanation:

(This amendment directs the Department of Education (DOE) to collect and report data that measures the progress and outcomes of students that are placed in special education private day schools and annually report on these data to legislative committees by the first day of the regular General Assembly Session. Language requires DOE and Office of Children's Services to collaborate with an advisory group to assist in refining the outcome measures and the collection of any additional data, as necessary, and enter into a Memorandum of Understanding to share data on student outcomes in special education private day schools.)

	Item 133 #1c	
Education	FY18-19	FY19-20
Department of Education, Central Office Operations	\$0	\$10,000 GF

Language:

Page 131, line 45, strike "\$2,933,252" and insert "\$2,943,252".

Page 132, after line 22, insert:

"F. Out of this appropriation, \$10,000 the second year from the general fund is allocated to the Department of Education to cover costs incurred by the department and the Advisory Board on Teacher Education and Licensure in convening appropriate stakeholders to design and implement a micro-credentialing program in the Commonwealth, pursuant to the passage of House Bill 2217."

Explanation:

(This amendment provides funding to the Department of Education for expenditures related to holding stakeholder meetings to develop and implement a micro-credentialing program and is contingent on the passage of House Bill 2217. The bill, as introduced, requires the department establish a microcredential committee to determine how any microcredential awarded pursuant to any such program will be used to award add-on endorsements and certifications for teachers

Conference Report to House Bill 1700

in such STEM endorsement areas. The bill provides certain conditions in which in-person coursework in a microcredential program not contributing to an endorsement is eligible for professional development points towards the renewal of a teaching license. It further permits the department to establish a microcredential program for the purpose of permitting any public elementary or secondary school teacher who holds a renewable or provisional license or any individual who participates in any alternate route to licensure program to complete additional in-person or blended coursework and earn microcredentials in science, technology, engineering, and mathematics (STEM) endorsement areas, including computer science, for which there is a high need for additional qualified teachers.)

Item 133 #2c

Education	FY18-19	FY19-20	
Department of Education, Central Office Operations	\$0	(\$204,000)	GF

Language:

Page 131, line 45, strike "\$2,933,252" and insert "\$2,729,252".

Explanation:

(This amendment captures offsetting savings from efficiencies in automating the teacher licensure application and intake process. This provides \$348,500 for the automation project.)

Item 134 #1c

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

Language:

Page 132, line 24, strike "\$21,678,429" and insert "\$21,698,429".

Page 133, after line 40, insert:

"J. Out of this appropriation, \$20,000 the second year from the general fund is provided to Department of Education to work with a partner organization to conduct a brief questionnaire survey to approximately 500 high school students and then produce a number of cross-tabulated results of any key findings."

Explanation:

(This amendment provides funding for a survey of high school students related to civics

Conference Report to House Bill 1700

education.)

Item 134 #2c

Education	FY18-19	FY19-20	
Department of Education, Central Office Operations	\$0	(\$600,000)	GF

Language:

Page 132, line 24, strike "\$21,678,429" and insert "\$21,078,429".

Page 133, strike lines 39 and 40.

Explanation:

(This amendment saves \$600,000 the second year from the general fund by deferring the purchase of a new replacement upgraded system to the existing Online Management of Education Grant Award system within the Department of Education's (DOE) central office. This amendment removes funding proposed in House Bill 1700 as introduced for a new computer system upgrade for DOE.)

Item 135 #1c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$250,000)	GF

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$32,123,459".

Page 134, strike line 44.

Page 135, line 21, strike "\$32,373,459" and insert "\$32,123,459".

Page 142, strike lines 25 through 35.

Page 142, line 36, strike "JJ." and insert "II."

Page 142, line 44, strike "KK." and insert "JJ."

Page 142, line 51, strike "LL." and insert "KK."

Explanation:

(This amendment captures \$250,000 the second year from the general fund for the new Active Learning Pilot program. This amendment removes funding proposed in House Bill 1700 as introduced for a new pilot initiative for an active learning program.)

Item 135 #2c

Conference Report to House Bill 1700

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$50,000)	GF

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$32,323,459".
Page 134, line 46, strike "\$250,000" and insert "\$200,000".
Page 135, line 21, strike "\$32,373,459" and insert "\$32,323,459".
Page 142, lines 36, strike "\$250,000" and insert "\$200,000".

Explanation:

(This amendment provides \$200,000 the second year from the general fund for the new Robots for Learning Pilot program.)

Item 135 #3c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$100,000)	GF

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$32,273,459".
Page 134, line 27, strike "\$600,000" and insert "\$500,000".
Page 135, line 21, strike "\$32,373,459" and insert "\$32,273,459".
Page 136, line 55, strike "\$600,000" and insert "\$500,000".

Explanation:

(This amendment provides \$100,000 the second year from the general fund for Great Aspirations Scholarship Program.)

Item 135 #4c

Education

Direct Aid to Public Education

Language

Language:

Page 141, line 38, strike "the Northern Virginia, Central" and insert:
"all regions of the state".
Page 141, line 39, strike "Virginia, and Hampton Roads regions".

Explanation:

Conference Report to House Bill 1700

(This language amendment broadens support and eligibility to all minority licensed teachers in Virginia to receive financial assistance to help obtain their teacher license rather than just those in the Northern Virginia, Central Virginia, and Hampton Roads regions.)

Item 135 #5c

Education

Direct Aid to Public Education

Language

Language:

Page 137, line 2, strike "I." and insert "I.1."

Page 137, after line 9, insert:

"2. The Department of Education, in consultation with Communities In Schools of Virginia and other relevant stakeholders, shall develop, distribute to each local school division, and report to the Governor and General Assembly, no later than November 1, 2019, guidance on best practices for local school divisions to transition existing schools to community schools. Such guidance shall include best practices for removing nonacademic barriers to learning as a means to enhance student academic success in public elementary and secondary schools throughout the Commonwealth."

Explanation:

(This amendment is self-explanatory.)

Item 135 #6c

Education

FY18-19

FY19-20

Direct Aid to Public Education

\$0

\$250,000 GF

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$32,623,459".

Page 135, line 6, strike "\$1,931,000" and insert "\$2,181,000".

Page 135, line 21, strike "\$32,373,459" and insert "\$32,623,459".

Page 136, line 1, strike "\$1,931,000" and insert "\$2,181,000".

Page 136, after line 54, insert:

"4. Out of this appropriation, \$250,000 the second year from the general fund is provided for tuition scholarships to be specifically allocated solely for licensed public high school teachers pursuing additional credentialing requirements necessary to be considered faculty who are qualified to teach dual enrollment courses in high schools in their local school division. The Department of Education shall make payments on behalf of the scholarship recipients directly to the Virginia institution of higher education where the scholarship recipient is enrolled full-time or part-time in an approved undergraduate or graduate teacher education program applicable to

Conference Report to House Bill 1700

dual enrollment course curriculum available for public high school students. The lifetime maximum dual enrollment tuition scholarship award for each approved eligible teacher is \$7,500. Eligibility for access to these dual enrollment tuition scholarship awards shall be determined through an application process whereby school divisions shall apply to the Department of Education. In the application process, the applying school division shall include: i) an explanation of why such dual enrollment tuition scholarship is warranted, ii) the dual enrollment course or courses that shall be offered by the scholarship recipient's high school and taught by the recipient upon the recipient's successful completion of required coursework for appropriate credentialing to teach such dual enrollment courses, and iii) the projected student enrollment in the recipient taught public high school dual enrollment courses. The Department of Education shall compile and report the application information for each applying school division, and shall also report the number of recipients and amount of tuition awarded to each school division, the institution of higher education receiving tuition, the credentialing area pursued by recipients, and dual enrollment courses offered after the recipient's successful completion of the pursued credentialing. The Department shall submit the report by June 30, 2020, and annually thereafter, to the House Committees on Education and Appropriations and the Senate Committees on Finance and Education and Health."

Explanation:

(This amendment provides \$250,000 the second year from the general fund to fund tuition scholarships on behalf of licensed high school teachers in public schools divisions that enroll in courses in higher education institutions to earn additional credentialing necessary to teach dual enrollment courses in their local public high school.)

Item 135 #7c

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 "\$32,773,459".

Page 135, after line 2, insert:

"Targeted Joint Consolidation School Division Incentive \$0 \$400,000".

Page 135, line 21, strike "\$32,373,459" and insert "\$32,773,459".

Page 142, after line 53, insert:

"MM. In the case of and in recognition of the current deliberations and on-going joint efforts of the Allegheny County School Board, Allegheny County Board of Supervisors, Covington City School Board and the Covington City Council toward investigating and determining benefits of operating a joint school division, that each respective entity has approved two members to serve on the established Committee to facilitate such activities. Out of this appropriation, \$400,000 the second year from the general fund is included in this item's appropriation and is provided to Allegheny County Public School Division for the express purpose of using such funds as

Conference Report to House Bill 1700

incentive funding to support costs incurred by such joint efforts of Allegheny County School Board, Allegheny County Board of Supervisors, Covington City School Board and the City of Covington City Council toward investigating and determining benefits of operating a joint school division. In the event that such Committee does not come up with a plan for Allegheny County Public Schools and Covington City Schools, the remainder of the incentive money will be allocated and used to support Allegheny County and Covington City public school divisions' jointly operated career and technical center, Jackson River Technical Center."

Explanation:

(This amendment provides \$400,000 the second year from the general fund to Allegheny County school division in support of the efforts of the Allegheny County School Board, Allegheny County Board of Supervisors, Covington City School Board and the Covington City Council toward investigating and determining benefits of operating a joint school division. The Covington School Board, Allegheny County School Board, the Allegheny County Board of Supervisors, and the Covington City Council have all recently appointed two members from each of the respective governing bodies to form a Committee to explore the necessary steps and actions needed for the creation of a joint school board in the Allegheny Highlands. The additional "incentive" funds would be used for legal fees, studies, and any other expenses associated with the planning of a joint school system between Allegheny County and Covington City public schools. Allegheny County Public Schools is currently operating in the final year of the fifteen year adjusted LCI that has been in place since Clifton Forge reverted to a town. Since the 2004 reversion, Allegheny County has lost 34% of its enrollment and has gone from 2,993 students to 1,968 students in the Fall of 2018. A joint school system in the Allegheny Highlands would offer area students more diverse opportunities and would be a more efficient use of tax payer funds at both the local and state level. In the event that the Committee does not come up with a consolidation plan for Allegheny County Public Schools and Covington City Schools, the remainder of the incentive money would be allocated and used to support their jointly operated career and technical center, Jackson River Technical Center.)

Item 135 #8c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	\$500,763	GF

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$32,874,222".

Page 134, after line 13, insert:

"Academies of Hampton \$0 \$500,763".

Page 135, line 21, strike "\$32,373,459", and insert "\$32,874,222".

Page 142, after line 53, insert:

"MM. Out of this appropriation, \$500,763 the second year from the general fund is provided to Hampton City school division for its Academies of Hampton which focuses on preparing

Conference Report to House Bill 1700

students to be career ready or better equipped to entry into post-secondary education."

Explanation:

(This amendment provides \$500,763 the second year from the general fund to support Hampton City School (HCS) division for its Academies of Hampton. The one-time funding would pay for completion of course curriculum that is focused on the workforce needs of employers within the Hampton Roads region, materials and equipment needed to implement career and college academies in each of the high schools. Additionally, funding will support the ongoing efforts of HCS to provide on-site visits, materials and support to other school divisions to transform the high school experience and meet the standards established by Virginia's Profile of a Graduate.)

Item 135 #9c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$550,000	\$550,000	GF

Language:

Page 134, line 4, strike "\$33,621,945" and insert "\$34,171,945".

Page 134, line 4, strike "\$32,373,459" and insert "\$32,923,459".

Page 134, after line 25, insert:

"Computer Science Teacher Training \$550,000 \$550,000".

Page 135, line 21, strike "\$33,621,945" and insert "\$34,171,945".

Page 135, line 21, strike "\$32,373,459" and insert "\$32,923,459".

Page 142, after line 53, insert:

"MM. Out of this 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 for the purpose of improving the computer science literacy of all public school students in the Commonwealth using the Computer Science Standards of Learning For Virginia Public Schools, which were reviewed and endorsed by the Virginia Board of Education in November 2017. The provided funds may be utilized for planning, preparing and materials needed for teacher training sessions provided during the biennium.

CodeVA shall report, no later than October 1, each year to the Chairmen of the House Education and Senate Education & Health Committees, Secretary of Education and the Superintendent of Public Instruction 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 allocates \$550,000 each year from the general fund to CodeVA for the

Conference Report to House Bill 1700

professional development and courses provided to teachers related to computer science learning in the classroom. There is a companion amendment to transfer this funding to Direct Aid.)

Item 135 #10c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$400,000)	GF

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$31,973,459".

Page 135, strike line 10.

Page 135, line 21, strike "\$32,373,459" and insert "\$31,973,459".

Page 142, strike lines 44 through 50.

Line 51, strike "LL." and insert "KK."

Explanation:

(This amendment saves \$400,000 the second year from the general fund for the newly proposed Virginia Arts Festival World Class Education Program. This amendment removes funding proposed in House Bill 1700 as introduced for the Arts Festival.)

Item 135 #11c

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

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$32,173,459".

Page 134, strike line 28.

Page 135, line 21, strike "\$32,373,459" and insert "\$32,173,459".

Page 142, strike lines 4 through 24.

Page 142, line 25, strike "II." and insert "HH."

Page 142, line 36, strike "JJ." and insert "II."

Page 142, line 44, strike "KK." and insert "JJ."

Page 142, line 51, strike "LL." and insert "KK."

Explanation:

(This amendment transfers \$200,000 the second year from the general fund for the Grow Your Own Teacher initiative to SCHEV for development and administration of a scholarship tuition assistance program for high school graduates who are committed to attend a baccalaureate institution of higher education in Virginia and to subsequently teach in a high-need public school in their school division of residence.)

Conference Report to House Bill 1700

Item 135 #12c

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

Language:

Page 134, line 4, strike "\$33,621,945" and insert "\$31,621,945".

Page 134, strike lines 35 and 36.

Page 135, line 21, strike "\$33,621,945" and insert "\$31,621,945".

Page 142, strike lines 51 through 53.

Explanation:

(This amendment captures \$2.0 million the first year from the general fund for deferring funding to the new Norfolk Botanical Garden's "The Garden of Tomorrow" project. This amendment removes funding proposed in House Bill 1700 as introduced for a new program at the Botanical Garden.)

Item 135 #13c

Education	FY18-19	FY19-20
Direct Aid to Public Education	\$0	\$250,000 GF

Language:

Page 134, line 4, strike "\$32,373,459" and insert "\$32,623,459".

Page 135, line 8, strike "\$1,500,000" and insert "\$1,750,000".

Page 135, line 21, strike "\$32,373,459" and insert "\$32,623,459".

Page 139, line 22, strike "\$1,500,000" and insert "\$1,750,000".

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.)

Item 136 #1c

Education	FY18-19	FY19-20
------------------	----------------	----------------

Conference Report to House Bill 1700

Direct Aid to Public Education (\$14,804) \$0 GF

Language:

Page 142, line 55, strike "\$6,988,217,730" and insert "\$6,988,202,926".

Page 144, line 14, strike "\$17,587,224" and insert "\$17,572,420".

Page 144, line 35, strike "\$144,590,580" and insert "\$144,575,776".

Explanation:

(This technical amendment captures \$14,804 in the first year from the general fund for updating the Linwood Holton Academic Governor's School student enrollment.)

Item 136 #2c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	\$150,000	GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,295,187,230".

Page 144, line 40, strike the second "\$5,025,808" and insert "\$5,175,808".

Page 144, line 51, strike "\$58,433,763" and insert "\$58,583,763".

Page 173, after line 25, insert:

"e. The Department of Education shall develop a plan to establish a per-student, per-course fee schedule for local school divisions to participate in Virtual Virginia (VVA) coursework for elementary, middle, and high school students. Such fee schedule plan 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. The department shall also include in its plan the current student participation enrollment by grade level in each VVA course, the number of students enrolled in VVA courses that a fee of any kind is charged and how such fee is currently paid for in each participating school division. The department shall submit its Virtual Virginia Plan to the Chairmen of House Appropriations and Senate Finance Committee upon completion of developing such plan."

Explanation:

(This amendment provides \$150,000 the second year from the general fund to expand the current Virtual Virginia initiative. The additional general fund allocation for Virtual Virginia will be used within the existing high school model to expand the availability of digital curriculum resources via Virtual Virginia and to provide professional development to divisions which includes best practices facilitating the use of such digital resources. The additional digital resources and professional development will be offered to all school divisions statewide. The new language further directs the Department of Education to develop a plan that establishes a

Conference Report to House Bill 1700

possible per-student, per-course fee schedule for local school divisions to participate in Virtual Virginia (VVA) coursework. The plan must include data reporting on the existing VVA initiative.)

Item 136 #3c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$1,699,678)	GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,293,337,552".

Page 144, line 16, strike "\$36,728,753" and insert "\$35,029,075".

Page 144, line 35, strike "\$388,633,076" and insert "\$386,933,398".

Page 145, line 2, strike "\$84,767,625" and insert "\$86,467,303".

Page 145, strike lines 9 through 12.

Page 158, line 3, strike "\$36,728,753" and insert "\$35,029,075".

Page 158, line 4, strike "\$84,767,625" and insert "\$86,467,303".

Page 169, strike lines 57 through 59.

Page 170, strike lines 1 through 26.

Explanation:

(This amendment saves \$1.7 million the second year from the general fund for the new VPI grants that were included in the introduced budget for local curriculum and classroom observations. These funds are allocated for professional development training on VPI curriculum and classroom observations. This amendment removes funding proposed in House Bill 1700 as introduced for a new initiative for development of local curriculum rather than using the existing state model.)

Item 136 #4c

Education

Direct Aid to Public Education

Language

Language:

Page 158, line 24, after "counselors," insert:

"testing coordinators, and licensed behavior analysts".

Explanation:

(This amendment adds additional flexibility language for school divisions to hire testing coordinators and licensed behavior analysts with At-Risk Add-on funds, which may help reduce workloads of school counselors and free-up the counselors time which then can be dedicated to

Conference Report to House Bill 1700

supporting students' non-academic related needs.)

Item 136 #5c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	(\$10,677,115)	\$0	GF

Language:

Page 142, line 55, strike "\$6,988,217,730" and insert "\$6,977,540,615".

Page 144, line 16, strike "\$25,382,033" and insert "\$14,704,918".

Page 144, line 35, strike "\$144,590,580" and insert "\$133,913,465".

Page 158, line 2, strike "\$25,382,033" and insert "\$14,704,918".

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

Explanation:

(This amendment provides \$10.6 million from the general fund the first year and \$14.3 million from the general fund the second year to increase the At-Risk Add-on percentages, from 13.0 percent to 14.5 percent in fiscal year 2019 and from 14.0 to 16.0 percent in fiscal year 2020 compared to Chapter 2 budget.)

Item 136 #6c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$23,809,119)	GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,271,228,111".

Page 150, after line 55, insert:

"g. Notwithstanding the provisions of subsection H of § 22.1-253.13:2 of the Code of Virginia, as amended by the 2019 Session of the General Assembly, to the contrary, each school board shall employ the following full-time equivalent school counselor positions for any school that reports fall membership, according to the type of school and student enrollment: effective with the 2019-2020 school year, in elementary schools, one hour per day per 91 students, one full-time at 455 students, one hour per day additional time per 91 students or major fraction thereof; guidance counselors in middle schools, one period per 74 students, one full-time at 370 students, one additional period per 74 students or major fraction thereof; guidance counselors in high schools, one period per 65 students, one full-time at 325 students, one additional period per 65 students or major fraction thereof."

Explanation:

Conference Report to House Bill 1700

(This amendment provides \$12 million in the second year from the general fund to increase state support for additional school counselors in elementary, middle, and high schools pursuant to the passage of House Bill 2053 and Senate Bill 1406. The legislative intent is to lower the school counselor ratios beginning in fiscal year 2020 as follows: from one school counselor per 500 students to one counselor per 455 students in elementary schools, from one school counselor per 400 students to one counselor per 370 students in middle schools, and from one school counselor per 350 students to one counselor per 325 students in high schools.)

Item 136 #7c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	\$72,777,410	GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,367,814,640".

Page 144, line 12, strike "\$217,271,416" and insert "\$201,975,291".

Page 144, line 14, strike "\$18,626,227" and insert "\$18,560,517".

Page 144, line 16, strike "\$36,728,753" and insert "\$34,468,407".

Page 144, line 35, strike "\$388,633,076" and insert "\$367,471,674".

Page 145, line 2, strike "\$84,767,625" and insert "\$86,481,946".

Page 145, line 31, strike "\$9,451,837" and insert "\$9,434,794".

Page 158, line 3, strike "\$36,728,753" and insert "\$34,468,407".

Page 158, line 4, strike "\$84,767,625" and insert "\$86,481,946".

Page 158, line 53, strike "\$9,451,837" and insert "\$9,434,794".

Page 159, line 32, strike "\$720,891" and insert "\$673,213".

Page 159, line 33, strike "5" and insert "3".

Page 159, line 34, after "2019," insert:

"and for a compensation supplement payment of up to 2.0 percent of base pay on September 1, 2019".

Page 175, line 30, strike "\$932,580" and insert "\$866,870".

Page 175, line 34, after "2019," insert:

"and for a compensation supplement payment of up to 2.0 percent of base pay on September 1, 2019".

Page 179, strike lines 14 through 37 and insert:

"39. Compensation Supplement

a.1) Out of this appropriation, \$130,305,448 the second year from the general fund and \$432,516 the second year from the Lottery Proceeds Fund is provided for the state share of a payment equivalent to a 3.0 percent salary incentive increase, effective July 1, 2019, for funded SOQ instructional and support positions. Funded SOQ instructional positions shall include the teacher, guidance counselor, librarian, instructional aide, principal, and assistant principal positions funded through the SOQ staffing standards for each school division in the biennium.

Conference Report to House Bill 1700

This amount includes \$556,869 the second year from the general fund referenced in paragraph C. 28. h. for the Academic Year Governor's Schools for a 3.0 percent salary incentive increase, effective July 1, 2019, for instructional and support positions, and this amount includes \$432,516 the second year from the Lottery Proceeds Fund referenced in paragraph C. 9. f. 4) for Regional Alternative Education Programs for a 3.0 percent salary incentive increase, effective July 1, 2019, for instructional and support positions.

2) It is the intent that the instructional and support position salaries be increased in school divisions throughout the state by at least an average of 3.0 percent during the 2018-2020 biennium. Sufficient funds are appropriated in this act to finance, on a statewide basis, the state share of a 3.0 percent salary increase for funded SOQ instructional and support positions, effective July 1, 2019, to school divisions which certify to the Department of Education, by June 1, 2019, that salary increases of a minimum average of 3.0 percent have been or will have been provided during the 2018-2020 biennium, either in the first year or in the second year or through a combination of the two years, to instructional and support personnel.

b.1) In addition to the compensation provisions in paragraphs C. 39. a.1) and 2) , the appropriation in this item includes \$72,536,713 the second year from the general fund and \$240,697 the second year from the Lottery Proceeds Fund for the state share of a payment equivalent to a 2.0 percent salary incentive increase, effective September 1, 2019, for funded SOQ instructional and support positions. Funded SOQ instructional positions shall include the teacher, guidance counselor, librarian, instructional aide, principal, and assistant principal positions funded through the SOQ staffing standards for each school division in the biennium. This amount includes \$310,001 the second year from the general fund referenced in paragraph C. 28. h. for the Academic Year Governor's Schools for an additional 2.0 percent salary incentive increase, effective September 1, 2019, for instructional and support positions, and this amount includes the \$240,697 second year from the Lottery Proceeds Fund referenced in paragraph C. 9. f. 4) for Regional Alternative Education Programs for an additional 2.0 percent salary incentive increase, effective September 1, 2019, for instructional and support positions.

2) It is the intent that the instructional and support position salaries be increased in school divisions throughout the state by at least an average of 2.0 percent during the second year, on or before September 1, 2019. Sufficient funds are appropriated in this act to finance, on a statewide basis, the state share of a 2.0 percent salary increase for funded SOQ instructional and support positions, effective September 1, 2019, to school divisions which certify to the Department of Education, by June 1, 2019, that additional salary increases of a minimum average of 2.0 percent will have been provided in the second year to instructional and support personnel on or before September 1, 2019, that is in addition to the 3.0% salary increase pursuant to paragraph C.39. a.1) and 2). of this item.

3) In order to be eligible to receive the state's share of up to an additional 2.0 percent salary increase in the second year, school divisions must provide up to a 2.0 percent salary increase in the second year effective by September 1, 2019, to instructional and support personnel. Any salary increase provided by a school division in the first year that was in excess of 3.0 percent prescribed in paragraphs C. 39. a.1) and 2), shall not count toward or be applied toward the

Conference Report to House Bill 1700

local requirements for any portion of the additional 2.0 percent salary increase provided for in the second year.

c. This funding is not intended as a mandate to increase salaries."

Explanation:

(This amendment adjusts the funding for salary incentives such that school divisions will have a number of percent options to offer pay increases to employees. The base budget includes \$131 million in the second year for a 3.0 percent salary incentive pay increase with an effective date of July 1, 2019. The state share of the 3.0 percent salary increase would be given to school divisions that certify that they will provide at least 3.0 percent in either the first or second year or through a combination over both years. This amendment adds an additional 2.0 percent increase with an effective date of September 1, 2019. The state share of the 2.0 percent salary increase would be given to school divisions that certify that they will provide at least a 2.0 percent salary increase by September 1, 2019. Any local school division pay increase provided in the first year that is above the 3.0 percent will not count toward the 2.0 percent salary increase in the second year.)

Item 136 #8c

Education	FY18-19	FY19-20	
Direct Aid to Public Education	\$0	(\$87,158,699)	GF

Language:

- Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,207,878,531".
- Page 144, line 12, strike "\$217,271,416" and insert "\$1129,748,579".
- Page 144, line 14, strike "\$18,626,227" and insert "\$18,250,516".
- Page 144, line 16, strike "\$36,728,753" and insert "\$35,927,394".
- Page 144, line 35, strike "\$388,633,076" and insert "\$299,933,169".
- Page 145, line 2, strike "\$84,767,625" and insert "\$85,022,959".
- Page 145, line 31, strike "\$9,451,837" and insert "\$9,194,097".
- Page 158, line 3, strike "\$36,728,753" and insert "\$35,927,394".
- Page 158, line 4, strike "\$84,767,625" and insert "\$85,022,959".
- Page 158, line 53, strike "\$9,451,837" and insert "\$9,194,097".
- Page 159, line 32, strike "\$720,891" and insert "\$432,519".
- Page 159, line 33, strike "5.0" and insert "3.0".
- Page 175, line 30, strike "\$932,580" and insert "\$561,311".
- Page 175, line 33, strike "5.0", and insert "3.0".
- Page 179, line 15, strike "\$218,203,996" and insert "\$129,748,579".
- Page 179, line 16, strike "\$720,891" and insert "\$432,519".
- Page 179, line 17, strike "5.0", and insert "3.0".
- Page 179, line 22, strike "\$932,580" and insert "\$561,311".

Conference Report to House Bill 1700

Page 179, line 23, strike "5.0", and insert "3.0".
Page 179, line 25, strike "\$720,891" and insert "\$432,519".
Page 179, line 26, strike "5.0", and insert "3.0".
Page 179, line 29, strike "5.0", and insert "3.0".
Page 179, line 31, strike "5.0", and insert "3.0".
Page 179, line 34, strike "5.0", and insert "3.0".

Explanation:

(This amendment maintains the \$131.0 million in funding for salary incentives that is reflected in the current adopted budget, Chapter 2, from the 2018 Special Session I. This amendment removes funding proposed in House Bill 1700 as introduced for additional compensation incentive.)

	Item 136 #9c	
Education	FY18-19	FY19-20
Direct Aid to Public Education	\$0	(\$3,539,221) GF

Language:

Page 142, line 55, strike "\$7,295,037,230" and insert "\$7,291,498,009".
Page 144, line 33, strike "\$9,678,780" and insert "\$6,139,559".
Page 144, line 35, strike "\$388,633,076" and insert "\$385,093,855".
Page 180, line 38, strike "\$9,678,780" and insert "\$6,139,559".
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 based on a local composite index match of 0.4000, or a local match based on the division's actual composite index of local ability-to-pay if that is lower than 0.4000, is required. Beginning in fiscal year 2021, a local match based on a local composite index match of 0.5000, or a local match based on the division's actual composite index of local ability-to-pay if that is lower than 0.5000, is required."

Explanation:

(This amendment back-fills a portion of an expired federal grant program and provides \$6.1 million for up to 1,530 slots in the 13 school divisions that had participated in the federal Virginia Preschool Initiative Plus program. The local composite index match is capped at 0.4000 for fiscal year 2020 and then capped at 0.5000 beginning in fiscal year 2021.)

	Item 136 #10c	
Education	FY18-19	FY19-20
Direct Aid to Public Education	(\$2,236,657)	\$0 GF

Conference Report to House Bill 1700

Language:

Page 142, line 55, strike "\$6,988,217,730" and insert "\$6,985,981,073".
Page 144, line 16, strike "\$25,382,033" and insert "\$23,145,380".
Page 144, line 35, strike "\$144,590,580" and insert "\$142,353,917".
Page 145, line 2, strike "\$95,877,881" and insert "\$98,114,544".
Page 145, line 5, strike "\$72,286,230" and insert "\$70,049,567".
Page 158, line 2, strike "\$25,382,033" and insert "\$23,145,380".
Page 158, line 3, strike "\$95,877,881" and insert "\$98,114,544".

Explanation:

(This amendment captures \$2.2 million the first year from the general fund in available undistributed balances in the Virginia Preschool Initiative. All requested slots have been filled for the school divisions. A total of 17,122 full-time slots and 535 half-day slots have been funded.)

Item 136 #11c

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

Language:

Page 142, line 55, strike "\$6,988,217,730" and insert "\$6,986,217,730".
Page 144, line 16, strike "\$25,382,033" and insert "\$23,182,033".
Page 144, line 35, strike "\$144,590,580" and insert "\$142,590,580".
Page 145, line 2, strike "\$95,877,881" and insert "\$97,877,881".
Page 145, line 7, strike "\$2,304,088" and insert "\$304,088".
Page 158, line 2, strike "\$25,382,033" and insert "\$23,182,033".
Page 158, line 3, strike "\$95,877,881" and insert "\$97,877,881".

Explanation:

(This amendment captures \$2.0 million the first year from the general fund in available balances in the Virginia Preschool Initiative - Provisional Teacher Licensure initiative that was established during the 2018 Session. The original budgeted amount was over estimated and subsequently is not needed to fund the actual number of preschool teachers in public schools that need financial support to complete their licensure requirements.)

Item 136 #12c

Education	FY18-19	FY19-20
------------------	----------------	----------------

Conference Report to House Bill 1700

Direct Aid to Public Education	(\$45,000,000)	\$0	GF
	\$45,000,000	\$0	NGF

Language:

Page 154, line 49, strike "\$66,349,570" and insert "\$111,349,570".

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 total cost of the subsidy program shall not exceed \$5.0 million in the second year including the subsidy payments and related issuance costs based on the parameters in Senate Bill 1093, as passed during 2019 Session. In addition, \$30.0 million in Literary Fund revenues shall be used to provide school construction loans for projects that are on the Board of Education's First Priority Waiting List."

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."

Page 161, line 19, strike "d" and insert "e."

Explanation:

(This amendment provides \$111.3 million in the first year from the Literary Fund for Virginia Retirement System (VRS) payments. It also directs a total of \$35.0 million towards school construction support as follows: 1) \$30.0 million for Literary Fund school construction loans that will revolve back to the Literary Fund, and; 2) \$5.0 million towards a interest rate subsidy program, based on the parameters established in Senate Bill 1093 as passed during the 2019 Session. 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. There is a \$7.5 million maximum total loan amount that a subsidy interest rate will be paid. The remaining \$30.0 million in Literary Fund revenues shall be used to provide school construction loans for projects that are on the First Priority Waiting List. This amendment also includes a technical correction.)

Item 136 #13c

Education

Direct Aid to Public Education

Language

Language:

Conference Report to House Bill 1700

Page 145, line 48, strike the second "\$6,000,000" and insert "\$12,000,000".

Page 164, line 38, strike the second "\$6,000,000" and insert "\$12,000,000".

Page 165, line 27, strike "\$6,000,000" and insert "\$12,000,000".

Page 165, line 42, strike "\$30,000,000" and insert "\$60,000,000".

Explanation:

(This amendment increases the School Security Equipment Grant annual allocation from \$6.0 million to \$12.0 million beginning in the second year. It also increases the total amount of the grant awards from \$30.0 million to \$60.0 million over any ongoing revolving five year period.)

Item 141 #1c

Education: Higher Education

State Council of Higher Education for Virginia

Language

Language:

Page 184, strike lines 48 through 51.

Page 187, after line 22, insert:

"K. 1. The State Council of Higher Education for Virginia, in consultation from representatives from House Appropriations Committee, Senate Finance Committee, Department of Planning and Budget, Secretary of Finance and Secretary of Education, as well as representatives of public higher education institutions, shall review financial aid funding models and awarding practices.

2. The Council shall review current and prospective financial aid funding models including, but not limited to, how the various models determine individual and aggregate student financial need, the recommended state portion of meeting that need, how funding is most efficiently and effectively allocated among the institutions, how financial aid allocations can be aligned with other funding for higher education and how these funds are used to address student affordability and completion of a degree. The review shall also assess how the utilization of tuition and fee revenue for financial aid, pursuant to the Top Jobs Act, prioritizes and addresses affordability for low- and middle-income students.

3. By November 1, 2019, the Council shall submit a report and any related recommendations to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees."

Explanation:

(This amendment makes technical language changes to the VTAG program reflecting the merger of the Carilion School of Medicine into Virginia Tech and provides for a review of the current financial aid funding model to ensure that allocations and use of financial aid are aligned with state needs.)

Conference Report to House Bill 1700

Item 141 #2c

Education: Higher Education

FY18-19

FY19-20

State Council of Higher Education for Virginia

\$0

\$240,000 GF

Language:

Page 183, line 20, strike "\$93,908,559" and insert "\$94,148,559".

Page 187, after 22, insert:

"K. 1. Out of this appropriation, \$240,000 the second year from the general fund is designated for the Grow Your Own Teacher pilot program to provide scholarships to low-income high school graduates who are committed to attend a baccalaureate institution of higher education in the Commonwealth and to subsequently teach in high-need public schools in the school divisions in which they graduated from high school.

2. The State Council of Higher Education for Virginia (SCHEV), in collaboration with the Virginia Department of Education, shall establish a process by which local school boards may apply for grants to establish Grow Your Own Teacher Pilot Programs to provide a scholarship not to exceed \$7,500 per academic year for attendance at a baccalaureate institution of higher education in the Commonwealth for individuals who (i) graduated from a public high school in the local school division; (ii) were eligible for free or reduced price lunch throughout the individual's attendance at a public high school in the local school division; and (iii) commit to teach, within one year of graduating from the baccalaureate institution of higher education in the Commonwealth and for a period of at least four years, at a public high school at which at least 50 percent of students qualify for free or reduced price lunch in the school division in which such individual graduated from high school. In developing such process, SCHEV will ensure that at least one school division within each of the eight superintendent regions, applying for such grants, be awarded prior to awarding grants to multiple school divisions within a single superintendent region. Each superintendent region shall be permitted to apply for up to four tuition grant awards. SCHEV is authorized to offer and award any remaining unallotted awards to other applying school divisions within a superintendent region.

3. In the event that any scholarship recipient fails or refuses to comply with the teaching obligation under paragraph K.2. (iii) the sum of all scholarship funds received by such individual shall be converted to a loan that is subject to repayment with interest (i) that begins to accrue 90 days after the date that the scholarship recipient graduates from or fails to maintain continuous enrollment at the baccalaureate institution of higher education and (ii) at a rate that does not exceed 5.5 percent per annum."

Explanation:

(This amendment provides funding for the Grow You Own Teacher program, a collaborative effort between, SCHEV, the Department of Education, public colleges and universities and local school divisions.)

Item 141 #3c

Education: Higher Education

State Council of Higher Education for Virginia

Language

Language:

Page 186, strike lines 30.

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

Explanation:

(This amendment removes proposed limitations on the workforce credential grant program.)

Item 141 #4c

Education: Higher Education

FY18-19

FY19-20

State Council of Higher Education for
Virginia

\$0

(\$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 from the general fund based on the number of TAG grants previously received by Jefferson College students.)

Item 143 #1c

Education: Higher Education

FY18-19

FY19-20

State Council of Higher Education for
Virginia

\$0

\$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

Conference Report to House Bill 1700

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 may 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 #2c

Education: Higher 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 #3c

Education: Higher 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".

Conference Report to House Bill 1700

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 from the general fund 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 from the general fund in the second year, and specifies parameters for the internship program that are consistent with Senate Bill 1628, 2019 Session.)

Item 143 #4c

Education: Higher Education

State Council of Higher Education for Virginia

Language

Conference Report to House Bill 1700

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.)

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

Item 143 #5c

Language:

Page 187, line 36, strike "\$17,205,107" and insert "\$17,280,107".

Explanation:

(This amendment provides additional general fund to conduct an annual education-related summit bringing together legislators, national and regional policy experts, education leaders and stakeholder to be hosted by a partner organization.)

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

Item 151 #1c

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 from the general fund in the second year and 3.0 FTE. This funding will

Conference Report to House Bill 1700

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 155 #1c

Education: Higher Education	FY18-19	FY19-20	
Richard Bland College	\$0	\$262,000	GF

Language:

Page 195, line 52, strike "\$13,276,008" and insert "\$13,538,008".

Explanation:

(This amendment provides additional general fund for the state share of operations and maintenance costs of Ernst Hall.)

Item 155 #2c

Education: Higher Education	FY18-19	FY19-20	
Richard Bland College	\$0	\$250,000	GF

Language:

Page 195, line 52, strike "\$13,276,008" and insert "\$13,526,008".

Explanation:

(This amendment provides additional general fund to implement the requirements of Executive Order 19 and subsequent VITA invoicing.)

Item 159 #1c

Education: Higher Education	FY18-19	FY19-20	
Virginia Institute of Marine Science	\$0	\$200,000	GF

Language:

Page 198, line 7, strike "\$25,640,826" and insert "\$25,840,826".

Explanation:

(This amendment provides additional general fund to create the Commonwealth Coastal Research Fellows (CCRF) program to support graduate student research to advance aquaculture, fisheries management, storm surge modeling, shoreline adaptation, water quality research and resilience approaches.)

Conference Report to House Bill 1700

Item 159 #2c

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

Language:

Page 198, line 7, strike "\$25,640,826" and insert "\$25,940,826".

Page 199, after line 38, insert:

"O. Out of this appropriation, \$300,000 the second 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."

Explanation:

(This amendment provides \$300,000 from the general fund in the second 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 #1c

Education: Higher 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 from the general fund and \$300,000 from the nongeneral fund 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 162 #2c

Conference Report to House Bill 1700

Education: Higher Education	FY18-19	FY19-20	
George Mason University	\$0	\$150,000	GF

Language:

Page 200, line 29, strike "\$590,854,330" and insert "\$591,004,330".

Explanation:

(This amendment provides additional general fund to match private philanthropy for the veterans and arts initiatives.)

Item 164 #1c

Education: Higher Education	FY18-19	FY19-20	
George Mason University	\$0	\$275,000	GF

Language:

Page 202, line 49, strike "\$262,000,000" and insert "\$262,275,000".

Page 203, after line 11, insert:

"D. 1. Out of this appropriation, \$275,000 the second year from the general fund is designated for George Mason University, in collaboration with Eastern Virginia Medical School, Old Dominion University, the University of Virginia, Virginia Commonwealth University, Virginia Tech, INOVA, and Sentara Health System, to create the Virginia Commonwealth Clinical Research Network to serve as a network of institutions to conduct significant clinical trials in areas that include oncology, mental health and substance abuse. The Virginia Commonwealth Clinical Research Network would facilitate identifying and recruiting patients and expand access for researchers to a clinical base thereby creating greater opportunities for grant funding and the development commercialization of breakthrough products and services.

2. The Virginia Commonwealth Clinical Research Network shall develop a strategy and business plan and report to the Chairman of the House Appropriations and Senate Finance Committees by November 1, 2019."

Explanation:

(This amendment provides additional funds from the general fund to create the Virginia Commonwealth Clinical Research Network between George Mason University, Eastern Virginia Medical School, Old Dominion University, the University of Virginia, Virginia Commonwealth University, Virginia Tech, INOVA, and Sentara Health System.)

Item 174 #1c

Education: Higher Education	FY18-19	FY19-20	
------------------------------------	----------------	----------------	--

Conference Report to House Bill 1700

Norfolk State University	\$0	\$298,000	GF
	0.00	1.00	FTE

Language:

Page 207, line 52, strike "\$87,633,268" and insert "\$87,931,268".

Explanation:

(This amendment provides additional funds from the general fund to support the creation of the Center for African American Policy to provide non-partisan research on public policy issues affecting African Americans and other people of color.)

Item 174 #2c

Education: Higher Education

Norfolk State University

Language

Language:

Page 209, strike lines 19 through 25.

Explanation:

(This amendment eliminates proposed language related to Norfolk State, Virginia State and the University of Virginia at Wise related to student affordability and access. A companion amendment in the State Council of Higher Education for Virginia requires a more comprehensive review of the current financial aid model and how it can be aligned to meet state needs and address student affordability.)

Item 178 #1c

Education: Higher Education

FY18-19

FY19-20

Old Dominion University

\$0

\$25,000

GF

Language:

Page 210, line 24, strike "\$303,666,746" and insert "\$303,691,746".

Page 212, after line 17, insert:

"K. Out of this appropriation, \$25,000 the second year from the general fund is designated for the Marine Rescue Program, a collaborative program between Old Dominion University and the Virginia Aquarium and Marine Science Foundation to support rescue efforts for stranded and sick marine animals throughout the entire Virginia coastline region of the Chesapeake Bay.)

Explanation:

(This amendment is self-explanatory.)

Conference Report to House Bill 1700

Item 180 #1c

Education: Higher 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 from the general fund 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 #1c

Education: Higher Education	FY18-19	FY19-20	
University of Virginia	\$0	(\$500,000)	GF

Language:

Page 222, line 23, strike "\$537,856,736" and insert "\$537,356,736".

Page 222, line 38, strike the second "\$3,612,500" and insert "\$3,112,500".

Explanation:

(This amendment provides general fund support for the Focused Ultrasound Center at the University of Virginia at \$3.1 million from the general fund in the second year.)

Item 200 #1c

Education: Higher Education	FY18-19	FY19-20	
University of Virginia's College at Wise	\$0	(\$600,000)	GF

Language:

Conference Report to House Bill 1700

Page 224, line 32, strike "\$31,925,486" and insert "\$31,325,486".

Explanation:

(This amendment removes funding proposed in the introduced budget for new program planning funds.)

Item 200 #2c

Education: Higher Education

University of Virginia's College at Wise

Language

Language:

Page 225, strike lines 33 through 39.

Explanation:

(This amendment eliminates proposed language related to Norfolk State, Virginia State and the University of Virginia at Wise related to student affordability and access. A companion amendment in the State Council of Higher Education for Virginia requires a more comprehensive review of the current financial aid model and how it can be aligned to meet state needs and address student affordability.)

Item 204 #1c

Education: Higher 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 the second "\$32,753" and insert "\$192,753".

Explanation:

(This amendment provides \$160,000 from the general fund 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 204 #2c

Education: Higher Education

FY18-19

FY19-20

Conference Report to House Bill 1700

Virginia Commonwealth University \$0 \$75,000 GF

Language:

Page 226, line 51, strike "\$635,434,781" and insert "\$635,509,781".

Page 228, line 42, after "program", insert:
"and a sickle cell opioid management program".

Explanation:

(This amendment provides funding for at substance abuse fellowship at VCU School of Medicine.)

Item 210 #1c

Education: Higher Education	FY18-19	FY19-20	
Virginia Community College System	\$0	(\$5,500,000)	GF
	0.00	-79.00	FTE

Language:

Page 231, line 48, strike "\$903,505,430" and insert "\$898,005,430".

Page 234, strike lines 44 through 47.

Explanation:

(This amendment removes funding proposed in the introduced budget for new career pathway positions.)

Item 210 #2c

Education: Higher Education	FY18-19	FY19-20	
Virginia Community College System	\$0	\$5,000,000	GF

Language:

Page 231, line 48, strike "\$903,505,430" and insert "\$908,505,430".

Page 234, after line 43, insert:
"V. Out of this appropriation, \$5,000,000 the second year from the general fund is designated for general operating support for the Virginia Community College System."

Page 234, line 44, strike "V." and insert "W."

Explanation:

(This amendment provides additional general fund for general operating support for the Virginia Community College System. This support is in addition to funds allocated for VCCS under In-State Undergraduate Moderation.)

Conference Report to House Bill 1700

Item 210 #3c

Education: Higher 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 transfers funding for computer science teacher training back to the Virginia Department of Education to facilitate the efficient conduct of the program.)

Item 213 #1c

Education: Higher Education	FY18-19	FY19-20	
Virginia Community College System	\$0	\$158,650	GF

Language:

Page 235, line 24, strike "\$118,719,320" and insert "\$118,877,970".

Page 236, line 2, strike the second "\$927,700" and insert "\$1,086,350".

Explanation:

(This amendment provides additional general fund support for the A.L. Philpott Manufacturing Extension Partnership to allow GENEDGE to provide full state coverage.)

Item 216 #1c

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

Language:

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

Explanation:

(This amendment provides \$610,548 from the general fund in the second year, related to items including addressing the common core math requirement, and operations and maintenance of

Conference Report to House Bill 1700

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 the Southern Association of Colleges and Schools Commission on Colleges.)

Item 224 #1c

Education: Higher Education	FY18-19	FY19-20	
Virginia Polytechnic Institute and State University	\$0	\$173,000	GF

Language:

Page 243, line 33, strike "\$2,584,350" and insert "\$2,757,350".

Explanation:

(This amendment provides additional general fund for the unique military activities programs.)

Item 226 #1c

Education: Higher Education	FY18-19	FY19-20	
Virginia Cooperative Extension and Agricultural Experiment Station	\$0 0.00	\$625,000 4.00	GF FTE

Language:

Page 244, line 17, strike "\$90,506,372" and insert "\$91,131,372".

Explanation:

(This amendment provides additional funds from the general fund to support additional extension agents and research specialists across the Commonwealth.)

Item 227 #1c

Education: Higher 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:

Conference Report to House Bill 1700

(This amendment provides additional general fund to support two agricultural education faculty.)

Item 227 #2c

Education: Higher Education

Virginia State University

Language

Language:

Page 247, strike lines 9 through 15.

Explanation:

(This amendment eliminates proposed language related to Norfolk State, Virginia State and the University of Virginia at Wise related to student affordability and access. A companion amendment in the State Council of Higher Education for Virginia requires a more comprehensive review of the current financial aid model and how it can be aligned to meet state needs and address student affordability.)

Item 232 #1c

Education: Other

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 \$125,000 from the general fund 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 232 #2c

Education: Other

FY18-19

FY19-20

Frontier Culture Museum of Virginia

\$0

\$250,000

GF

Language:

Conference Report to House Bill 1700

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

Explanation:

(This amendment provides additional general fund to upgrade safety and security on the agency property and information technology.)

		Item 234 #1c
Education: Other	FY18-19	FY19-20
Jamestown-Yorktown Foundation	\$0	\$75,000 GF

Language:

Page 249, line 48, strike "\$18,360,426" and insert "\$18,435,426".

Explanation:

(This amendment provides \$50,000 the second year to complete the three-part statue installation at the Williamsburg James City County Courthouse that was begun in 2008, with Native American leader Chief Powhatan, Captain Gosnold in 2016, and the final statue will commemorate Africans brought to the colony; and \$25,000 the second year to the African American Cultural Center of Virginia Beach for the Hampton Roads African American Evolution Performance Series. The African-American Cultural Performances will perform in different Hampton Roads venues linked to the 400th First Africans arrival in English America.)

		Item 234 #2c
Education: Other	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 additional general fund to improve the retention and recruitment of landscaping and housekeeping staff.)

		Item 234 #3c
Education: Other	FY18-19	FY19-20

Conference Report to House Bill 1700

Jamestown-Yorktown Foundation \$0 \$280,832 GF

Language:

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

Explanation:

(This amendment provides additional general fund to improve site security.)

Item 238 #1c

Education: Other	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 from the general fund 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 #1c

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

Language:

Page 253, line 3, strike "\$4,130,912" and insert "\$4,005,912".

Explanation:

(This amendment defers a portion of the increase in arts grants.)

Item 244 #1c

Education: Higher Education	FY18-19	FY19-20	
Eastern Virginia Medical School	\$0	\$2,500,000	GF

Language:

Page 254, line 32, strike "\$27,866,126" and insert "\$30,366,126".

Conference Report to House Bill 1700

Page 255, after line 13, insert:

"H. 1. Out of this appropriation, \$1,250,000 the second year from the general fund is designated to support accreditation requirements at the Eastern Virginia Medical School.

2. Out of this appropriation, \$1,250,000 the second year from the general fund is designated to support community health programs in partnership with Sentara Healthcare."

Explanation:

(This amendment provides additional operating support for the Eastern Virginia Medical School for accreditation and community health programs.)

Item 252 #1c

Education: Higher Education

Higher Education Research Initiative

Language

Language:

Page 259, line 35, after "funds.", insert:

"The amounts provided in this paragraph are non-reverting and shall constitute the base budget for subsequent fiscal years."

Page 259, line 39, after "Hub.", insert:

"The amounts provided in this paragraph are non-reverting and shall constitute the base budget for subsequent fiscal years."

Explanation:

(This amendment clarifies that the amounts provided for the Commonwealth Cyber Initiative are non-reverting and shall continue as the base budget for subsequent fiscal years.)

Item 253.50 #1c

Education: Higher Education

FY18-19

FY19-20

In-State Undergraduate Moderation

\$0

\$52,459,000

GF

Language:

Page 260, after line 29, insert:

"§ 1-83.10 In-State Undergraduate Moderation

253.50 In-State Undergraduate Moderation

\$0

\$52,459,000

Fund Sources:

General

\$0

\$52,459,000 "

Page 260, after line 29, insert:

Conference Report to House Bill 1700

"A.1. Out of this appropriation, \$52,459,000 the second year from the general fund is designated for In-State Undergraduate Affordability with allocations to public colleges and universities as follows:

Institution	Annual Amount
Christopher Newport University	\$1,654,000
College of William and Mary	1,450,000
George Mason University	6,524,000
James Madison University	6,100,000
Longwood University	975,000
University of Mary Washington	957,000
Norfolk State University	971,000
Old Dominion University	3,124,000
Radford University	1,659,000
University of Virginia	5,520,000
University of Virginia's College at Wise	235,000
Virginia Commonwealth University	6,797,000
Virginia Military Institute	661,000
Virginia Polytechnic Institute & State University	6,306,000
Virginia State University	1,250,000
Richard Bland College	183,000
Virginia Community College System	8,093,000
Total	\$52,459,000

2. a. Allocations listed in paragraph A.1. of this item shall be granted to public colleges and universities in fiscal year 2020 so long as they maintain tuition and mandatory Educational and General (E & G) fee charges for in-state undergraduate students to fiscal year 2019 levels.

b. In addition to the allocation from this item, the Virginia Community College System also is provided \$5,000,000 from the general fund under Item 210 V. in order to effectuate the goals of this item.

3. The State Council of Higher Education for Virginia (SCHEV) shall certify whether each public college and university has met the tuition freeze requirements of this fund. SCHEV shall report its findings to the Governor, the Chairmen of the House Appropriations and Senate Finance Committees, and the Director of the Department of Planning and Budget by July 1, 2019.

4. Upon certification by SCHEV that the requirements in paragraph A.2. have been met, the Director, Department of Planning and Budget, shall transfer the amounts listed above to each of

Conference Report to House Bill 1700

the certified institutions. The amounts transferred to each institution shall not revert and shall become part of the institution's fiscal year 2020 base for subsequent biennia.

5. If an institution elects to increase tuition and mandatory E & G fees for in-state undergraduate students in fiscal year 2020 above the fiscal year 2019 levels, the institution shall not be eligible for an allocation from the fund.

6. The Rector, Board of Visitors of institutions choosing to forego allocations from this item and electing to increase tuition and mandatory E & G fees for in-state undergraduate students in fiscal year 2020 shall communicate the Board Resolution certifying that decision to the Chairmen of the House Appropriations and Senate Finance Committees by August 1, 2019.

7. All unallocated funds shall be transferred to Item 266, the Revenue Cash Reserve by September 1, 2019."

Explanation:

(This amendment provides for in-state undergraduate tuition moderation in fiscal year 2020 by providing \$52.5 million from the general fund to allow public institutions to maintain tuition and mandatory E & G fees at fiscal year 2019 levels. Amounts for the Virginia Community College System are augmented by \$5 million from the general fund in a companion amendment in Item 210 V.)

Item 255 #1c

Finance

Secretary of Finance

Language

Language:

Page 263, after line 32, insert:

"D. 1. The Secretary of Finance shall develop a plan for the competitive procurement of services and supplies from third-parties during natural disasters based upon reasonable cost. In developing the plan, the Secretary shall consult with the Secretaries of Education and Health and Human Resources to assess the use of state institutions of higher education facilities, or other third-party facilities, for sheltering displaced persons during a disaster. The Secretary shall also evaluate potential agreements for family-based pricing structures that allow families to be sheltered together at a lower cost than being sheltered individually. The Secretary shall present the proposed plan to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019.

2. The Secretary shall convene a workgroup of representatives from appropriate agencies to review the feasibility of implementing a web-based repository of sheltering information, which shall at minimum provide information on the availability of shelters, including their type, capacity, and location. The web portal should be available to emergency coordinators, and

Conference Report to House Bill 1700

consideration should be given to interfacing with a system for alerting the public of sheltering and evacuation information when a disaster occurs. The Secretary shall report the findings and recommendations of the workgroup to the Chairmen of the House Appropriations and Senate Finance Committees no later than 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; and to assess the feasibility of implementing a web-based sheltering database.)

			Item 255 #2c
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 eliminates funding included in the introduced budget of \$175,000 from the general fund the second year for the Secretary of Finance to study gaming governance structure and the potential impact of expanding legalized gambling in the Commonwealth. A companion amendment provides \$200,000 from the general fund the second year for JLARC to contract for a study.)

			Item 265 #1c
Finance	FY18-19	FY19-20	
Department of Accounts Transfer Payments	\$0	\$97,517,000	GF

Language:

Page 269, line 24, strike "\$262,941,731" and insert "\$360,458,731".

Page 269, after line 39, insert:

"C. Out of this appropriation, \$97,517,000 the second year from the general fund shall be paid by the State Comptroller on or before June 30, 2020, into the Revenue Stabilization Fund pursuant to § 2.2-1829, Code of Virginia. This amount represents an estimate of the required deposit to the Revenue Stabilization Fund attributable to tax collections for fiscal year 2020, which the Auditor of Public Accounts shall determine for the year ending June 30, 2020.

Conference Report to House Bill 1700

Explanation:

(This amendment recognizes the assumed Revenue Stabilization Fund requirement due to anticipated fiscal year 2020 revenue collections and sets aside these amounts in fiscal year 2020. The Comptroller must commit these amounts for deposit to the Fund when he undertakes the fiscal year 2020 year-end close.)

	Item 266 #1c	
Finance	FY18-19	FY19-20
Department of Accounts Transfer Payments	(\$442,070,000)	\$127,283,000 GF

Language:

Page 269, line 41, strike "\$784,797,895" and insert "\$342,727,895".

Page 269, line 41, strike "\$95,500,000" and insert "\$222,783,000".

Page 269, line 48, strike "\$784,797,895" and insert "\$342,727,895".

Page 269, line 49, strike "\$95,500,000" and insert "\$222,783,000".

Page 270, strike lines 1 through 14 and insert:

"2. The Department of Taxation shall certify the revenues generated pursuant to subdivision B.5. of § 58.1-301, Code of Virginia. An amount equal to such revenue shall be deposited into the Revenue Reserve Fund and, notwithstanding the provisions of § 2.2-1831.4, Code of Virginia, if appropriated, may be used to effectuate future tax reform options for the citizens of the Commonwealth in accordance with the fifth enactment of Chapters 17 and 18, 2019 Session of the General Assembly. Nothing in this item shall be construed to require the appropriation of such funds prior to the use of other funds in the Revenue Reserve Fund pursuant to § 2.2-1831.4, Code of Virginia."

Explanation:

(This amendment makes additional deposits to the Revenue Reserve Fund. When added to existing balances in the Fund, by the end of fiscal year 2020, there will be \$812.9 million in the Fund. In addition, there will be \$643.7 million in the Rainy Day Fund, bringing the total reserves to \$1.46 billion.)

	Item 272 #1c
Finance Department of Taxation	Language

Language:

Page 274, after line 19, insert:

Conference Report to House Bill 1700

"E. The Tax Commissioner shall convene a working group by June 1, 2019 to study the impact of the limitation of interest expense on businesses that are part of an affiliated group and that file a Virginia combined or consolidated return. The Tax Commissioner shall develop and make available guidelines regarding the determination of the limitation of interest expense under section 163(j) of the Internal Revenue Code by December 1, 2019. Such guidelines shall apply to taxable years beginning on or after January 1, 2018 and shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq.)."

Explanation:

(This amendment establishes a work group to develop guidelines for the implementation of the limitation on interest expenses under provisions of the TCJA.)

			Item 273 #1c
Finance	FY18-19	FY19-20	
Department of Taxation	\$658,100	\$680,406	GF

Language:

Page 274, line 20, strike "\$57,051,523" and insert "\$57,709,623".
Page 274, line 21, strike "\$57,279,905" and insert "\$57,960,311".

Explanation:

(This amendment provides \$658,100 from the general fund the first year and \$680,406 from the general fund the second year for the Department of Taxation to administer the provisions of Senate Bill 1372 of the 2019 General Assembly, which addresses tax conformity and various tax policy changes, to include systems updates; hiring customer service wage staff; and contracting with a consultant to estimate and certify revenue associated with taxpayer refunds.)

			Item 276 #1c
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:

Conference Report to House Bill 1700

(This amendment provides \$520,163 from the general fund 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 277 #1c

Finance	FY18-19	FY19-20	
Department of the Treasury	\$0	\$1,600,000	GF

Language:

Page 281, line 5, strike "\$13,112,104" and insert "\$14,712,104".

Explanation:

(This amendment provides \$1.6 million from the general fund the second year for the Department of the Treasury to administer provisions of Senate Bill 1372 of the 2019 General Assembly, including banking services, postage, and mailing materials to facilitate refunds to taxpayers.)

Item 281 #1c

Health and Human Resources

Secretary of Health and Human Resources

Language

Language:

Page 290, line 53, after "Budget," insert:

"staff of the House Appropriations and Senate Finance Committees,"

Page 291, after line 20, insert:

"4. The workgroup shall produce a robust analysis of the costs and benefits of using the platform provided through Contract Number VA-121107-SMU managed by the Virginia Information Technologies Agency on behalf of the Commonwealth of Virginia in developing and implementing electronic health records for use by the Virginia Department of Health. The analysis shall consider the need for a separate domain from any other procured through the Contract. The workgroup shall report on the findings of the analysis and any recommendations to the Joint Subcommittee on Health and Human Resources Oversight by November 1, 2019."

Explanation:

(This amendment adds language to add the staff of the House Appropriations and Senate Finance Committees to the membership of a work group convened by the Secretary of Health and Human Resources to oversee the development of a statewide integrated electronic health (EHR) system. Language requires a robust cost/benefit analysis to be completed in developing

Conference Report to House Bill 1700

and implementing EHRs for use by the Virginia Department of Health using the existing state contract and considering the use of a separate domain.)

Item 282 #1c

Health and Human Resources	FY18-19	FY19-20	
Children's Services Act	\$0	\$14,091	GF

Language:

Page 292, line 3, strike "\$353,267,989" and insert "\$353,282,080".

Explanation:

(This amendment adds \$14,091 from the general fund for the impact on the Children's Services Act (CSA) of House Bill 2597/Senate Bill 1661 related to temporary custody of child victims of sex trafficking under certain circumstances. The CSA program pays for state foster care placement maintenance payments. A companion amendment in Item 344 provides funding for the fiscal impact on the Department of Social Services.)

Item 282 #2c

Health and Human Resources		
Children's Services Act		Language

Language:

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

Page 296, line 12, after "2019." insert:

"The final report shall include a list of all special education private day programs that did not participate in or respond to the provider survey the contractor used to collect information to assist in conducting the rate study."

Explanation:

(This amendment modifies language in the budget delaying a final report on a study of private day special education rates from July 1, 2019 to October 1, 2019. In addition, language requires the final report to include a list of special education private day programs that did not participate in providing information to the contractor for the study.)

Item 287 #1c

Health and Human Resources	FY18-19	FY19-20	
-----------------------------------	----------------	----------------	--

Conference Report to House Bill 1700

Department of Health	\$0	(\$256,248)	GF
	0.00	-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 #1c

Health and Human Resources

Department of Health	Language
----------------------	----------

Language:

Page 301, after line 11, insert:

"J. The Virginia Department of Health shall report for each month within 30 days after the end of each month, on the number of procedures approved for payment pursuant to § 32.1-92.2, Code of Virginia, and include a description of the nature of the fetal abnormality, to the extent permitted by law, as required for eligibility under § 32.1-92.2, Code of Virginia. The department shall report the information by letter to the Chairmen of the House Appropriations and Senate Finance Committees."

Explanation:

(This amendment requires the Department of Health to report monthly on the number of procedures approved for payment and a description of the fetal abnormality required pursuant to § 32.1-92.2 of the Code of Virginia, which allows for state payment of abortions for women who otherwise meet the financial eligibility criteria of the State Medical Assistance Plan.)

Item 289 #2c

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 removes funding proposed in the introduced budget for purchase of additional

Conference Report to House Bill 1700

vaccines by the Health Department.)

Item 290 #1c

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	(\$1,200,000)	GF

Language:

Page 301, line 14, strike "\$19,558,631" and insert "\$18,358,631".

Explanation:

(This amendment eliminates \$1.2 million from the general fund the second year for a contract with Riverside Shore Memorial Hospital for obstetrical services in this item. A companion amendment in Item 293 includes a portion of the funding for this project. The introduced budget incorrectly placed the funding for this project in this item.)

Item 290 #2c

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 first year that was provided to fund two positions for the Certificate of Public Need office for updating the state medical facilities plan. The Department of Health has authority to increase fees the second year to support these positions.)

Item 291 #1c

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	(\$3,000,000)	NGF

Language:

Page 302, line 7, strike "\$167,386,863" and insert "\$164,386,863".

Conference Report to House Bill 1700

Explanation:

(This amendment transfers \$3.0 million from the federal Temporary Assistance to Needy Families block grant contained in the introduced budget for the Department of Health community health services to the Department of Social Services.)

		Item 291 #2c	
Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0 0.00	\$315,000 1.00	GF FTE

Language:

Page 302, line 7, strike "\$167,386,863" and insert "\$167,701,863".

Page 302, line 43, after "F." insert "1."

Page 302, after line 49, insert:

"2. Out of this appropriation, \$315,000 the second year from the general fund shall be provided to support efforts by the Virginia Neonatal Perinatal Collaborative (VNPC) to decrease maternal mortality and morbidity. Funding shall be used for a coordinator position for community engagement, training and education; the development of a pilot program of the Centers for Disease Control's levels of care assessment (LOCATe) tool in the Richmond metropolitan region and Tidewater region; and development of a Project ECHO tele-education model for education and training. Funding shall also be used to assist the VNPC with expanding capacity to address these issues through the use of software to advance data analytics."

Explanation:

(This amendment adds \$315,000 from the general fund the second year and one position to expand the capability of the Virginia Neonatal Perinatal Collaborative's work to decrease maternal mortality and morbidity.)

		Item 292 #1c
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 by June 30, 2019. Out of any remaining unused appropriation for this initiative, the department shall only use such funds for the purchase of hormonal long-acting reversible contraception (LARC) devices and implement a program to

Conference Report to House Bill 1700

make such devices available to local health departments and other health care providers at no cost. The department shall only accept applications from health care providers that agree to provide the LARC devices, at no charge, to their patients, whose income is below 250 percent of the federal poverty level. Notwithstanding any other provision of law, the department shall have authority to operate as a wholesale distributor of prescription drugs, which shall be limited to only hormonal long-acting reversible contraception devices. 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) the number of LARCs purchased and the unit price; and (ii) the 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 changes the long-acting reversible contraception initiative 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.)

Item 292 #2c

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 and language for a new initiative for Eastville Community Health Center.)

Item 293 #1c

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	\$1,000,000	GF

Language:

Page 306, line 2, strike "\$21,239,583" and insert "\$22,239,583".
Page 309, line 17, strike "\$25,000" and insert "\$1,025,000".

Conference Report to House Bill 1700

Explanation:

(This amendment provides \$1.0 million from the general fund in the second year to fund the All Payer Claims Database (APCD), pursuant to House Bill 2798 and Senate Bill 1216, which makes submission of health plan claims data mandatory. Other states with mandatory APCDs are supported primarily with state funds.)

Item 293 #2c

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 "\$21,839,583".
Page 310, line 11, strike "\$1,200,000" and insert "\$600,000".

Explanation:

(This amendment provides \$600,000 from the general fund the second year for a contract with Riverside Shore Memorial Hospital for obstetrical services. A companion amendment in Item 290 transfers funding for this project. Funding for this project was contained in the wrong item in the introduced budget.)

Item 293 #3c

Health and Human Resources	FY18-19	FY19-20	
Department of Health	(\$5,000,000)	\$0	GF

Language:

Page 306, line 3, strike "\$28,239,583" and insert "\$23,239,583".
Page 310, line 5, strike "7,000,000" and insert "2,000,000".

Explanation:

(This amendment removes \$5.0 million from the general fund the first year proposed in the introduced budget for the Hampton University Proton Therapy Foundation for Proton Beam, leaving \$2.0 million from the general fund in fiscal year 2019 for this project.)

Item 297 #1c

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

Conference Report to House Bill 1700

Language:

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

Explanation:

(This amendment reduces \$4.2 million from the general fund the second year in the Health Department for the development of an electronic health records (EHR) system. This action delays the development by one year to allow more time for the agency to complete its assessment of its business processes and for the completion of a cost analysis to determine if it would be more cost effective to purchase the system off an existing state contract. A companion amendment in Item 281 includes language directing the cost analysis for the Health Department EHR system.)

Item 297 #2c

Health and Human Resources	FY18-19	FY19-20	
Department of Health	\$0	\$198,589	GF
	0.00	0.50	FTE

Language:

Page 311, line 3, strike "\$28,580,165" and insert "\$28,778,754".

Explanation:

(This amendment provides \$198,589 from the general fund to implement a newborn screening test for congenital cytomegalovirus for those infants who fail the newborn hearing screen, pursuant to House Bill 2026. A companion amendment in the Division of Consolidated Laboratory Services provides the nongeneral fund appropriation for lab equipment, software and hardware.)

Item 297 #3c

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

Conference Report to House Bill 1700

the general fund and should not need additional resources to defend the agency.)

Item 297 #4c

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 under an Emergency Custody Order (ECO). The program shall identify the legal disposition of individuals being evaluated for psychiatric hospitalization as Temporary Detention Order at the hospital, Temporary Detention Order at another Hospital, Voluntary Admission at the Hospital, or Voluntary Admission at Other Hospital, or released to the community. The department shall report the data monthly on its website by hospital and provide an annual report to the General Assembly for each fiscal year, no later than September 1, after the the end of the fiscal year."

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 #1c

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 report to the Joint Commission on Health Care by October 1, 2019, on state and local efforts to promote proper drug disposal methods, including existing community-based collection and disposal efforts."

Explanation:

(This amendment directs the Board of Pharmacy to report to the Joint Commission on Health Care by October 1, 2019, on state and local efforts to promote proper drug disposal methods, including existing community-based collection and disposal efforts. This amendment is a

Conference Report to House Bill 1700

recommendation of the Joint Commission on Health Care.)

Item 303 #1c

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 #2c

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance	\$0	\$125,000	GF
Services	\$0	\$125,000	NGF

Language:

Page 315, line 7, strike "\$14,974,837,166" and insert "\$14,975,087,166".

Page 342, after line 27, insert:

"YYY.1. The Department of Medical Assistance Services shall cause its contracted actuary, not later than October 1, 2019, to evaluate and determine the most cost-effective pharmacy benefit delivery model, taking into account cost savings and other considerations such as clinical benefits, for all programs managed or directed by the department. In determining cost savings for each model considered, the actuary shall consider factors including rebates captured by the Commonwealth, decreased capitation rates, drug ingredient costs, generic drug dispensing, dispensing fees, drug utilization, and a single drug formulary (including the existing Common Core Formulary). The department shall report its findings to the Chairmen of the House

Conference Report to House Bill 1700

Appropriations and Senate Finance Committees by December 1, 2019.

2. Upon approval of the 2020 General Assembly, the department may permit Medicaid managed care organizations (MCOs) under the Commonwealth's Children's Health Insurance Programs, Medallion 4.0, the Commonwealth Coordinated Care Plus or any other program managed or directed by the department, to develop and implement the most cost-effective pharmacy benefit delivery model including medication therapy management programs and medication reconciliation programs, for Medicaid recipients effective as of July 1, 2020. However, payments for prescribed drugs and dispensing fees shall be aligned to the model that provides the most beneficial financial solution to the Commonwealth. Upon approval of the 2020 General Assembly the department is authorized to contract with a pharmacy benefit manager, provided that the contract requires transparency in dispensing fees paid, cost control and containment measures, rebates collected and paid, fees and other charges for its administration of the pharmacy benefit.

3. The department is authorized to contract with a Virginia university for administration of a common formulary across its programs for pharmacy benefits upon approval of the 2020 General Assembly."

Explanation:

(This amendment provides \$125,000 from the general fund and \$125,000 in matching federal Medicaid funds for the Department of Medical Assistance Services (DMAS) to contract with their actuary to determine the best pharmacy benefit delivery model for the Medicaid and Children's Health Insurance Programs in terms of cost effectiveness and other considerations. DMAS is required to report findings from the review of pharmacy benefit management realignment in the Medicaid and Children's Health Insurance Programs to the Chairmen of House Appropriations and Senate Finance Committees by December 1, 2019. The language requires the contracted actuary of DMAS to determine potential cost savings. Upon approval of the 2020 General Assembly, the department may make programmatic changes to align the payments for prescribed drugs and dispensing fees with the most beneficial financial solution for the Commonwealth. Language also authorizes the agency to contract with a Virginia university for administration of a common formulary across its programs for pharmacy benefits.)

Item 303 #3c

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 342, after line 27, insert:

"YYY.1. The Department of Medical Assistance Services shall work with the Department of

Conference Report to House Bill 1700

Behavioral Health and Developmental Services and stakeholders to develop the continuum of evidence-based, trauma-informed, and cost-effective mental health services recommended by the University of Colorado Farley Center for Health Policy that will result in the best outcomes for Medicaid and FAMIS members. This 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 develop the necessary waiver(s) and the State Plan amendments under Titles XIX and XXI of the Social Security Act to fulfill this item, including but not limited to, changes to the medical necessity criteria, services covered, provider qualifications, and reimbursement methodologies and rates for Community Mental Health and Rehabilitation Services. The department shall work with its contractors, the Department of Behavioral Health and Developmental Services, and appropriate stakeholders to develop service definitions, utilization review criteria, provider qualifications, and rates and reimbursement methodologies. The department shall also work with its actuary to model the fiscal impact of the proposed continuum.

3. Prior to the submission of any state plan amendment or waivers to implement these changes, the Department of Medical Assistance Services and Department of Behavioral Health and Developmental Services shall submit a plan detailing the changes in provider rates, new services added and any other programmatic or cost changes to the Chairmen of the House Appropriations and Senate Finance Committees. The departments shall submit this report no later than December 1, 2019.

4. Upon approval of the 2020 General Assembly and the federal Centers for Medicare and Medicaid Services, the department shall have authority to implement these changes."

Explanation:

(This amendment adds language authorizing the realignment of behavioral health services to ensure the system supports evidence-based, trauma-informed, prevention-focused and cost-effective services for individuals served across the lifespan. Language requires a plan on the changes in provider rates, new services and other programmatic or cost changes to the Chairmen of House Appropriations and Senate Finance Committees by December 1, 2019. Agency authority to implement the changes is contingent on approval of the 2020 General Assembly and the federal Centers for Medicare and Medicaid Services.)

	Item 303 #4c		
Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance Services	\$0	\$1,612,235	GF
	\$0	\$3,124,796	NGF

Language:

Conference Report to House Bill 1700

Page 315, line 7, strike "\$14,974,837,166" and insert "\$14,979,574,197".

Page 342, after line 27, insert:

"YYY. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to increase reimbursement for Critical Access Hospitals by using an adjustment factor or percent of cost reimbursement of 100% for inpatient operating and capital rates and outpatient rates effective July 1, 2019. The department shall have the authority to implement these changes effective July 1, 2019 and prior to completion of any regulatory action to effect such change."

Explanation:

(This amendment adds \$1.6 million from the general fund and \$3.1 million from nongeneral funds to increase reimbursement for inpatient, outpatient and capital rates for Critical Access Hospitals to 100 percent of allowable costs. A Critical Access Hospital is a designation given to eligible rural hospitals by the Centers for Medicare and Medicaid Services (CMS), so that reimbursement policies could be designed to reduce financial vulnerability of these hospitals and improve access to healthcare by keeping essential services in rural communities. There are currently seven Critical Access Hospitals operating in Virginia. It is the intent of the General Assembly that in the enrolling of this act, funding included in this item shall be allocated among appropriate items within the Department of Medical Assistance Services.)

Item 303 #5c

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 pursue any and all alternatives and cost based reimbursement models to allow a private hospital in rural Southwest Virginia that has closed in the last five years to recoup capital startup costs and minimize operating losses for the next five years, including but not limited to optimizing federal matching dollars in accordance with federal law."

Explanation:

(This amendment directs the Department of Medical Assistance Services to pursue alternatives for cost based reimbursement for a rural hospital in Southwest Virginia that has closed in the last five years.)

Item 303 #6c

Health and Human Resources

Conference Report to House Bill 1700

Department of Medical Assistance Services

Language

Language:

Page 342, after line 27, insert:

"YYY. The Department of Medical Assistance Services and the Department of Behavioral Health and Developmental Services shall recognize the Certified Employment Support Professional (CESP) and Association of Community Rehabilitation Educators (ACRE) certifications in lieu of competency requirements for supported employment staff in the Medicaid Community Living, Family and Individual Support and Building Independence Waiver programs and shall allow providers that are Department for the Aging and Rehabilitative Services vendors that hold a national three-year accreditation from the Commission on Accreditation of Rehabilitation Facilities (CARF) to be deemed qualified to meet employment staff competency requirements, provided the provider submits the results from their CARF surveys including recommendations received to the Department of Behavioral Health and Developmental Services so that the agency can verify that there are no recommendations for the standards that address staff competency."

Explanation:

(This amendment directs the Department of Medical Assistance Services and the Department of Behavioral Health and Developmental Services to recognize certain certifications in lieu of competency requirements for supported employment staff in the three Medicaid developmental disability waiver programs and allow certain providers that hold national accreditation for services they provide in the developmental disability waivers to be deemed qualified to meet employment staff competency requirements.)

Item 303 #7c

Health and Human Resources

FY18-19

FY19-20

Department of Medical Assistance
Services

\$0
\$0

(\$38,900,000) GF
(\$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.)

Conference Report to House Bill 1700

Item 303 #8c

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 #9c

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 practitioner rates for primary care services by five percent and rates for Emergency Department services by one percent to reflect the equivalent of 70 percent of the 2018 Medicare rates. 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 the authority to implement these reimbursement 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. It is the intent of the General Assembly that in the enrolling of this act, funding included in this item shall be allocated among appropriate items within the Department of Medical Assistance Services.)

Item 303 #10c

Health and Human Resources

FY18-19

FY19-20

Department of Medical Assistance
Services

\$0
\$0

\$2,645,706 GF
\$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 create a separate service category for psychiatric services and to increase practitioner rates for psychiatric services by 21 percent to reflect the equivalent of 100 percent of the 2018 Medicare rates. All practitioners who bill these services shall receive new rates. The department shall have the authority to implement these reimbursement changes prior to the completion of the regulatory process."

Explanation:

(This amendment provides \$2.6 million from the general fund and \$4.5 million from federal Medicaid matching funds to increase the Medicaid rates for mental health practitioners who bill for psychiatric services. These rates are lower than Medicare and commercial rates, resulting in fewer providers accepting Medicaid patients in need of these services. It is the intent of the General Assembly that in the enrolling of this act, funding included in this item shall be allocated among appropriate items within the Department of Medical Assistance Services.)

Item 303 #11c

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 January 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

Conference Report to House Bill 1700

House Appropriations and Senate Finance Committees by December 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 individuals who are subject to 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.)

Item 303 #12c

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 unexpended general fund appropriation remaining in this item on the last day of each fiscal year 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 #13c

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:

Conference Report to House Bill 1700

(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 #14c

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 316, line 50, after "(CMS)" insert:

"or change in the contracts with managed care organizations that may impact the capitation rates".

Page 316, line 54, after "Act." insert:

"If the Department of Planning and Budget, after review of the proposed change, determines that it may likely result in a material fiscal impact on the general fund, for which no legislative appropriation has been provided, then the Department of Medical Assistance Services shall delay the proposed change until the General Assembly authorizes such action."

Explanation:

(This amendment modifies the fiscal impact review process for changes to the Medicaid program to include the potential fiscal impact on Medicaid managed care capitation rates resulting from contract changes, and clarifies that 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.)

Item 307 #1c

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, may consider and review proofs of concept from vendors 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. Any such pilot program may include innovative methods to increase automation of various financial accounts to improve the verification process for eligibility. The pilot may also include methods to monitor compliance with the provisions of the Training, Education, Employment, and Opportunity Program pursuant

Conference Report to House Bill 1700

to a § 1115 Demonstration Waiver. Any proofs of concept submitted by a vendor shall include cost estimates of such a pilot program. If the Department of Medical Assistance Services determines that a proof of concept by a vendor may significantly improve the eligibility determination process, the department shall notify the Chairmen of the House Appropriations and Senate Finance Committees with details and cost estimates of a potential pilot program."

Explanation:

(This amendment provides authority for the Department of Medical Assistance Services, in collaboration with the Department of Social Services, to consider and review proofs of concept with vendors 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 may include new methods to increase automation of various financial accounts to improve the verification process for eligibility. The pilot may also include methods to monitor compliance with the provisions of the Training, Education, Employment, and Opportunity Program. The Department of Medical Assistance Services will notify the Chairmen of the House Appropriations and Senate Finance Committees of any viable proposals.)

Item 307 #2c

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.)

Item 307 #3c

Health and Human Resources

Department of Medical Assistance Services

Language

Conference Report to House Bill 1700

Language:

Page 344, line 21, after "Human Resources," strike "Secretary of Administration,".

Page 344, line 23, after "Committees," insert "and".

Page 344, line 24, strike "and Joint Commission on Health Care".

Page 344, line 27, after "resources." insert:

"At each quarterly meeting, the department shall provide an update on any changes to the managed care programs, or contracts with managed care organizations, that includes detailed information and analysis on any such changes that may have an impact on the capitation rates or overall fiscal impact of the programs, including changes that may result in savings. Specifically, the department shall report on the Discrete Incentive Transition Program with information regarding the number of individuals that transition from nursing facilities, payments to managed care organizations, and outcomes and quality data for the individual plan members that transition into the community. In addition, the department shall report on utilization and other trends in the managed care programs."

Explanation:

(This amendment modifies the quarterly meeting created to increase oversight of Medicaid expenditures as compared to the official Medicaid forecast. The language eliminates the Secretary of Administration and the Joint Commission for Health Care in order to limit the meeting to the parties with the most interest in tracking the program. In addition, the Department of Medical Assistance Services is directed at each quarterly meeting to include any information on changes to managed care programs that may have an impact on the overall fiscal impact of the programs. The department is also required to report on the Discrete Incentive Transition Program and overall trends in managed care trends.)

Item 307 #4c

Health and Human Resources

FY18-19

FY19-20

Department of Medical Assistance
Services

(\$708,750)
(\$708,750)

(\$396,333) GF
(\$396,333) 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 "\$290,428,664".

Explanation:

(This amendment reduces \$708,750 from the general fund and a like amount of federal Medicaid matching funds the first year and \$396,333 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, leaving \$500,000 from the general fund the second year for this activity.)

Conference Report to House Bill 1700

Item 307 #5c

Health and Human Resources	FY18-19	FY19-20	
Department of Medical Assistance Services	\$0	(\$440,410)	GF
	\$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 #6c

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 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 Family Access to Insurance Security (FAMIS) enrollees."

Explanation:

(This amendment requires the Department of Medical Assistance Services, in collaboration with the Department of Social 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.)

Item 307 #7c

Conference Report to House Bill 1700

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 report a detailed accounting, annually, 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 made available on the department's website 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 and any changes that occurred during the year. The agency will make this report available on its website by August 15 of each year. 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 #8c

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 release of a deferral, 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 action 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, release of a deferral, or disallowance.)

Item 307 #9c

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 report on the use of emergency rooms for dental issues by Medicaid covered individuals. The report shall include: (i) data on the number of Medicaid-covered individuals that utilize emergency rooms primarily for dental issues; (ii) a summary of the types of dental issues being addressed and the treatments provided; (iii) data on the frequency of individuals returning to emergency rooms that may be related to the same dental issues; and (iv) options to consider to improve awareness and access to available dental care through free clinics and other community providers to resolve dental issues. The report shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019."

Explanation:

(This amendment directs the Department of Medical Assistance Services to report data on the use of hospital emergency rooms for dental-related issues by Medicaid beneficiaries. The report will be submitted to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019.)

Item 307 #10c

Health and Human Resources

FY18-19

FY19-20

Department of Medical Assistance Services

(\$1,680,143)
\$1,680,143

(\$10,240,286) GF
\$10,240,286 NGF

Language:

Explanation:

(This amendment corrects the fund source for administrative appropriations for Medicaid expansion from the general fund to nongeneral fund amounts from the Health Care Coverage Assessment Fund.)

Item 307 #11c

Health and Human Resources

FY18-19

FY19-20

Department of Medical Assistance Services

(\$500,000)
(\$500,000)

(\$500,000) GF
(\$500,000) NGF

Conference Report to House Bill 1700

Language:

Page 343, line 28, strike "\$278,627,135" and insert "\$277,627,135".
Page 343, line 28, strike "\$291,221,330" and insert "\$290,221,330".
Page 350, strike lines 5 through 9.

Explanation:

(This amendment removes funding proposed in the introduced budget for training of consumer directed attendants. The Department of Medical Assistance Services does not typically provide health care professional development services.)

Item 307 #12c

Health and Human Resources

Department of Medical Assistance Services

Language

Language:

Page 349, line 17, strike ", for all quarters through the one ending June 30, 2019,".

Page 349, line 28, after "data.", insert:

"The department shall annually provide a report using aggregated data only to the Chairmen of the House Appropriations and Senate Finance Committees on the implementation of this initiative and its impact on program expenditures by October 1 of each year. Nothing in the report shall contain confidential or proprietary information."

Explanation:

(This amendment modifies language that directs the Department of Medical Assistance Services to include language in all its managed care contracts requiring quarterly reports on details related to pharmacy claims. It eliminates language that provides a time limit on the quarterly reporting of data through June 30, 2019. It also adds language to require an annual report using aggregated data to the Chairmen of the House Appropriations and Senate Finance Committees by October 1 of each year.)

Item 307 #13c

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:

Conference Report to House Bill 1700

"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). House Bill 2798 and Senate Bill 1216 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 310 #1c

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z. Upon approval by the 2020 General Assembly, the Department of Behavioral Health and Developmental Services shall have the authority to promulgate regulations to: (i) ensure that licensing regulations support high quality community-based mental health services and align with changes being made to the Medicaid behavioral health regulations that support evidence-based, trauma-informed, prevention-focused and cost-effective services for individuals served across the lifespan; and (ii) incorporate the American Society of Addiction Medicine Levels of Care Criteria or an equivalent set of criteria into substance use licensing regulations to ensure the provision of outcome-oriented and strengths-based care in the treatment of addiction."

Explanation:

(This amendment adds language authorizing the promulgation of licensing regulations by the Department of Behavioral Health and Developmental Services, upon approval of the 2020 General Assembly, to support the realignment of behavioral health services to ensure the licensing system supports evidence-based, trauma-information, prevention-focused and cost-effective services for individuals served across the lifespan. These actions will support those

Conference Report to House Bill 1700

being undertaken to realign behavioral health services funded through the Virginia Medicaid program and contained in a companion amendment in Item 303. This is a recommendation of the Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century.)

Item 310 #2c

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 Development Services and the Department of Medical Assistance Services shall not implement the proposed individualized supports budget process for the Medicaid Community Living, Family and Individual Support and Building Independence Waiver programs 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 implementing an individualized supports budget process for the three Medicaid waivers related to providing developmental disability (DD) services without explicit authorization from the General Assembly. This is a fundamental shift in current public policy regarding how DD Waiver participant plans of service are calculated, authorized and funded.)

Item 310 #3c

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 report on the allocation and funding for Programs of Assertive Community Treatment (PACT) in the Commonwealth. The report shall include information on the cost of each team, the cost per individual served and the cost effectiveness of each PACT in diverting individuals from state and local hospitalization and stabilizing individuals in the community. The department shall provide the report to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019."

Explanation:

(This amendment adds language directing the Department of Behavioral Health and Developmental Services to report on the funding and cost effectiveness of the PACT program by November 1, 2019.)

Item 310 #4c

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 356, after line 19, insert:

"Z.1. The Department of Behavioral Health and Developmental Services shall establish a workgroup, which shall include the Virginia Hospital and Healthcare Association, other state agencies, and other stakeholders as deemed necessary by the department, to examine the impact of Temporary Detention Order admissions on the state behavioral health hospitals. The workgroup shall develop options to relieve the census pressure on state behavioral health hospitals, which shall include options for diverting more admissions to private hospitals and other opportunities to increase community services that may reduce the number of Temporary Detention Orders. The workgroup shall develop an action plan, that includes actions that can be implemented immediately and other actions that may require action by the 2020 General Assembly. The action plan shall take into account the need to take short-term actions to relieve the census pressure on state behavioral health hospitals in order to develop a plan for the right sizing of the state behavioral health hospital system.

2. In conjunction with the workgroup in paragraph Z.1., the Department of Behavioral Health and Developmental Services shall develop a conceptual plan to "right size" the state behavioral health hospital system, including future capacity and distribution of capacity, that aligns with the action plan that is recommended by the workgroup. The department shall submit the plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019.

3. As part of the plan in paragraph Z.2., the Department of Behavioral Health and Developmental Services shall include a proposal for construction of a new Central State Hospital. The plan shall establish the scope of the new hospital within a "right sized" system and the appropriate timeline to coincide with efforts to relieve census pressures on the state mental health hospital system."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services (DBHDS) to establish a workgroup, which shall include the Virginia Hospital and Healthcare Association and other stakeholders to examine the impact of Temporary Detention Order

Conference Report to House Bill 1700

admissions on the state behavioral health hospitals and develop options and an action plan to relieve census pressure. The action plan must also take into account the need to take short-term actions to relieve the census pressure on state behavioral health hospitals in order to develop a plan for the right sizing of the system. In addition, the amendment directs DBHDS to develop a proposal for Central State Hospital that fits within a "right sized" system.)

Item 310 #5c

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 work with the Fairfax-Falls Church Community Services Board, and the provider, to ensure that future openings for the Miller House in Falls Church allow residents of Falls Church, that have been allocated a developmental disability waiver slot, be given first choice in the Miller House, if the group home is appropriate to meet their needs. In addition, the department shall work with the Community Services Board and the City of Falls Church to explore options for establishing a special allocation within the Community Services Board allocation of waiver slots for Falls Church residents who are on the Priority One waiting list and could live in the Miller House when future openings occur in the group home."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to work with the Fairfax-Falls Church Community Services Board and the provider of the Miller House to give priority to residents of Falls Church, that have received a developmental disability waiver slot, when openings in the group home become available in the future. In addition, the department is directed to work with the Community Services Board and the City of Falls Church to explore options for allocating Falls Church residents a waiver slot when future openings are available in the Miller House.)

Item 310 #6c

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

Conference Report to House Bill 1700

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 #7c

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 report a detailed accounting, annually, 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 made available on the department's website by August 15, of each year."

Explanation:

(This amendment requires the Department of Behavioral Health and Developmental Services to annually report on the agency's organization and operations and any changes that occurred during the year. The agency will make this report available on its website by August 15 of each year. This information will assist in providing public information regarding changes in the agency's organization and operations.)

Item 310 #8c

Health and Human Resources

Department of Behavioral Health and Developmental Services

Language

Language:

Page 354, after line 4, insert:

"3. The Department of Behavioral Health and Developmental Services shall provide an update to the Special Joint Subcommittee to Consult on the Plan to Close State Training Centers no

Conference Report to House Bill 1700

later than June 30, 2019, regarding any Public-Private Partnerships for CVTC 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 a report to the Joint Subcommittee regarding all remaining residents at Central Virginia Training Center by April 30, 2019. The report shall provide data that provides details on the needs of those individuals that remain and what services they would need in the community. The department shall also provide data regarding the number of behavioral specialists in the Commonwealth available to meet the needs of individuals with developmental disabilities in Virginia's waiver program and an update on the overall crisis system for children and adults with developmental disabilities, including data regarding the need for these services, current services available, and outcomes for those using the current system."

Explanation:

(This amendment directs the Department of Behavioral Health and Developmental Services to update the Special Joint Subcommittee to Consult on the Plan to Close State Training Centers no later than June 30, 2019 on 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 310 #9c

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 May 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 May 15, 2019, and each fiscal quarter thereafter, that reports on: (i) the state

Conference Report to House Bill 1700

general fund reductions taken by each Community Services Board (CSB) or Behavioral Health Authority (BHA) in fiscal year 2019 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 fiscal year 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 fiscal year 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 fiscal year 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 fiscal year 2019 Medicaid reimbursements do not reach at least 90 percent of the general fund reductions assumed in Chapter 2 for fiscal year 2019. 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 general fund 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 fiscal year 2019 so that the expected general fund savings in fiscal year 2020 may be adjusted in amendments to the biennial budget during the 2020 Session of the General Assembly, if necessary.)

Item 310 #10c

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 facilitate a mental health coordination workgroup in the Northern Virginia region so that public and private providers of services and advocates for such services may collectively determine how to develop the most effective and most comprehensive services for persons who need such

Conference Report to House Bill 1700

services. This mental health coordination workgroup 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 the workgroup 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. The department shall facilitate the initiation of the workgroup and once it is fully operational shall allow it to operate independently, however the department may continue to participate in the workgroup to provide assistance as needed. The department shall report on the composition, participation and any actions of the workgroup to the Chairmen of the House Appropriations and Senate Finance Committees by November 30, 2019."

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. The Department of Behavioral Health and Developmental Services is required to report on the workgroup by November 30, 2019.)

Item 311 #1c

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 311 #2c

Health and Human Resources

FY18-19

FY19-20

Conference Report to House Bill 1700

Department of Behavioral Health and Developmental Services	\$0	(\$89,500)	GF
---	-----	------------	----

Language:

Page 356, line 22, strike "\$19,120,492" and insert "\$19,030,992".
Page 357, strike lines 13 through 16.

Explanation:

(This amendment removes funding contained in the introduced budget for the Jewish Foundation for Group Homes.)

Item 312 #1c

Health and Human Resources

Grants to Localities

Language

Language:

Page 359, line 43, unstrike "\$2,000,000" and strike "11,000,000".

Explanation:

(This amendment strikes language which adds funding for crisis stabilization services in paragraph R in this item in the introduced budget. It restores the language and appropriation for crisis stabilization services which is contained in Chapter 2, 2018 Special Session I. A companion amendment in this item sets out the new funding accelerating crisis response services which are required to be provided beginning in fiscal year 2021 by Chapters 607 and 683, 2017 Acts of Assembly, pursuant to the System Transformation, Excellence and Performance in Virginia (STEP-VA) process.)

Item 312 #2c

Health and Human Resources

Grants to Localities

Language

Language:

Page 362, after line 10, insert:
"QQ. Out of this appropriation, \$7,800,000 the second year from the general fund is provided for crisis services at Community Services Boards and Behavioral Health Authorities pursuant to the System Transformation, Excellence and Performance in Virginia (STEP-VA) process and Chapters 607 and 683, 2017 Acts of Assembly."

Conference Report to House Bill 1700

Explanation:

(This amendment designates \$7.8 million from the general fund the second year to accelerate the provision of crisis services at Community Services Boards and Behavioral Health Authorities pursuant to the STEP-VA process and Chapters 607 and 683, 2017 Acts of Assembly. Legislation passed in 2017 requires the implementation of crisis services to begin in fiscal year 2021.)

Item 312 #3c

Health and Human Resources

Grants to Localities

Language

Language:

Page 362, after line 10, insert:

"QQ. Out of this appropriation, \$200,000 from the general fund the second year is provided to the Fairfax-Falls Church Community Services Board to fully fund its Program of Assertive Community Treatment (PACT) Team."

Explanation:

(This amendment earmarks \$200,000 from the general fund the second year to fully fund the PACT Team at the Fairfax-Falls Church Community Services Board (CSB). This additional funding will allow the CSB to serve more individuals in need of PACT services.)

Item 312 #4c

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 one-time expenditures for developmental disability services across the Commonwealth. Priority shall be given to projects that serve critical service gaps for individuals with developmental disability in the Northern Virginia region (Region 2) who have been discharged from state training centers or who are at risk of institutional placement. The department shall collaborate with Community Services Boards and private providers, to determine the best use of such funds to address critical needs on a one-time basis, 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."

Conference Report to House Bill 1700

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, for one-time expenditures for developmental disability services, with priority given to projects that serve individuals with developmental disability in the Northern Virginia region (Region 2) who have been discharged from state training centers or who are at risk of institutional placement. 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 312 #5c

Health and Human Resources

FY18-19

FY19-20

Grants to Localities

\$0

\$2,000,000

GF

Language:

Page 357, line 37, strike "\$502,170,491" and insert "\$504,170,491".

Page 360, line 39, strike "\$14,083,710" and insert "\$17,083,710".

Page 360, line 47, after "community." insert:

"The Department of Behavioral Health and Developmental Services shall report on the number of individuals who are discharged from state behavioral health hospitals who receive supportive housing services, the number of individuals who are on the hospitals' extraordinary barrier list who could receive supportive housing services, and the number of individuals in the community who receive supportive housing services and whether they are at risk of institutionalization. In addition, the department shall report on the average length of stay in permanent supportive housing for individuals receiving such services and report how the funding is reinvested when individuals discontinue receiving such services. The report shall be provided to the Chairmen of the House Appropriations and Senate Finance Committee by November 30, 2019."

Explanation:

(This amendment adds \$3.0 million the second year from the general fund to increase funding for permanent supportive housing services. It reallocates \$1.0 million in funding in this item for crisis services designated in the introduced budget and adds \$2.0 million from the general fund in the second year for this purpose. Language is added to require the Department of Behavioral Health and Developmental Services to report on permanent supportive housing services by November 30, 2019.)

Item 312 #6c

Health and Human Resources

Grants to Localities

Language

Conference Report to House Bill 1700

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 will not revert to the general fund at the end of the fiscal year and will 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 316 #1c

Health and Human Resources

FY18-19

FY19-20

Mental Health Treatment Centers

\$0

(\$750,000) GF

Language:

Page 362, line 40, strike "\$259,838,038" and insert "\$259,088,038".

Explanation:

(This amendment reduces funding by \$750,000 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, \$7.2 million remains of the funding in the introduced budget for this purpose.)

Item 329 #1c

Health and Human Resources

Department for Aging and Rehabilitative Services

Language

Language:

Page 368, after line 44, insert:

"Q. The Director, Department of Planning and Budget, shall, on or before June 30, 2019, unallot \$376,000 from the general fund in this item, which reflects unused balances in the state employment services programs."

Explanation:

(This amendment captures \$376,000 in balances from the general fund in fiscal year 2019 which reflects projected balances in state employment services programs.)

Item 329 #2c

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 332 #1c

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 language in the introduced budget 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 338 #1c

Conference Report to House Bill 1700

Health and Human Resources	FY18-19	FY19-20	
Wilson Workforce and Rehabilitation Center	\$0	\$75,000	GF

Language:

Page 373, line 6, strike "\$12,366,824" and insert "\$12,441,824".

Explanation:

(This amendment provides \$75,000 from the general fund the second year for the purchase of a specialty vehicle at the Wilson Workforce and Rehabilitation Center.)

Item 339 #1c

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$1,581,141	GF
	\$0	\$1,223,926	NGF
	0.00	18.00	FTE

Language:

Page 374, line 5, strike "\$43,073,674" and insert "\$45,878,741".

Explanation:

(This amendment provides \$1.6 million from the general fund and \$1.2 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) provides funds for a compliance dashboard (data analyst for support) and complaint hotline; (v) funds a minimum caseload standard of 15 cases per worker; and (vi) adds five positions for monitoring foster care services. It is the intent of the General Assembly that in the enrolling of this act, funding included in this item shall be allocated among appropriate items within the Department of Social Services.)

Item 339 #2c

Health and Human Resources	
Department of Social Services	Language

Language:

Conference Report to House Bill 1700

Page 374, line 35, after "B." insert "1."

Page 374, after line 41, insert:

"2. The forecast of expenditures shall detail the incremental general fund and federal fund adjustments required by the forecast each year in the biennial budget. The Department of Planning and Budget shall convene a meeting on or before October 15 of each year with the appropriate staff from the Department of Social Services, and the House Appropriations and Senate Finance Committees to review current trends and assumptions used in the forecasts prior to their finalization."

Explanation:

(This amendment adds language directing the provision of additional information in completing the expenditure forecasts for cash assistance provided through the Temporary Assistance for Needy Families (TANF) program, mandatory child day care services under TANF, foster care maintenance payments, and adoption subsidy payments. It also requires the Department of Planning and Budget to convene a meeting with staff of the Department of Social Services, and House Appropriations and Senate Finance Committees to review trends and assumptions used in the forecasts prior to their finalization.)

Item 340 #1c

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$39,689	GF
	\$0	\$1,026,389	NGF

Language:

Page 375, line 4, strike "\$276,021,073" and insert "\$277,087,151".

Explanation:

(This amendment provides \$39,689 from the general fund and \$1.0 million from nongeneral funds the second year for the fiscal impact of House Bill 1871 and Senate Bill 1145, which provides VIEW transitional child care for individuals in post-secondary education. It is the intent of the General Assembly that in the enrolling of this act, funding included in this item shall be allocated among appropriate items within the Department of Social Services.)

Item 340 #2c

Health and Human Resources	
Department of Social Services	Language

Language:

Page 375, line 31, strike "112,426,112" and insert "105,902,723".

Conference Report to House Bill 1700

Explanation:

(This amendment adjusts the TANF balance to reflect TANF expenditures contained in amendments to House Bill 1700, as introduced, and legislation passed during the 2019 Regular Session.)

	Item 340 #3c	
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 #4c
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

Conference Report to House Bill 1700

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 #1c

Health and Human Resources	FY18-19	FY19-20
Department of Social Services	(\$5,063,113)	\$0 NGF

Language:

Page 377, line 45, strike "\$484,163,595" and insert "\$479,100,482".

Explanation:

(This amendment makes a technical correction to transfer nongeneral fund amounts for information technology services from Item 341 local staff and operations to Item 348 administrative and support services.)

Item 342 #1c

Health and Human Resources	FY18-19	FY19-20
Department of Social Services	\$0	\$145,817 NGF

Language:

Page 378, line 42, strike "\$774,309,270" and insert "\$774,455,087".

Explanation:

(This technical amendment corrects the nongeneral fund appropriation for child support enforcement revenue contained in the introduced budget. The introduced budget inadvertently lowered the nongeneral fund appropriation instead of increasing it to reflect an increase in the annual fee charged for certain child support cases. The Bipartisan Budget Act of 2018 (P.L. 115-123) increased the annual fee from \$25 to \$35 for individuals receiving child support enforcement services who have never received Temporary Assistance for Needy Families assistance and for whom the state collects more than \$550 annually in child support.)

Item 343 #1c

Conference Report to House Bill 1700

Health and Human Resources

Department of Social Services

Language

Language:

Page 380, after line 40, insert:

"G. The Director, Department of Planning and Budget, shall, on or before June 30, 2019, unallot \$2,000,000 from the general fund in this item, which reflects unused balances in the auxiliary grants program."

Explanation:

(This amendment captures \$2.0 million in balances from the general fund in fiscal year 2019 which reflects a projected balance in the auxiliary grants program.)

Item 343 #2c

Health and Human Resources

FY18-19

FY19-20

Department of Social Services

\$0

(\$300,000) GF

Language:

Page 379, line 33, strike "\$40,960,209" and insert "\$40,660,209".

Explanation:

(This amendment captures \$300,000 in savings in the general fund for the Auxiliary Grant program in fiscal year 2020 based on projected expenditures.)

Item 343 #3c

Health and Human Resources

Department of Social Services

Language

Language:

Page 380, line 18, after "4." strike the remainder of the line.

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

"The Department of Social Services, in collaboration with the Department for Aging and Rehabilitative Services and the Department of Behavioral Health and Developmental Services, shall report annually by August 15, the number of individuals receiving an Auxiliary Grant supportive housing slot that were discharged from a state behavioral health hospital in the prior 12 months. The report shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees."

Explanation:

Conference Report to House Bill 1700

(This amendment eliminates language that imposes a cap of 60 on the number of Auxiliary Grant recipients in supportive housing slots. House Bill 2017 and Senate Bill 1286 allow individuals receiving an Auxiliary Grant to select supportive housing without any requirement to make such selection. In addition, the legislation raises the cap on supportive housing slots to 90 slots and allows for up to 120 slots, if the waiting list for supportive housing for auxiliary grant recipients maintained by the Department of Behavioral Health and Developmental Services consists of 30 individuals or more on October 1, 2020. The state provides 80 percent of the funding for an Auxiliary Grant and localities provide 20 percent of the funding. No additional 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. Language is added to require reporting of the number of individuals in an Auxiliary Grant supportive housing slot that were discharged from a state behavioral health hospital in the prior 12 months.)

Item 344 #1c

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$66,060	GF
	\$0	\$20,359	NGF

Language:

Page 380, line 42, strike "\$237,294,427" and insert "\$237,380,846".

Explanation:

(This amendment provides \$66,060 from the general fund and \$20,359 in nongeneral funds the second year for the fiscal impact of House Bill 2597 and Senate Bill 1661 which relate to complaints, assessment, reports and custody arrangements that local department of social services workers must follow in suspected cases of child sex trafficking. It is the intent of the General Assembly that in the enrolling of this act, funding included in this item shall be allocated among appropriate items within the Department of Social Services.)

Item 344 #2c

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

Language:

Page 380, line 42, strike "\$237,294,427" and insert "\$237,712,457".

Conference Report to House Bill 1700

Explanation:

(This amendment provides \$176,133 from the general fund and \$241,897 from matching federal funds the second year to support the fiscal impact of House Bill 1730 and Senate Bill 1253, which requires local departments of social services to request the placement of a security freeze on the credit report or record of any child who has been in foster care for at least six months in order to prevent cases of identity theft and misuse of personal identifying information. It is the intent of the General Assembly that in the enrolling of this act, funding included in this item shall be allocated among appropriate items within the Department of Social Services.)

Item 344 #3c

Health and Human Resources

FY18-19

FY19-20

Department of Social Services

\$0

\$851,000 GF

Language:

Page 380, line 42, strike "\$237,294,427" and insert "\$238,145,427".

Page 383, after line 38, insert:

"P. Out of this appropriation, \$851,000 is provided for training, consultation and technical support, and licensing costs associated with establishing evidence-based programming as identified in the federal Family First Prevention Services Act (FFPSA) Evidence-Based Programs Clearinghouse."

Explanation:

(This amendment adds \$851,000 from the general fund in fiscal year 2020 for training and associated costs to start implementation of evidenced based programs required by the new federal Family First Prevention Services Act. Funding shall be used for training, consultation and certification costs to help agencies begin to implement evidence based programs in Virginia.)

Item 344 #4c

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."

Conference Report to House Bill 1700

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 346 #1c

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

Language:

Page 384, line 3, strike "\$48,521,967" and insert "\$49,021,967".

Page 385, line 52, strike the second "1,000,000" and insert "1,500,000".

Explanation:

(This amendment adds \$500,000 the second year from the federal Temporary Assistance to Needy Families (TANF) block grant to expand funding to the Virginia Alliance of Boys and Girls Clubs for community-based prevention and mentoring programs.)

Item 346 #2c

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$11,000	\$11,000	NGF

Language:

Page 384, line 3, strike "\$48,689,789" and insert "\$48,700,789".

Page 384, line 3, strike "\$48,521,967" and insert "\$48,532,967".

Page 385, line 15, strike "\$1,125,500" and "\$1,125,500" and insert: "\$1,136,500" and "\$1,136,500".

Explanation:

(This amendment provides an additional \$11,000 each year from the federal Temporary Assistance to Needy Families (TANF) block grant for Child Advocacy Centers for Russell County's new program. It is estimated that the program will require \$11,000 each year of the biennium to support its program per the CAC allocation formula.)

Item 346 #3c

Conference Report to House Bill 1700

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$3,000,000	NGF

Language:

Page 384, line 3, strike "\$48,521,967" and insert "\$51,521,967".

Page 387, after line 18, insert:

"R. Out of this appropriation, \$3,000,000 the second year from the TANF block grant shall be provided for one-time funding to contract with the Virginia Federation of Food Banks to provide child nutrition programs."

Explanation:

(This amendment transfers \$3.0 million from the federal Temporary Assistance to Needy Families block grant contained in the introduced budget for the Department of Health community health services to the Department of Social Services on a one-time basis for child nutrition programs. Funding for many food assistance programs for children were moved from the Department of Health to the Department of Education in fiscal year 2018 (Chapter 836, 2017 Acts of Assembly). Currently food banks receive funding through these consolidated programs. This funding would supplement these programs for children.)

Item 346 #4c

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

Language:

Page 384, line 3, 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 adult workforce development programs".

Explanation:

(This amendment provides \$500,000 the second year from the federal Temporary Assistance to Needy Families block grant for Northern Virginia Family Service to expand services for families in crisis to include adult workforce development programs.)

Item 346 #5c

Health and Human Resources	FY18-19	FY19-20	
Department of Social Services	\$0	\$1,125,000	NGF

Conference Report to House Bill 1700

Language:

Page 384, line 3, strike "\$48,521,967" and insert "\$49,646,967".

Page 384, after line 38, insert:

"4. Out of this appropriation, \$1,125,000 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 \$1.1 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.)

Item 347.10 #1c

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 22 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 #1c

Conference Report to House Bill 1700

Health and Human Resources	FY18-19	FY19-20
Department of Social Services	\$5,063,113	\$0 NGF

Language:

Page 388, line 38, strike "\$108,009,763" and insert "\$113,072,876".

Explanation:

(This amendment makes a technical correction to transfer nongeneral fund amounts for information technology services from Item 341 local staff and operations to Item 348 administrative and support services.)

Item 348 #2c

Health and Human Resources	FY18-19	FY19-20
Department of Social Services	\$0	\$150,000 NGF

Language:

Page 388, line 38, strike "\$115,544,025" and insert "\$115,694,025".

Explanation:

(This amendment provides \$150,000 from the Temporary Assistance to Needy Families block grant the second year for the fiscal impact of House Bill 1746, which changes the name of the Virginia Initiative for Employment Not Welfare (VIEW) program to the Virginia Initiative for Education and Work.)

Item 348 #3c

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

Language:

Explanation:

(This amendment corrects the fund source for administrative appropriations in the Department of Social Services for Medicaid expansion from the general fund to nongeneral fund amounts from the Health Care Coverage Assessment Fund.)

Item 351 #1c

Conference Report to House Bill 1700

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 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 #1c

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 #1c

Natural Resources

Secretary of Natural Resources

Language

Language:

Page 396, after 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 other 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

Conference Report to House Bill 1700

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 #1c	
Natural Resources	FY18-19	FY19-20	
Department of Conservation and Recreation	\$0	\$400,000	GF

Language:

Page 396, line 45, strike "\$127,331,015" and insert "\$127,731,015".

Page 397, line 17, strike the second "\$7,191,091" and insert "\$7,591,091".

Page 397, line 30, after "deficiencies;" insert:

"\$400,000 the second year from the general fund for the purchase and installation of remote monitoring equipment for District-owned high and significant hazard dams;"

Page 397, line 33, after "deficiencies" insert:

"and the purchase and installation of remote monitoring equipment".

Explanation:

(This amendment provides an additional \$400,000 appropriation in the Soil and Water Conservation District Dam Maintenance, Repair and Rehabilitation Fund to provide for the purchase and installation of remote monitoring equipment for District-owned high and significant hazard dams. Impacts of Hurricane Michael and other significant rainfall events have highlighted the need for remote monitoring of District-owned dams which are typically located in remote locations, making it difficult for District staff to monitor the dams during storms.)

		Item 362 #2c	
Natural Resources	FY18-19	FY19-20	
Department of Conservation and Recreation	\$0	\$100,000	GF

Language:

Page 396, line 45, strike "\$127,331,015" and insert "\$127,431,015".

Page 399, line 45, strike "\$732,147" and insert "\$832,147".

Page 399, line 50, after "County.", insert:

"In addition, out of these amounts, \$100,000 in the second year from the general fund shall be used to hire an independent engineering firm to conduct a study to find a less costly solution to

Conference Report to House Bill 1700

rehabilitate the Cherrystone and Roaring Fork Dams. The department shall assist the three project sponsors, the town of Chatham, Pittsylvania County and the Pittsylvania Soil and Water Conservation District in this effort."

Explanation:

(This amendment provides \$100,000 the second year to help find alternate solutions for the required rehabilitation of the Cherrystone and Roaring Fork dams. The USDA Natural Resources Conservation Service presented a plan to the sponsors for the purpose of rehabilitating the two dams costing \$20.0 million. The sponsors seek an independent study for a less costly solution, as recommended by the Virginia Department of Conservation and Recreation.)

Item 362 #3c

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:

S. 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 \$5.9 million from the general fund to the Water Quality Improvement Fund to eliminate the backlog of state commitments for 118 livestock stream exclusion agricultural best management practices.)

Item 362 #4c

Natural Resources	FY18-19	FY19-20
--------------------------	----------------	----------------

Conference Report to House Bill 1700

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.)

Item 362 #5c

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 a like amount of 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.)

Item 363 #1c

Conference Report to House Bill 1700

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 from the general fund in fiscal year 20 to the existing First Landing bike facilities expansion project.)

Item 363 #2c

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, after line 5, insert:

"K. Included in the amount for this item is \$50,000 the second year from the general fund for the Mendota Trail Project for the engineering and construction of a prototype for a covered container bridge."

Explanation:

(This amendment provides \$50,000 from the general fund in the second year to help support the Mendota Trail Project and construct a "Container Covered Bridge" across a 200-foot span. The Mendota Trail is a 12.5 mile recreational trail linking Bristol, Virginia to Mendota, Virginia on a former railroad bed. The City of Bristol acquired the property and has transferred it to Mountain Heritage, Inc. The first mile of the trail opened to the public in October, 2017 and the first of 17 trestles was rehabilitated. In order to open a five mile section of the trail, repairs are needed on a 193 foot long trestle, which is proposed to be uniquely repaired through the construction of a bridge made from aluminum shipping containers. The requested funds would cover less than half the cost, with local contributions covering the remaining need.)

Item 363 #3c

Natural Resources

Conference Report to House Bill 1700

Department of Conservation and Recreation

Language

Language:

Page 403, after line 5, insert:

"K. Included in the amounts for this item is \$350,000 the first year and \$70,000 the second year from the nongeneral fund amounts appropriated in Item 453 A. for recreational access which shall be used to fabricate and install Supplemental Guide Signs for Virginia State Parks."

Explanation:

(This amendment provides \$350,000 the first year and \$70,000 the second year to fabricate and install Supplemental Guide Signs for Virginia State Parks. The fiscal year 2016-2018 budget included language allowing the use of VDOT Recreational Access Funds to install replacement signage for state parks. Approximately \$750,000 was spent upgrading signs for Virginia State Parks and some Natural Area Preserves. The project replaced nearly 200 signs so that now they meet current safety regulations and provide easy to read guidance to Virginia State Parks. Remaining unfunded is a 50 mile long New River Trail State park which alone will cost \$70,000. There are additional signs needed with an estimated total cost of \$350,000.)

Item 363 #4c

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 removes funding proposed in House Bill 1700 as introduced for the Virginia Land Conservation Fund.)

Item 363 #5c

Natural Resources

FY18-19

FY19-20

Department of Conservation and Recreation

\$0
0.00

(\$125,000) GF
-1.00 FTE

Language:

Conference Report to House Bill 1700

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

Explanation:

(This amendment removes funding proposed in House Bill 1700 as introduced for the Virginia Great Valley Lewis and Clark Eastern Legacy Trail.)

Item 363 #6c

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 #1c

Natural Resources

Department of Environmental Quality

Language

Language:

Page 405, line 15, 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" and insert:

"Any amounts paid to DEQ above the".

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.)

Item 366 #2c

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 House Appropriations Committee, and Senate Finance 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 #3c

Natural Resources

Department of Environmental Quality

Language

Language:

Page 405, after line 22, insert:

"J. The State Water Control Board shall amend its regulation at 9VAC25-31-250.A.3. on the maximum time for a Virginia Pollution 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 section 122.47(a)(1) of Title 40, 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, Code of Virginia."

Explanation:

(This amendment brings the State Water Control Board's VPDES discharge permit compliance schedule regulation into conformity with the comparable federal regulation of the U.S.

Conference Report to House Bill 1700

Environmental Protection Agency most recently revised on May 15, 2000.)

Item 366 #4c

Natural Resources	FY18-19	FY19-20	
Department of Environmental Quality	(\$150,000) 0.00	(\$617,200) -3.50	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 "\$44,164,302".

Explanation:

(This amendment removes funding proposed in House Bill 1700 as introduced to support additional positions in DEQ's water permitting area to support regulatory review and permit writing and support the Governor's environmental agenda, and undertake a communications and outreach needs study.)

Item 366 #5c

Natural Resources

Department of Environmental Quality

Language

Language:

Page 405, after line 22, insert:

"J. The Department of Environmental Quality (DEQ) and the Virginia Department of Health (VDH) shall establish a work group with existing and potential permittees to determine the most cost effective solution to limit the sodium concentration in pre-treatment wastewater discharge to no more than 100 mg/L before delivery to the Upper Occoquan Service Authority's (UOSA) wastewater treatment plant as originally endorsed by the Occoquan Watershed Monitoring Subcommittee of the State Water Control Board in November 1996. The DEQ and the VDH shall receive input and recommendations from permittees, Fairfax Water, and the Fairfax County and Prince William County Service Authorities. DEQ shall provide a report on its findings and recommendations to the Chairman of House Appropriations and Chairman of Senate Finance no later than September 1, 2019."

Explanation:

(This amendment directs DEQ and VDH to establish a work group to identify cost-effective solutions to limiting sodium concentration in pre-treatment wastewater discharge in the Upper Occoquan Service Authority's area.)

Conference Report to House Bill 1700

Item 367 #1c

Natural Resources	FY18-19	FY19-20	
Department of Environmental Quality	\$0 0.00	(\$886,856) -7.50	GF FTE

Language:

Page 405, line 24, strike "\$19,123,311" and insert "\$18,236,455".

Explanation:

This amendment removes funding proposed in House Bill 1700 as introduced to support additional positions at DEQ.)

Item 368 #1c

Natural Resources	FY18-19	FY19-20	
Department of Environmental Quality	\$0	(\$50,000,000)	GF

Language:

Page 406, line 8, strike "\$111,313,511" and insert "\$61,313,511".
Page 406, line 42, strike "and \$50,000,000 the second year".
Page 406, line 42, unstrike "for the fiscal year beginning July".
Page 406, line 43, unstrike "1, 2018".

Explanation:

(This amendment removes funding proposed in House Bill 1700/Senate Bill 100 as introduced for the Stormwater Local Assistance Fund.)

Item 374 #1c

Natural Resources	FY18-19	FY19-20	
Department of Historic Resources	\$0	\$100,000	GF

Language:

Page 409, line 49, strike "\$6,876,468" and insert "\$6,976,468".
Page 411, after line 41, insert:
"L. Out of the amounts for Financial Assistance for Historic Preservation shall be paid from the general fund \$100,000 in the second year to the Historic Hopewell Foundation for restoration work at Weston Plantation."

Explanation:

Conference Report to House Bill 1700

(This amendment provides \$100,000 the second year from the general fund to the Department of Historic Resources to assist the Historic Hopewell Foundation and the Weston Plantation with needs for basement wall brickwork, needed kitchen repairs and siding improvements on this historic structure.)

Item 374 #2c

Natural Resources	FY18-19	FY19-20	
Department of Historic Resources	\$0	\$70,000	GF

Language:

Page 409, line 48, strike "\$6,876,468" and insert "\$6,946,468".

Page 411, after line 41, insert:

"L. Out of the amounts for Financial Assistance for Historic Preservation shall be paid from the general fund \$70,000 in the second year to the Citizens United to Preserve Greenville County Training School."

Explanation:

(This amendment provides \$70,000 the second year from the general fund to the Citizens United to Preserve Greenville County Training School "Citizens United." Built in 1912, this facility is a small wood frame building that contributed to African-American education in Emporia for more than fifty years. It was added to the National Registry of Historic Places in 2006.)

Item 374 #3c

Natural Resources	FY18-19	FY19-20	
Department of Historic Resources	\$0	\$385	GF

Language:

Page 409, line 49, strike "\$6,876,468" and insert "\$6,876,853".

Page 411, line 23, strike the second "\$34,875" and insert "\$35,260".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of § 10.1-2211.2, Code of Virginia, included in this item is \$385 the second year from the general fund to support the preservation and care of historical African American graves at the New River and West Dublin Cemeteries in Pulaski County, Virginia."

Explanation:

(This amendment provides \$385 in the second year to implement the provisions of House Bill

Conference Report to House Bill 1700

1973 of the 2019 General Assembly, which recognizes 77 historical African American graves at the New River Cemetery and West Dublin Cemetery in Pulaski County. These cemeteries are added to the list of Historical African American cemeteries cared for pursuant to § 10.1-2211.2 of the Code of Virginia.)

Item 374 #4c

Natural Resources	FY18-19	FY19-20	
Department of Historic Resources	\$0	\$2,340	GF

Language:

Page 409, line 49, strike "\$6,876,468" and insert "\$6,878,808".

Page 411, line 23, strike the second "\$34,875" and insert: "\$37,215".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of §10.1-2211.1, Code of Virginia, included in this item is \$2,340 the second year from the general fund to support the preservation and care of historical African American graves at Oak Lawn Cemetery in Suffolk, Virginia."

Explanation:

(This amendment provides \$2,340 from the general fund the second year to support the provisions of House Bill 2311, 2019 Session of the General Assembly, and provide for maintenance of 468 historic African-American graves at Oak Lawn Cemetery in Suffolk, Virginia.)

Item 374 #5c

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, line 23, strike the second "\$34,875" and insert "\$38,730".

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 at the following cemeteries in Hampton Virginia: 212 graves at Bassonette's Cemetery, 339 graves at Elmerton Cemetery, 14 graves at Queen Street Cemetery, 29 graves at Pleasant Shade Cemetery, 15 graves at the Tucker Family Cemetery, 125 graves at Union Street Cemetery and 37 graves at Good Samaritan Cemetery."

Conference Report to House Bill 1700

Explanation:

(This amendment provides \$3,855 in the second year to recognize 771 historical African American graves at cemeteries in Hampton Virginia authorized under the provisions of House Bill 2681 and Senate Bill 1128, 2019 Session of the General Assembly.)

		Item 374 #6c	
Natural Resources	FY18-19	FY19-20	
Department of Historic Resources	\$0	\$975	GF

Language:

Page 409, line 49, strike "\$6,876,468" and insert "\$6,877,443".

Page 411, line 23, strike the second "\$34,875" and insert: "\$35,850".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of § 10.1-2211.1, Code of Virginia, included in this item is \$975 the second year from the general fund to support the preservation and care of historical African American graves at Matthews, People's and Smith Street Cemeteries in Martinsville, Virginia."

Explanation:

(This amendment provides \$975 from the general fund the second year to support the provisions of House Bill 2406, 2019 Session of the General Assembly, and provide for maintenance of 195 historic African-American graves at 3 cemeteries in Martinsville, Virginia.)

		Item 374 #7c	
Natural Resources	FY18-19	FY19-20	
Department of Historic Resources	\$0	\$9,715	GF

Language:

Page 409, line 49, strike "\$6,876,468" and insert "\$6,886,183".

Page 411, line 23, strike the second "\$34,875" and insert "\$44,590".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of § [10.1-2211.2](#), Code of Virginia, included in this item is \$9,715 the second year from the general fund to support the preservation and care of historical African American graves at six cemeteries in Alexandria, Virginia."

Explanation:

(This amendment provides \$9,715 in the second year to implement the provisions of House Bill

2739, which would recognize 1,934 historical African American graves at six cemeteries in Alexandria. These cemeteries are added to the list of Historical African American cemeteries cared for pursuant to § 10.1-2211.2 of the Code of Virginia.)

Item 381 #1c

Public Safety and Homeland Security

Secretary of Public Safety and Homeland Security

Language

Language:

Page 416, after line 34, insert:

"E.1. The Secretary of Public Safety and Homeland Security shall convene and expand the workgroup created pursuant to paragraph 73.U of this act. The expanded work group shall examine the workload impact, as well as other fiscal and policy impacts, on the Commonwealth's public safety and judicial agencies as a whole. The Executive Secretary of the Supreme Court shall submit the recommendations of the working group to the Chairmen of the House Appropriations and Senate Finance Committees by November 15, 2019. All state agencies and local subdivisions shall provide assistance as requested by the working group.

2. The expanded workgroup shall include representatives of the Supreme Court, the State Compensation Board, staff of the House Appropriations and Senate Finance Committees, Department of Criminal Justice Services, Commonwealth's Attorneys, local governments, and other stakeholders deemed appropriate by the Secretary.

3. Prior to the preparation of the November 15, 2019 report, 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 and the workgroup 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 workgroup for this analysis."

Explanation:

(This amendment continues and expands the scope of the work group created in Chapter 2 concerning workload issues created by the use of body-worn cameras.)

Conference Report to House Bill 1700

Item 381 #2c

Public Safety and Homeland Security	FY18-19	FY19-20	
Secretary of Public Safety and Homeland Security	\$0	\$50,000	GF

Language:

Page 416, line 3, strike "\$1,173,142" and insert "\$1,223,142".

Page 416, after line 34, insert:

"E. Included in the amounts appropriated for this item is \$50,000 from the general fund in the second year for the Secretary of Public Safety and Homeland Security to develop a plan for implementation for a statewide school safety mobile application to be accessed by all school divisions. The Secretary shall submit his plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2019."

Explanation:

(This amendment provides \$50,000 from the general fund in the second year and directs the Secretary of Public Safety to develop a plan for implementation of a statewide school safety mobile application.)

Item 381 #3c

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. 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:

Conference Report to House Bill 1700

(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 #4c

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 held in the Commonwealth's adult correctional centers. 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 confinement to screen 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 sex offender treatment options at the Department of Corrections.)

Item 387 #1c

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Corrections

\$0

\$200,000 GF

Language:

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

Page 419, after line 8, insert:

"C. Out of the amounts appropriated in this item, \$200,000 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:

Conference Report to House Bill 1700

(This amendment provides funding of \$200,000 from the general fund for the Department of Corrections to provide identification cards to offenders upon re-entry.)

Item 389 #1c

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 from the general fund for the Community Corrections Alternative Program. The introduced budget proposed \$1.2 million from the general fund, in addition to \$439,000 from the general fund that was added for each year in Chapter 2, 2018, Special Session I.)

Item 390 #1c

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Corrections	\$0	(\$525,784)	GF

Language:

Page 421, line 27, strike "\$1,013,884,498" and insert "\$1,013,358,714".

Page 423, after line 41, insert:

"O. Included in the appropriation for this item is \$3,525,783 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 provided for targeted salary actions for correctional officers at Augusta Correctional Center."

Explanation:

(This amendment adds \$526,000 the second year to the general fund to address the high turnover and vacancy rates in some of the Department's facilities. Of the total funding of \$3.5 million, \$1.1 million is dedicated to a targeted salary increase for correctional officers assigned to the Augusta Correctional Center.)

Item 390 #2c

Public Safety and Homeland Security

Conference Report to House Bill 1700

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; 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 #3c

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."

Explanation:

(This amendment provides \$70,000 from the general fund to increase funding in the second year for the Sex Offender Residential Treatment Program.)

Item 390 #4c

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

Conference Report to House Bill 1700

Pages 423, strike lines 37 through 41.

Explanation:

(This amendment removes funding proposed in the introduced budget to implement the Military Medics and Corpsmen Program at the Department of Corrections.)

Item 390 #5c

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 423, after line 41, insert:

"O. The Department of Corrections and the VCU Health System and UVA Health System 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 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 VCU and UVA Health Systems 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 390 #6c

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 plan for 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 House Appropriations and Senate Finance 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) staffing needs for providing health care services, (iii) the amount and structure of payment to the university, and (iv) 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 391 #1c

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 department to acquire land from the Town of Craigsville.)

Item 391 #2c

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 426, after line 44, insert:

"S. The Director, Department of Corrections, consistent with the December 4, 2018 recommendations of the Joint Subcommittee on Mental Health Services in the 21st Century, shall develop policies to improve the exchange of offender medical information, including electronic exchange of information for telemedicine, telepsychiatry, and electronic medical chart access by health care providers. The Director shall provide a report detailing its policies and implementation plan to the Joint Subcommittee no later than October 1, 2019."

Explanation:

(This amendment requires the Department of Corrections to develop improved policies related to the exchange of offender medical information, and report its policies and implementation plan to the Joint Subcommittee on Mental Health in the 21st Century no later than October 1,

Conference Report to House Bill 1700

2019.)

Item 391 #3c

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Corrections

\$0

\$49,967 GF

Language:

Page 423, line 43, strike "\$110,514,949" and insert "\$110,564,916".

Page 426, line 33, strike "\$300,000" and insert "\$349,967".

Page 426, strike lines 38 through 44.

Page 426, line 35, after "legislation" insert:

"during the 2019 General Assembly session".

Page 426, after line 37, insert:

"1. House Bill 1874/Senate Bill 1604 -- \$50,000

2. House Bill 1911 -- \$50,000

3. House Bill 1941 -- \$50,000

4. House Bill 2528 -- \$149,967

5. House Bill 2586 -- \$50,000."

Explanation:

(This amendment appropriates a total of \$349,967 the second year from the general fund to be deposited in the Corrections Special Reserve Fund, reflecting the estimated bedspace impact of five bills affecting criminal sentencing. The introduced budget included \$300,000 for this purpose.)

Item 391 #4c

Public Safety and Homeland Security

Department of Corrections

Language

Language:

Page 426, after line 44, insert:

"S. The Commonwealth of Virginia shall convey 65 acres of property consisting of Clarke County Tax Map No. 27, new parcel A, situated in the Greenway Magisterial District of Clarke County, Virginia, to the Virginia Port Authority (VPA), on behalf of the Virginia Inland Port (VIP). The VPA, on behalf of the VIP, shall collaborate with representatives of Clarke County to promote the use of the land for economic development purposes. The VIP shall enter into a memorandum-of-understanding with Clarke County on the development and execution of mutually advantageous economic development proposals."

Explanation:

(This amendment conveys 65 acres of land currently owned and operated by the Department of Corrections, located in Clarke County, to the Virginia Port Authority, on behalf of the Virginia Inland Port for the purpose of collaborating with Clarke County representatives on the development of the land for economic purposes.)

Item 392 #1c

Public Safety and Homeland Security

Department of Criminal Justice Services

Language

Language:

Page 427, line 19, before "The Director" insert "A."

Page 427, after line 33, insert:

"B. Included in the amounts appropriated for this item is \$280,000 the second year from the general fund for the Department to provide annual trainings on active shooter scenarios to school and community personnel."

Explanation:

(This amendment provides \$280,000 from the general fund the second year and one position for the Department of Criminal Justice Services to provide annual active shooter trainings to schools and communities.)

Item 392 #2c

Public Safety and Homeland Security

Department of Criminal Justice Services

Language

Language:

Page 427, line 19, before "The Director" insert "A."

Page 427, after line 33, insert:

"B. Included in the amounts appropriated for this item is \$427,630 the second year from the general fund for oversight and management of the school resource officer and school security officer certification and training programs, the provision of basic training courses for school resource officers and school personnel, and development and update Virginia-specific training resources for school resource officers and school security officers."

Explanation:

(This amendment provides \$427,630 GF the second year and one position for the Department of Criminal Justice Services to provide additional training to school resource officers and school

security officers.)

Item 392 #3c

Public Safety and Homeland Security

Department of Criminal Justice Services

Language

Language:

Page 427, line 19, before "The Director" insert "A."

Page 427, after line 33, insert:

"B.1. Included in the amounts appropriated for this item is \$595,630 the second year from the general fund for the purpose of expanding training provided to members of threat assessment teams.

2. Included in the amounts appropriated for this item is \$125,000 the second year from the general fund for the development of a case management tool for use by threat assessment teams, consistent with the provisions of House Bill 1734 of the 2019 Session of the General Assembly."

Explanation:

(This amendment provides \$720,630 from the general fund the second year and one position for the Department of Criminal Justice Services to expand training provided to local threat assessment team members. The amendment also provides for the development of a threat assessment team case management system, consistent with the provisions of House Bill 1734.)

Item 392 #4c

Public Safety and Homeland Security

FY18-19

FY19-20

Department of Criminal Justice
Services

\$0
0.00

(\$464,890) GF
-3.00 FTE

Language:

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

Page 427, line 19, before "The Director" insert "A. "

Page 427, after line 33, insert:

"B. Included in the amounts appropriated for this item is \$871,890 the second year from the general fund to enhance school safety training provided to Virginia school personnel, to include hosting live trainings and conferences, developing online training and curricula, and developing Virginia-specific school safety resources."

Explanation:

Conference Report to House Bill 1700

(This amendment provides \$871,890 GF the second year and three positions included to be used by the Department of Criminal Justice Services to enhance and expand the school safety training provided by the Department of Criminal Justice Services to Virginia school personnel.)

Item 393 #1c

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".

Page 427, after line 43, insert:

"Included in the amounts appropriated for this item is \$400,000 the second year from the general fund for the ongoing costs of conducting the School Climate Survey."

Explanation:

(This amendment provides \$400,000 the second year from the general fund for the Department of Criminal Justice Services to continue support of the School Climate Survey.)

Item 393 #2c

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 36, strike "\$1,072,877" and insert "\$1,217,877".

Page 427, after line 43, insert:

"Included in the appropriation for this item is \$145,000 the second year from the general fund for the sex trafficking response coordination activities of the Department, pursuant to the provisions of House Bill 2576 and Senate Bill 1669 of the 2019 Session of the General Assembly."

Explanation:

(This amendment provides \$145,000 the second year from the general fund for the Department of Criminal Justice Services to designate a Sex Trafficking Response Coordinator to develop a statewide response plan to address sex trafficking in Virginia. This is a recommendation of the Virginia State Crime Commission.)

Conference Report to House Bill 1700

Item 393 #3c

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

Language:

Page 427, line 36, strike "\$1,072,877" and insert "\$887,885".

Explanation:

(This amendment removes proposed funding included in the introduced budget for the Department of Criminal Justice Services to pay fees associated with the purchase of additional servers for its law enforcement records management system.)

Item 395 #1c

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 proposed funding included in the introduced budget for the Department of Criminal Justice Services to provide community policing training.)

Item 395 #2c

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0	\$3,000,000	GF

Language:

Page 427, line 52, strike "\$109,826,612" and insert "\$112,826,612".

Page 430, line 14, strike "\$1,700,000" and insert "\$4,700,000".

Explanation:

(This amendment increases the general fund appropriation for the School Resource Officer Incentive Grant Fund by \$3.0 million the second year. With this amendment, the amount provided for the fund would increase to a total of \$4.7 million the second year. This is a

recommendation of the House Select Committee on School Safety.)

Item 395 #3c

Public Safety and Homeland Security

Department of Criminal Justice Services

Language

Language:

Page 431, strike lines 20 through 30.

Page 431, after line 20, insert:

"J.1. Included in the appropriation for this item is \$2,500,000 the first year and \$2,500,000 the second year from the general fund to continue the pilot programs authorized in Item 398, Chapter 836, 2017 Acts of Assembly. The number of pilot sites shall not be expanded beyond those participating in the pilot program the first year.

2. The funding provided to each pilot site shall supplement, not supplant, existing local spending on these services. Distribution of grant amounts shall be made quarterly pursuant to the conditions of paragraph J.3. of this item.

3. The Department shall collect on a quarterly basis qualitative and quantitative data of pilot site performance, to include: (i) mental health screenings and assessments provided to inmates, (ii) mental health treatment plans and services provided to inmates, (iii) jail safety incidents involving inmates and jail staff, (iv) the provision of appropriate services after release, (v) the number of inmates re-arrested or re-incarcerated within 90 days after release following a positive identification for mental health disorders in jail or the receipt of mental health treatment within the facility. The Department shall provide a report on its findings to the Chairmen of the House Appropriations and Senate Finance Committees no later than October 15th each year.

4. The Department of Criminal Justice Services, in cooperation with the Executive Secretary of the Compensation Board and the Board of Corrections, shall evaluate the resources needed by local and regional jails to comply with the minimum standards of behavioral health services to be established by the Board of Corrections pursuant to House Bill 1942 of the 2019 Session of the General Assembly. The evaluation shall include consideration of the appropriate share of resources for minimum standards of care to be provided by the Commonwealth and local governments, respectively. The evaluation shall also consider the appropriate mechanism by which any such Commonwealth funds be provided. The Department shall report the findings of its evaluation to the Chairmen of the House Appropriations and Senate Finance Committees by June 30, 2020."

Explanation:

(This amendment provides \$2.5 million from the general fund in the second year for continuation of the jail mental health pilot program. It also removes proposed language included in the introduced budget that would have expanded the number of pilot sites, and adds specifies

Conference Report to House Bill 1700

reporting requirements related to the provision of services and outcomes at pilot sites. The amendment directs a report be provided to the Chairmen of the House Appropriations and Senate Finance Committees by October 15th of each year. The amendment further requires the Department of Criminal Justice Services to collaborate with the Compensation Board and the Board of Corrections to identify the resources required for jails to comply with the forthcoming minimum behavioral health treatment standards to be established by the Board of Corrections pursuant to House Bill 1942 of the 2020 Session of the General Assembly.)

Item 395 #4c

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Criminal Justice Services	\$0	\$916,066	GF

Language:

Page 427, line 51, strike "\$109,826,612" and insert "\$110,742,678".

Page 431, after line 39, insert:

"L. 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 the second year from the general fund for 12 staff positions at the Virginia Beach Correctional Center for the Jail and Re-entry Service Coordination Pathway.)

Item 395 #5c

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 "\$85,000" and insert "\$100,000".

Explanation:

(This amendment provides an additional \$15,000 from the general fund in the second year for

Conference Report to House Bill 1700

the York County Sheriff's Office for the statewide administration of the Drug Abuse Resistance Education program.)

Item 399 #1c

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Emergency Management	\$0	(\$1,306,136)	GF

Language:

Page 433, line 19, strike "\$27,914,419" and insert "\$26,608,283".

Explanation:

(This amendment removes new funding proposed in the introduced budget for activities at the Virginia Department of Emergency Management.)

Item 400 #1c

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 from the general fund 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.)

Item 402 #1c

Public Safety and Homeland Security
Department of Emergency Management

Language

Language:

Page 435, line 19, after "A.," insert "1."

Conference Report to House Bill 1700

Page 435, line 21, after "Budget," insert:

"and the Chairmen of the House Appropriations and Senate Finance Committees."

Page 435, after line 25, insert:

"2. The Department shall report on annual disaster expenditures and contracting. The report shall at minimum i) specify by event and state agency or locality, the amount spent per year from the Disaster Recovery Fund separate from any other state, local, federal or private contributions; ii) identify any Federal Emergency Management Agency (FEMA) reimbursements received during the previous fiscal year, itemizing for which event such reimbursements were made; iii) any contracts executed during a disaster and the expenditures and purposes for which they were executed. The State Coordinator shall provide the report to the Governor; Director, Department of Planning and Budget; and the Chairmen of the House Appropriations and Senate Finance Committees by June 30th of each year."

Explanation:

(This amendment directs the Department of Emergency Management to provide an annual report on disaster spending and contracting.)

Item 402 #2c

Public Safety and Homeland Security

Department of Emergency Management

Language

Language:

Page 436, after line 10, insert:

"G. The Department of Emergency Management shall review disasters over the previous six years for which sum sufficient funding was authorized under Item 54 of this act, and categorize disasters into general types, such as tornadoes, hurricanes of various categories, flooding, etc. For local financial assistance authorized under § 44-146.28 of the Code of Virginia, the report shall also detail the state and local share of spending on those events. The Department shall propose model executive orders to authorize funding from the sum sufficient authority provided in Item 54 of this act for each respective type of disaster event, based on reasonable state share, in consideration of the data collected pursuant to this paragraph, to the Governor; Secretary of Finance; Director, Department of Planning and Budget; and the Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2020."

Explanation:

(This amendment directs the Department of Emergency Management to report on reasonable spending levels for disasters of various types.)

Item 406 #1c

Conference Report to House Bill 1700

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 #1c

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 #1c

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 #1c

Conference Report to House Bill 1700

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 of Military Affairs to conduct cyber security assessments.)

Item 419 #1c

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 removes proposed new funding included in the introduced budget related to "extreme risk law" legislation that was not adopted by the 2019 Session of the General Assembly.)

Item 419 #2c

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 second year funding and associated positions proposed in the introduced budget for State Police to conduct background checks on all firearms purchases.)

Item 419 #3c

Public Safety and Homeland Security

Conference Report to House Bill 1700

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 #4c

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 419 #5c

Public Safety and Homeland Security

FY18-19

FY19-20

Conference Report to House Bill 1700

Department of State Police	\$197,920 0.00	\$211,947 3.00	GF 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 from the general fund in the first year for a one-time information technology modification to the Central Criminal Records Exchange, and \$212,000 from the general fund 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 420 #1c

Public Safety and Homeland Security

Department of State Police

Language

Language:

Page 448, after line 34, insert:

"R. The Department shall 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 study and report on the steps to contract with insurance providers for reimbursement of appropriate expenses.)

Item 433 #1c

Transportation

Secretary of Transportation

Language

Language:

Conference Report to House Bill 1700

Page 454, after line 46, insert:

"K. It is the intent of the General Assembly that the Secretary of Transportation and the Commonwealth Transportation Board shall direct the Virginia Department of Transportation to establish a working group which shall evaluate (i) the impact of increased fuel efficiency and increased use of hybrid and electric vehicles on transportation revenues, and (ii) potential options to provide a sustainable funding stream for transportation infrastructure. The working group shall include, at a minimum, representatives of local government associations, the regional transportation authorities, the trucking industry, the motor dealer industry and the motor fuels industries. The Secretary shall provide a report of the group's findings to the Chairmen of the House and Senate Transportation Committees and the Chairmen of the House Appropriations and Senate Finance Committees no later than December 10, 2019."

Explanation:

(This amendment directs the Department of Transportation and the Secretary of Transportation to establish a work group to begin consideration of the long-term viability of the motor fuels tax.)

Item 434 #1c

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 \$5,000,000 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 \$5.0 million in the second year from the Transportation Trust Fund to the Commercial Spaceflight Fund for access improvements at the Mid-Atlantic Regional Spaceport.)

Item 434 #2c

Transportation

Virginia Commercial Space Flight Authority

Language

Conference Report to House Bill 1700

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 from the nongeneral fund in the second year for completion of the small rocket launch pad.)

Item 443 #1c

Transportation	FY18-19	FY19-20	
Department of Motor Vehicles Transfer Payments	\$71,700,000	\$73,900,000	NGF

Language:

Page 460, line 5, strike "\$85,691,500" and insert "\$157,391,500".

Page 460, line 5, strike "\$85,691,500" and insert "\$159,591,500".

Page 460, line 11, strike "\$79,800,000" and "\$79,800,000" insert:
"\$151,500,000" and "\$153,700,000".

Explanation:

(This amendment would provide the necessary appropriation to implement House Bill 768 and Senate Bill 896, 2018 Session of the General Assembly, which raised the motor vehicle fuels sales tax rate to generate additional revenue for transportation districts in Northern Virginia and Hampton Roads. It is a technical amendment reflecting the revenues actually being generated under legislative changes adopted last year but not reflected in House Bill 1700 as introduced.)

Item 445 #1c

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 463, after line 4, insert:

"G. The Commonwealth Transportation Board may allocate supplemental operating funds in fiscal year 2020 to any transit provider that receives funds to support operating costs pursuant to

Conference Report to House Bill 1700

§ 33.2-1526.1 C. 1., and that is negatively impacted by a loss of operating funds as a direct result of the performance-based allocation process set forth in Chapter 854 of the Acts of Assembly of 2018. The maximum amount of supplemental operating funds available pursuant to this authorization shall not exceed \$3,000,000 from the nongeneral fund amounts available to the department."

Explanation:

(This amendment allows a one-year transition for mass transit providers to prepare for a new allocation methodology that is based on performance metrics that has been recommended by the Transit Service Delivery Advisory Committee (TSDAC) and approved by the Commonwealth Transportation Board.)

	Item 450 #1c	
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 lines 52 and 53.
Page 467, strike line 1.

Explanation:

(This amendment removes funding proposed in House Bill 1700 as introduced to recapitalize the Virginia Transportation Infrastructure Bank.)

	Item 451 #1c
Transportation	
Department of Transportation	Language

Language:

Page 467, after line 29, insert:
"E. Out of the amounts provided in this Item, the department shall increase the share of funding dedicated to the Safety Service Patrol Services by \$5,000,000 from nongeneral fund revenues in the second year to expand services across the Commonwealth's Interstate System, with priority given to the Interstate 81 Corridor."

Explanation:

(This amendment requires VDOT to redirect \$5.0 million the second year from existing maintenance funding to enhance safety service patrol services across the Commonwealth's

Conference Report to House Bill 1700

Interstate system. Studies indicate that 16 percent of all Interstate delays are caused by incidents, and on Interstate 81 that share increases to 51 percent. Safety Service Patrol Services provide substantial improvements in clearing incident-related delays.)

Item 453 #1c

Transportation

Department of Transportation

Language

Language:

Page 468, line 29, after "year." insert:

"It is the intent of the General Assembly that up to \$250,000 of the 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 #1c

Veterans and Defense Affairs

Secretary of Veterans and Defense Affairs

Language

Language:

Page 480, after line 46, insert:

"D. The Secretary of Veterans and Defense Affairs and the Secretary of Finance shall, in cooperation with the City of Chesapeake, execute an addendum to the grant agreement for Encroachment Grant #2017-100 such that the terms of the agreement are to expire on September 30, 2020."

Explanation:

(This amendment directs the Secretaries of Veteran and Defense Affairs and Finance to execute an addendum to the encroachment grant agreement with the City of Chesapeake, extending the agreement for an additional 12 months.)

Item 464 #2c

Conference Report to House Bill 1700

Veterans and Defense Affairs

Secretary of Veterans and Defense Affairs

Language

Language:

Page 480, after line 36, insert:

"4. In addition to the amounts identified in paragraph A.1. of this item, \$450,000 is hereby appropriated as follows:

- a. \$250,000 for encroachment mitigation activities in the vicinity of Naval Auxiliary Landing Field Fentress; and
- b. \$200,000 for encroachment mitigation activities in the vicinity of Langley Air Force Base."

Explanation:

(This amendment directs a portion of the balances in the encroachment mitigation program be used for encroachment mitigation activities around Naval Auxiliary Landing Field Fentress and Langley Air Force Base.)

	Item 464 #3c		
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

Conference Report to House Bill 1700

the House Appropriations Committee and the Senate Finance Committee 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 from the nongeneral fund in fiscal year 2020 with the expectation of an additional payment of \$2.5 million from the nongeneral fund in fiscal year 2021 to be provided from the 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 #1c

Veterans and Defense Affairs	FY18-19	FY19-20	
Department of Veterans Services	\$0	(\$1,344,692)	GF

Language:

Page 481, line 14, strike "\$19,491,136" and insert "\$18,146,444".

Explanation:

(This amendment reversed proposed staffing increases in the Department of Veterans Services, leaving an additional \$250,000 the second year from the general fund for new positions in the Veterans Benefits Section.)

Item 466 #2c

Veterans and Defense Affairs	FY18-19	FY19-20	
Department of Veterans Services	\$0	\$24,000	GF

Language:

Page 481, line 14, strike "\$19,491,136" and insert "\$19,515,136".

Page 482, after line 23, insert:

"E. Included in the amount provided for this item is \$24,000 the second year from the general fund for the Angel Wings for Veterans program."

Explanation:

(This amendment provides \$24,000 the second year from the general fund for the Angel Wings for Veterans organization, a nonprofit organization providing transportation services for veterans with special needs.)

Conference Report to House Bill 1700

Item 468 #1c

Veterans and Defense Affairs	FY18-19	FY19-20	
Department of Veterans Services	\$0	(\$140,000)	GF
	0.00	-1.00	FTE

Language:

Page 482, line 38, strike "\$2,913,744" and insert "\$2,773,744".

Explanation:

(This amendment removes new funding included in the introduced budget for the Department of Veterans Services to hire an additional deputy director.)

Item 474 #1c

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, 2011 that are subsequently converted from non-Optional Retirement Plan for Higher Education (ORPHE) eligible positions to ORPHE-eligible positions on or after January 1, 2012 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, 2012, 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, 2012, that may be eligible for participation in the Optional Retirement Plan for Higher Education."

Explanation:

(This amendment alters language included in Chapter 2 regarding a surcharge that will be charged to certain universities related to employees who have migrated out of the VRS defined benefit program in an effort to address the stranded liability.)

Conference Report to House Bill 1700

Item 474 #2c

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	(\$808,692)	\$0	GF

Language:

Page 486, line 12, strike "\$45,716,965" and insert "\$44,908,273".

Page 498, line 40, strike the second "amounts" and insert "an amount".

Page 498, line 40, strike "\$808,692 the first year".

Page 498, line 41, strike "and".

Explanation:

(This amendment removes proposed funding to reimburse the University of Virginia for the increase to health insurance premiums for state employees who participate in the university's health plan.)

Item 474 #3c

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	(\$46,111,165)	GF

Language:

Page 486, line 12, strike "\$239,537,205" and insert "\$193,426,040".

Page 498, after line 43, insert:

"EE. The Director of the Department of Planning and Budget shall withhold from general fund appropriations of state agencies and institutions of higher education, and transfer to this item, the amount of \$46,111,165 the second year representing the savings that will be realized from providing a premium holiday for members in the state employee health benefits program, including retirees and COBRA beneficiaries included in the state employee funding pool, for the two pay periods in October 2019."

Explanation:

(This amendment captures savings of \$46.1 million from the general fund in the second year from a health insurance premium holiday covering two pay periods. The premium holiday is possible as a result of a significant increase in the health insurance fund's balances in recent years.)

Item 474 #4c

Conference Report to House Bill 1700

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	\$1,744,545	GF

Language:

- Page 486, line 12, strike "\$239,537,205" and insert "\$241,281,750".
- Page 494, line 43, strike "\$160,280,119" and insert "\$202,207,901".
- Page 495, line 7, strike "two" and insert "2.75".
- Page 495, line 12, after "vote;" insert:
"except for faculty at institutions of higher education whose base salary shall be increased three percent."
- Page 495, line 44, strike "four" and insert "five".
- Page 496, line 1, strike "\$68,791,336" and insert "\$96,976,795".
- Page 496, line 20, strike "two" and insert "three".
- Page 496, line 31, strike "\$17,882,376" and insert "\$26,830,344".
- Page 496, line 34, strike "\$38,040,000" and insert "\$42,834,355".
- Page 496, line 35, strike "two" and insert "2.25".
- Page 497, strike lines 36 through 46.
- Page 498, strike lines 1 through 39.

Explanation:

(This amendment adjusts the funding and language to enhance the fiscal year 2020 salary increases adopted in Chapter 2. The amendment increases the across the board increase for state employees up to 2.75 percent, and for university faculty and state supported local employees up to 3.0 percent. The amendment increases the state employee merit increase up to 2.25 percent. The amendment also strikes the language in the introduced budget authorizing a one percent bonus and redirects the funding to support the higher salary increase.)

Item 474 #5c

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	(\$8,146,163)	GF

Language:

- Page 486, line 12, strike "\$239,537,205" and insert "\$231,391,042".
- Page 490, line 4, after "credit," strike the remainder of the line.
- Page 490, strike lines 5 and 6.
- Page 490, strike lines 14 through 17.
- Page 490, strike lines 31 through 52.
- Page 491, strike lines 1 through 3.
- Page 491, line 6, after "officers" strike the remainder of the line.
- Page 491, strike lines 14 through 36.

Conference Report to House Bill 1700

Explanation:

(This amendment removes \$8,146,163 from the general fund the second year and language related to a proposed increase to the retiree health insurance credit for certain state and local public safety personnel.)

	Item 474 #6c	
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, \$139,611 from the general fund in the second year is included to provide general registrars an additional three percent salary increase, effective July 1, 2019."

Explanation:

(This amendment adds \$139,611 from the general fund in the second year to provide an additional three percent increase to general registrars' salaries, effective July 1, 2019.)

	Item 475 #1c	
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 reverses \$5.9 million from the general fund in the second year related to reimbursing the Department of Elections and localities for costs associated with the 2020 presidential primary, deferring the appropriation for reimbursement to localities. A separate amendment to Item 83 provides funding for the Department for costs associated with the 2020 presidential primary.)

Conference Report to House Bill 1700

Item 475 #2c

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	(\$8,000,000)	(\$9,650,000)	GF

Language:

Page 498, line 46, strike "\$43,637,316" and insert "\$35,637,316".
 Page 498, line 46, strike "\$70,862,344" and insert "\$61,212,344".
 Page 504, strike lines 22 through 36.
 Page 504, line 37, strike "\$2,700,000" and insert "\$1,350,000".
 Page 504, strike lines 50 through 56.
 Page 505, strike line 1.

Explanation:

(This amendment reduces funding included in the introduced budget for new funding initiatives. The amendment eliminates a proposed new workforce case management system. In addition, \$300,000 is transferred to SCHEV for an internship program. In addition, the amendment provides \$1.35 million for computer science education, including professional development for teachers. Finally, a companion amendment in Item 475.20 creates funding for the Tech Talent Investment Program in accordance with House Bill 2490 / Senate Bill 1617 of the 2019 General Assembly and specific capital outlay projects are identified in Item C-20.20.)

Item 475 #3c

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	\$400,000	GF

Language:

Page 498, line 46, strike "\$70,862,344" and insert "\$71,262,344".
 Page 500, line 36, strike "\$47,497,476" and insert "\$47,897,476".

Explanation:

(This amendment provides \$400,000 from the general fund in the second year pursuant to the passage of House Bill 1668. The funding will be transferred to agencies to fund higher VITA charges as a result of the legislation.)

Item 475 #4c

Central Appropriations	FY18-19	FY19-20	
Central Appropriations	\$0	\$3,000,000	GF

Conference Report to House Bill 1700

Language:

Page 498, line 46, strike "\$70,862,344" and insert "\$73,862,344".

Page 505, after line 1, insert:

"X.1. The Director, Department of Corrections, shall procure and implement an electronic health records system for use in the Department's secure correctional facilities using the platform provided through Contract Number VA-121107-SMU managed by the Virginia Information Technologies Agency on behalf of the Commonwealth of Virginia. The system shall be established on a domain separate from any other procured through the Contract.

2. Included in the amounts provided for this item is \$3,000,000 the second year from the general fund for a contingency fund should the costs of complying with Paragraph X.1 of this item exceed the amounts provided for such purpose in Item 391. The Director, Department of Planning and Budget, is authorized to transfer appropriation from this contingency fund to the Department of Corrections, after verification of the total costs of an electronic health records system which justifies the need for additional funding from this item."

Explanation:

(This amendment requires the Department of Corrections to procure an electronic health records system using an existing state contract, and provides a \$3.0 million contingency fund in the second year should existing appropriations for the Department of Corrections prove inadequate to do so.)

	Item 475 #5c	
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 proposed funding for a workgroup to study the implications of mandating statewide paid family leave policies.)

	Item 475.10 #1c	
Central Appropriations	FY18-19	FY19-20
Central Appropriations	\$0	\$4,000,000 GF

Language:

Conference Report to House Bill 1700

Page 505, after line 1, insert:

"475.10 Hampton Roads Biomedical Research Consortium	\$0	\$4,000,000
Fund Sources: General	\$0	\$4,000,000 "

Page 505, after line 1, insert:

"A. 1. Out of this appropriation, \$4,000,000 the second year from the general fund is provided as the Commonwealth's initial investment in the Hampton Roads Biomedical Research Consortium subject to meeting the conditions of paragraph B.

2. Out of the amounts authorized in item C-48.10, \$10,000,000 the second year shall be made available for lab renovations and enhancements and / or research equipment for the Hampton Roads Biomedical Research Consortium for the University of Virginia, Old Dominion University, and Eastern Virginia Medical School subject to meeting the conditions in paragraph B.

B. The conditions required in order to receive an allocation from this item are:

1. The University of Virginia shall convene a workgroup comprised of Old Dominion University, Eastern Virginia Medical School, the Hampton Roads Community Foundation, and a private or non-profit hospital for the expressed purpose of developing a plan for the Hampton Roads Biomedical Research Consortium.

2. The plan shall identify areas of research relevant to the region taking into account the region's biomedical public and private assets, conduct a health risk assessment of the region's population and identify cost sharing strategies between and among the partnering institutions and entities to include matching requirements.

3. The workgroup shall submit the report by December 1, 2019 to the Chairmen of the House Appropriations and Senate Finance Committees and the Governor.

4. After adoption of the report by the General Assembly, the funding provided in paragraph A.1. shall be released to the University of Virginia to support the operations of the Hampton Roads Biomedical Research Consortium. Out of the amounts provided in paragraph A.1., the University of Virginia may use up to \$250,000 for the costs of a consultant to assist with the development of the plan for the Hampton Roads Biomedical Research Consortium."

Explanation:

(This amendment provides funding for the Hampton Roads Biomedical Research Consortium subject to the conditions of the item.)

Item 475.20 #1c

Central Appropriations

FY18-19

FY19-20

Conference Report to House Bill 1700

Central Appropriations	\$0	\$16,600,000	GF
------------------------	-----	--------------	----

Language:

Page 505, after line 1, insert:

"475.20 Tech Talent Investment Fund	\$0	\$16,600,000	
Fund Sources: General	\$0	\$16,600,000 "	

Page 505, after line 1, insert:

"A. Out of this appropriation, \$16,600,000 the second year from the general fund is designated for the Tech Talent Investment Fund. These funds shall be allocated in accordance with provisions established in House Bill 2490 / Senate Bill 1617 of the 2019 General Assembly and shall be used to support the efforts of qualified institutions to increase by fiscal year 2039 the number of new eligible degrees by at least 25,000 more degrees than the number of such degrees awarded in 2018 and to improve the readiness of graduates to be employed in technology-related fields and fields that align with traded-sector growth opportunities identified by the Virginia Economic Development Partnership. Funds may be used to support admissions and advising programs designed to convey labor market information to students to guide decisions to enroll in eligible degree programs and academic programs and to fund facility construction, renovation, and enhancement and equipment purchases related to the initiative to increase the number of eligible degrees awarded.

B. Prior to an allocation from the fund, institutions must enter into a Memorandum of Understanding (MOU) through a negotiation process between the institution and the Commonwealth. The MOU shall contain criteria for eligible degrees, eligible expenses, and degree production goals for a period ending in 2039. In addition, each institution shall (i) submit an enrollment plan detailing the number of eligible degrees produced between July 1, 2013, and June 30, 2018; (ii) develop a detailed plan of how the institution proposes to materially increase the enrollment, retention, and graduation of students pursuing eligible degrees, the resources necessary to accomplish such increase in enrollment, retention, and graduation, and plans to track new enrollment; (iii) provide an accounting of the anticipated number of in-state and out-of-state students enrolling in eligible degree programs; (iv) determine the existing capacity of current eligible degree programs; (v) propose plans to partner with other institutions to provide courses or programs that will lead to the completion of an eligible degree including articulation agreements with the Virginia Community College System to provide guaranteed admission for qualified students with an associate degree for transfer into an eligible degree program; (vi) allocate existing funds held by or appropriated to the institution to meet increased enrollment, retention, and graduation goals in eligible degree programs; and (vii) provide any other information deemed relevant.

C. Failure of an institution to meet the goals, metrics, and requirements set forth in its memorandum of understanding shall result in the adjustment of any future allocations from the fund to the institution to reflect such discrepancy."

Explanation:

Conference Report to House Bill 1700

(This amendment provides funding to support the Tech Talent Investment Program under House Bill 2490 / Senate Bill 1617.)

Item 477 #1c

Independent Agencies

State Corporation Commission

Language

Language:

Page 507, after line 29, insert:

"D. The State Corporation Commission, in collaboration with the Department of Human Resource Management, shall convene a workgroup, comprised of the employee health benefits consultant for the Department; the vendor(s) providing third-party administrative services for the state's health plans; and staff of the House Appropriations and Senate Finance Committees, to develop a proposal to determine the equitable and fair reimbursement to out-of-network health care providers for emergency services rendered, which shall be based on a percentage above the Medicare Fee Schedule for equivalent services. The out-of-network services rate developed by the workgroup shall be a recommendation for consideration by the General Assembly for future legislation to prohibit the practice of balance billing by out-of-network emergency services health care providers. The workgroup shall consider the fiscal impact of proposed out-of-network emergency services provider reimbursement rates on the state employee health benefits plans, and The Local Choice plan; the impact to the provider networks of the the state health plans' third-party administrator; and shall protect the proprietary and confidential data of the state health plans' third-party administrator, including provider reimbursement rates, in their final report. The Commission shall provide analytical and actuarial services pursuant to the workgroup's analysis and development of a proposal, as needed. The Commission and the Department shall provide information on the proposal to the Chairmen of the House Appropriations and Senate Finance Committees by November 15, 2019."

Explanation:

(This amendment directs the State Corporation Commission, in collaboration with the Department of Human Resource Management to convene a workgroup to develop and propose a fair and equitable reimbursement rate provided to out-of-network healthcare providers for emergency services rendered, which could be used for potential future legislation prohibiting the practice of balance billing by out-of-network emergency services healthcare providers, with a report on the workgroup's proposal due to the Chairmen of the House Appropriations and Senate Finance Committees no later than November 15, 2019.)

Item 486 #1c

Conference Report to House Bill 1700

Independent Agencies	FY18-19	FY19-20
Virginia Retirement System	\$0	(\$315,000) NGF

Language:

Page 510, line 34, strike "\$17,625,718" and insert "\$17,310,718".

Explanation:

(This amendment removes \$315,000 from the nongeneral fund the second year related to program changes and updates to publications and training materials associated with a proposed increase to the retiree health insurance credit for certain state and local public safety employees.)

Item 486 #2c

Independent Agencies

Virginia Retirement System	Language
----------------------------	----------

Language:

Page 511, strike lines 37 through 42.

Explanation:

(This amendment strikes language included in the introduced budget to add the Secretary of Finance and the Staff Directors of the House Appropriations and Senate Finance Committees to the VRS Board of Trustees as ex-officio members.)

Item 486 #3c

Independent Agencies

Virginia Retirement System	Language
----------------------------	----------

Language:

Page 511, after line 42, insert:

"H. Annually by February 1st, the Virginia Retirement System shall submit to the Secretary of Public Safety and Homeland Security the names of individuals who were determined to be deceased persons, as defined in § 9.1-400 of the Code of Virginia, in the previous calendar year. The name of any individual whose claim has been filed, but not yet approved, may be submitted in a subsequent year by the Virginia Retirement System once the claim is approved. The Secretary of Public Safety and Homeland Security shall be authorized to share the list as necessary for the purposes of the names being inscribed on the Virginia Public Safety Memorial and honored at the Annual Memorial Service. As provided in § 9.1-408 of the Code of the

Conference Report to House Bill 1700

Virginia, the list otherwise shall be deemed confidential, shall be exempt from disclosure under the Virginia Freedom of Information Act, and shall not be released in whole or in part.”

Explanation:

(This amendment authorizes the VRS to release confidential information to the Secretary of Public Safety and Homeland Security for the purposes of honoring deceased public safety personnel.)

Item C-1.10 #1c

Administration	FY18-19	FY19-20	
Department of General Services	(\$2,000,000)	\$0	GF
	\$2,000,000	\$0	NGF

Language:

Explanation:

(This amendment shifts funding for the North Drive improvements to Virginia Public Building Authority financing.)

Item C-6.10 #1c

Education: Higher Education	FY18-19	FY19-20	
George Mason University	\$0	\$7,500,000	NGF

Language:

Page 523, after line 15, insert:

"C-6.10 Improvements: Demolish Arlington Original Building	\$0	\$7,500,000	
Fund Sources: Higher Education Operating	\$0	\$7,500,000 "	

"A. George Mason University is authorized to demolish the Arlington Original Building and related storm drain relocation at its Arlington Campus as part of the construction of an academic and research facility in support of Amazon's relocation to Northern Virginia. Funds committed by the University will be considered part of its share of the total project costs."

Explanation:

(This amendment provides nongeneral fund authority to demolish the Arlington Original Building and related storm drain relocation.)

Conference Report to House Bill 1700

Item C-8.10 #1c

Education: Higher Education	FY18-19	FY19-20	
James Madison University	\$0	\$310,000	NGF

Language:

Page 523, after line 22, insert:

"C-8.10 Acquisition: Property Exchange	\$0	\$310,000	
Fund Sources: Higher Education	\$0	\$310,000	"
Operating			

Page 523, after line 22, insert:

"James Madison University is authorized to exchange 36,155 sq. ft. or .83 acres of University owned property located at 622 South Main Street in Harrisonburg, Virginia for 22,216 sq. ft. or .51 acres including a 3,884 sq. ft. improvement located at 741 South Main Street in Harrisonburg, Virginia owned by the Diocesan Missionary Society of Virginia. This property exchange will allow the institution to obtain property contiguous to campus on West Grace Street as a part of the University's Master Plan and the property located on 741 South Main Street is adjacent to property currently owned by the Episcopal Church at the corner of Martin Luther King Jr. Way and South Main Street in Harrisonburg, Virginia. As part of the transaction, the University is authorized to compensate the Diocesan Missionary Society of Virginia up to \$310,000 for the property exchange."

Explanation:

(This amendment is self-explanatory.)

Item C-8.60 #1c

Education: Higher 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:

Conference Report to House Bill 1700

(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-10.20 #1c

Education: Higher Education

FY18-19

FY19-20

Norfolk State University

\$0

\$1,400,000 NGF

Language:

Page 524, after line 15, insert:

"C-10.20 Improvements: IT Infrastructure	\$0	\$1,400,000
Fund Sources: Bond Proceeds	\$0	\$1,400,000 "

Page 524, after line 15, insert:

"The Virginia College Building Authority, pursuant to § 23.1-1200 et seq. of the Code of Virginia, is authorized to issue bonds in a principal amount not to exceed \$1,400,000 plus amounts needed to fund issuance costs, reserve funds, original issue discount, interest prior to and during the acquisition or construction and for one year after completion thereof, and other financing expenses, to finance the capital costs of the project for which the appropriation in this item is provided."

Explanation:

(This amendment provides funding for IT infrastructure improvements at Norfolk State University to upgrade data storage capacity, upgrade wireless infrastructure, enhance security architecture to mitigate security threats to the University's system.)

Item C-11.60 #1c

Education: Higher Education

FY18-19

FY19-20

Radford University

(\$350,000)

\$0 NGF

Language:

Page 525, line 3, strike "\$17,850,000" and insert "\$17,500,000".

Explanation:

(This amendment makes a technical correction to the project amount to reflect actual cost.)

Conference Report to House Bill 1700

Item C-13 #1c

Education: Higher 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:

"1. The Virginia College Building Authority, pursuant to § 23.1-1200 et seq., Code of Virginia, is authorized to issue bonds in a principal amount not to exceed \$7,600,000 plus amounts needed to fund issuance costs, reserve funds, original issue discount, interest prior to and during the acquisition or construction and for one year after completion thereof, and other financing expenses, to finance the capital costs of the project for which the appropriation in this item is provided.

2. Debt service on bonds issued under the authorization in this item shall be provided from appropriations to the Treasury Board."

Explanation:

(This amendment provides \$7.6 million in Virginia College Building Authority bonds and \$2.6 million in nongeneral fund authority to supplement the Gilmer Hall project.)

Item C-13.10 #1c

Education: Higher Education

Virginia Commonwealth University

Language

Language:

Page 525, strike lines 23 through 42 and insert:

"A. At such time as the Virginia Alcoholic Beverage Control Authority (Authority) determines that the Alcoholic Beverage Control Central Office and Warehouse located at 2901 & 2919 Hermitage Road in the City of Richmond, Virginia, consisting of approximately 20 acres +/- of land and improvements (Property), is no longer required for Authority purposes, it shall offer to sell the Property to Virginia Commonwealth University (VCU) prior to offering the Property for sale to any other public or private agency or entity or individual.

B. The Department of General Services (DGS), working on behalf of and in consultation with the Authority, shall determine fair market value for sale of the property. Such valuation will be determined by DGS obtaining two independent appraisals prepared according to prevailing professional standards and practices and performed by appraisers licensed by the Commonwealth of Virginia as Certified General Real Property Appraisers, who must meet the competency provisions of the Uniform Standards of Professional Appraisal Practice.

Conference Report to House Bill 1700

C. 1. The Authority shall offer for sale the Property to VCU at the fair market value determined in paragraph B. Any other conditions of the transfer, as negotiated between the Authority and VCU, shall be based on usual and customary terms for such intergovernmental transfers. If the Authority and VCU cannot agree on the terms of the sale of the Property, the Authority may sell the property pursuant to § 2.2-1156 and on such terms as it determines are in the best interest of the Authority, however any sale terms negotiated shall be presented to VCU, prior to any sale, to enable VCU to make a counter offer to the Authority. Should such counter offer be received by the Authority, the Authority shall consider the VCU counter offer and if determined favorable by the Authority, may sell the property to VCU.

2. Prior to any sale of the Property to VCU, the university shall prepare a master plan for the development of the Property for submission to the Chairmen of the House Appropriations and Senate Finance Committees. The master plan may include development of the property as the VCU Athletics Village and shall include academic space in support of academic or clinical programs that align with the overall intended uses of the Athletics Village to include but not be limited to: Sports Medicine, Sports Leadership, classroom space for future delivery of 4-year teaching degree, and instructional space for student athletes.

3. Upon approval of the master plan by the General Assembly, the Authority may proceed with the sale of the Property to VCU.

D. Administrative costs incurred by DGS and the Authority to conduct the sale of the property shall be paid from the proceeds of the sale of the property."

Explanation:

(This amendment is self-explanatory.)

Item C-13.20 #1c

Education: Higher 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

Conference Report to House Bill 1700

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-20.10 #1c

Education: Higher Education

Virginia Polytechnic Institute and State University

Language

Language:

Page 527, strike lines 8 through 10.

Page 527, line 11, strike "B." and insert "A."

Page 527, line 17, strike "C." and insert "B."

Explanation:

(This amendment makes technical language changes to the Innovation Campus project at Virginia Tech. In addition, the amendment changes fund source for the higher education operating portion of the project to 9 (d) nongeneral fund revenue bonds. This change will be made upon enrolling the bill.)

Item C-20.20 #1c

Education: Higher Education

FY18-19

FY19-20

Virginia Polytechnic Institute and
State University

\$0

\$79,000,000 NGF

Language:

Page 527, after line 18, insert:

"C-20.20 New Construction: Data and Decision
Science Building

\$0

\$79,000,000

Fund Sources: Higher Education
 Operating

\$0

\$10,000,000

Bond Proceeds

\$0

\$69,000,000 "

Explanation:

(This amendment provides for the Data and Decision Science Building at Virginia Tech. The project will design and construct a new 120,000 gross square foot building to support undergraduate degree growth in computer science.)

Item C-21.10 #1c

Conference Report to House Bill 1700

Education: Other	FY18-19	FY19-20	
Frontier Culture Museum of Virginia	\$0	\$4,000,000	NGF

Language:

Page 527, after line 29, insert:

"C-21.10 Planning: Construct Crossing Gallery (18316)	\$0	\$4,000,000	
Fund Sources: Dedicated Special Revenue	\$0	\$4,000,000 "	

Page 527, after line 29, insert:

"A. The project contained in this item shall be funded for planning entirely from amounts in the Central Capital Planning Fund established under § 2.2-1520 of the Code of Virginia.

B. The Director, Department of Planning and Budget shall transfer, no later than July, 1, 2018, \$4,000,000 from the fiscal year 2018 year-end balances of Agency 949, Project 17968, Fund Group 09 to this project.

C. In accordance with § 2.2-1520, the Director, Department of Planning and Budget, shall reimburse the Central Capital Planning Fund for the amounts provided for detailed planning when the project is funded to move into the construction phase."

Explanation:

(This amendment provides for planning for the previously authorized Construct Crossing Gallery (18316) project from the fiscal year 2018 year balances in the Central Capital Planning Pool.)

Item C-21.75 #1c

Education: Other	FY18-19	FY19-20	
The Science Museum of Virginia	\$0	\$2,326,000	GF

Language:

Page 527, after line 37, insert:

"§ 2-17.50 THE SCIENCE MUSEUM OF VIRGINIA (146)

C-21.75 Planning: Construct Regional Science Center in Northern Virginia	\$0	\$2,326,000	
Fund Sources: General	\$0	\$2,326,000 "	

Page 527, after line 37, insert:

"The purpose of the project authorized in this item is for detailed planning for a Regional

Conference Report to House Bill 1700

Science Center in Northern Virginia. This project requires a 50 percent local match or private funding for the building, land, furnishings, and exhibits related to this project. In addition, as part of detailed planning, the Science Museum of Virginia shall report to the Chairmen of the House Appropriations and Senate Finance Committees a plan for the future operations of the Regional Science Center. The operating plan shall include projected revenue from admissions and sales, a specified match from local and private funding related to the ongoing operations of the Center and any requested contributions from the State. The operating plan must be submitted by November 1st of the year prior to the General Assembly Session in which construction funding will be requested."

Explanation:

(This amendment provides \$2.3 million from the general fund in the second year for detailed planning for a Regional Science Center in Northern Virginia and language related to an operating plan for the funding of future operations at the Center.)

Item C-25 #1c

Natural Resources

Department of Conservation and Recreation

Language

Language:

Page 528, line 36, strike "Kiptopeke".

Page 528, line 37, strike "Lake Anna".

Page 528, line 37, strike "Westmoreland".

Explanation:

(This amendment removes the authorization for the acquisition of contiguous parcels and in-holdings for three State Parks where the planned acquisition has been completed or the project is currently inactive.)

Item C-26 #1c

Natural Resources

Department of Conservation and Recreation

Language

Language:

Page 529, line 7, strike "Cowbane Prairie, Grayson Glades,".

Page 529, line 8, strike "Redrock Mountain".

Explanation:

(This amendment removes the authorization for the acquisition of contiguous parcels and in-

Conference Report to House Bill 1700

holdings for three Natural Area Preserves where the planned acquisition has been completed or the project is currently inactive.)

Item C-27.20 #1c

Natural Resources	FY18-19	FY19-20	
Department of Conservation and Recreation	\$100,000	\$100,000	NGF

Language:

Page 529, after line 27, insert:

"C-27.20 Improvements: Belle Isle State Park	\$100,000	\$100,000	
Fund Sources: Dedicated Special Revenue	\$100,000	\$100,000 "	

Page 529, after line 27, insert:

"The Department of Conservation and recreation is authorized to accept and expend gifts, donations or other funds to evaluate options to renovate and furnish the Belle Isle Manor House and dependencies at Belle Isle State Park."

Explanation:

(This amendment is self-explanatory.)

Item C-32.50 #1c

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of Juvenile Justice	(\$432,000)	\$0	GF

Language:

Page 530, line 22, strike "\$432,000" and insert "\$0".

Explanation:

(This amendment removes funding proposed in the introduced budget for a renovation project at the Department of Juvenile Justice.)

Item C-34.10 #1c

Public Safety and Homeland Security	FY18-19	FY19-20	
Department of State Police	\$0	(\$92,151,000)	NGF

Conference Report to House Bill 1700

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-42 #1c

Central Appropriations

Central Capital Outlay

Language

Language:

Page 535, after line 54, insert:

"3. The Frontier Culture Museum may use an amount not to exceed 20 percent of its annual maintenance reserve allocation from this Item for the conservation of art and artifacts."

Explanation:

(This amendment provides the Frontier Culture Museum with similar flexibility on the use of the maintenance reserve as other state museums.)

Item C-44.20 #1c

Central Appropriations

FY18-19

FY19-20

Central Capital Outlay

(\$29,591,000)

\$0 GF

Language:

Page 538, line 28, strike "\$29,591,000" and insert "\$0".

Page 538, strike lines 27 though 49 and insert "Omitted."

Page 539, strike lines 1 through 5.

Conference Report to House Bill 1700

Explanation:

(This amendment removes funding proposed in the introduced budget for new capital planning.)

Item C-48.10 #1c

Central Appropriations	FY18-19	FY19-20	
Central Capital Outlay	\$0	\$830,000	GF
	\$0	\$305,750,000	NGF

Language:

Page 543, line 14, strike "\$131,982,000" and insert "\$438,562,000".

Page 543, line 24, strike "\$121,466,000" and insert "\$407,216,000".

Page 544, line 10, strike "\$96,466,000" and insert "\$362,216,000".

Page 544, line 11, after "Authority", insert ", \$830,000 from the general fund".

Page 544, line 12, strike "\$10,516,000" and insert "\$30,516,000".

Page 544, after line 17, insert:

"194 Department of General Services Acquisition of VEC Building"

Page 544, after line 17, insert:

"199 Department of Conservation and Recreation Construct Cabins, Breaks Interstate Park".

Page 544, after line 17, insert:

"207 University of Virginia Alderman Library Renewal".

Page 544, after line 19, insert:

"212 Virginia State University Demolish / Replace Daniel Gym and Demolish Harris Hall, Phase I".

Page 544, after line 21, insert:

"216 James Madison University Renovate Jackson Hall".

Page 544, after line 23, insert:

"236 Virginia Commonwealth University Construct STEM Teaching Laboratory Building".

Page 544, after line 25, insert:

"241 Richard Bland College Acquire and Install New Generator at the Library".

Page 544, after line 25, insert:

"247 George Mason University Improve IT Network Infrastructure".

Page 544, line 29, strike "Renovate Catawba Hospital" and insert "Renovate Eastern State Hospital Kitchen".

Page 545, after line 3, insert:

"F. 1. Out of the amounts provided in this Item, \$10,000,000 the second year from bond proceeds is designated for lab renovations and enhancements and / or research equipment related to higher education research for the Hampton Roads Biomedical Research Consortium created in Item 475.10.

G. Stormwater Local Assistance Fund. From the appropriation and bond authorization provided in this Item, up to \$10,000,000 of the bond proceeds shall be provided to the Department of

Conference Report to House Bill 1700

Environmental Quality for the Stormwater Local Assistance Fund, established in accordance with the provisions of Item 368 of this act. In accordance with the purpose of the Fund set out in Item 368, the bond proceeds shall be used to provide grants solely for capital projects meeting all pre-requirements for implementation, including but not limited to: i) new stormwater best management practices; ii) stormwater best management practice retrofits; iii) stream restoration; iv) low impact development projects; v) buffer restoration; vi) pond retrofits; and vii) wetlands restoration. Such grants shall be in accordance with eligibility determinations made by the State Water Control Board under the authority of the Department of Environmental Quality.

H. Out of the amounts provided in Paragraph C of this item, the Department of General Services is authorized funding for the defeasance of the federal equity in the the Virginia Employment Commission site located at 703 E. Main Street, Richmond, Virginia, to enable transfer of title to that site to the Commonwealth of Virginia, Department of General Services to be included in the Department of General Services statewide building management program."

Explanation:

(This amendment adds eight projects to the 2019 Capital Construction Pool and provides funding for the Hampton Roads Biomedical Research Consortium and the Stormwater Local Assistance Fund.)

Item C-48.10 #2c

Central Appropriations

Central Capital Outlay

Language

Language:

Page 544, line 38, after "appropriated", insert:
"a one-time and final payment of".

Explanation:

(This amendment clarifies that the Commonwealth's funding commitment to the City of Alexandria for Combined Sewer Overflow is limited to a one-time and final authorization of \$25.0 million in Virginia Public Building Authority bond proceeds.)

Item C-49.10 #1c

Central Appropriations

FY18-19

FY19-20

Central Capital Outlay

\$0

(\$69,000,000) NGF

Language:

Page 545, line 28, strike "\$80,000,000" and insert "\$11,000,000".

Conference Report to House Bill 1700

Page 545, line 31, strike "\$80,000,000" and insert "\$11,000,000".

Page 545, strike lines 38 through 41 and insert:

"B. Funds from this item shall be allocated in accordance with provisions established in House Bill 2490 / Senate Bill 1617 of the 2019 General Assembly and shall be used to support the efforts of qualified institutions to increase by fiscal year 2039 the number of new eligible degrees by at least 25,000 more degrees than the number of such degrees awarded in 2018 and to improve the readiness of graduates to be employed in technology-related fields and fields that align with traded-sector growth opportunities identified by the Virginia Economic Development Partnership."

Explanation:

(This amendment reduces bonds for a proposed unspecified new capital project and requires the funds to be allocated in accordance with the provisions established in House Bill 2490 / Senate Bill 1617 of the 2019 General Assembly.)

Item C-51.50 #1c

Central Appropriations

Central Capital Outlay

Language

Language:

Page 547, strike lines 1 through 24 and insert:

"A. 1. Pursuant to projects authorized and funded in paragraphs B and E.1 of Item C-39.40 of Chapter 1 of the 2014 Special Session I, Virginia Acts of Assembly, the General Assembly appropriated funds to the Department of General Services (DGS) for Capitol Complex Infrastructure and Security construction projects. Project work includes improvements and safety and security enhancements to be constructed or installed within the right-of-way of North 9th Street (between the area north of where Bank Street intersects North 9th Street and south of where North 9th Street intersects East Broad Street) and within the right-of-way of East Broad Street (between the area from where the western right-of-way line of North 9th Street intersects East Broad Street to where the western right-of-way line of Governor Street intersects East Broad Street), which rights-of-way are owned by the City of Richmond (City), and more specifically as determined by the DGS project team and in collaboration with the City with respect to such rights-of-way. Accordingly, the City and DGS shall enter into a deed of easement or other proper instruments, in such form approved by the Offices of the City Attorney and of the Commonwealth Office of the Attorney General, whereby the City, without charge to the Commonwealth, shall grant to DGS, as agent of the Commonwealth, where mutually agreeable across, over, under and above the referenced right-of-way of North 9th Street and East Broad Street, (a) the perpetual and irrevocable right, privilege and easement to construct, install, use, operate, inspect, maintain, repair, replace, rebuild, improve, alter and remove (i) any construction or installation contracted for by DGS either as part of the referenced construction projects or at any time with respect to safety and security enhancements around the

Conference Report to House Bill 1700

perimeter of Capitol Square deemed appropriate by DGS and (ii) all equipment, accessories, utilities and appurtenances necessary to support such construction projects and such incorporation of safety and security enhancements, (b) the perpetual and irrevocable right, privilege and easement to inspect, maintain, repair, replace and rebuild the sidewalks and elements thereof (but not traffic control devices and signage or street lighting located thereupon) of the referenced right-of-way of North 9th Street and East Broad Street and (c) any necessary or appropriate temporary construction easements, upon terms approved by the Mayor of Richmond and the Governor (pursuant to § 2.2-1149, Code of Virginia); approval by Richmond City Council shall not be required.

2. The City, without expending City funds, shall cooperate with DGS (i) to support the referenced construction project work and incorporation of safety and security enhancements at and along North 9th Street and East Broad Street, (ii) to relocate any utilities located in the agreed upon easement area, if necessary, and (iii) to coordinate any closure or other traffic flow controls of North 9th Street and East Broad Street during the performance of the construction projects and the incorporation of any safety and security features that will enhance safety and security around the perimeter of Capitol Square. At no time shall DGS make any permanent changes to the North 9th Street or East Broad Street rights-of-way without the prior approval of the Chief Administrative Officer of the City or the City hinder or delay construction of the referenced construction projects. Notwithstanding the foregoing, DGS may commence the construction project work and safety and security enhancements within the referenced right-of-way of North 9th Street and East Broad Street prior to the execution of a deed of easement or other proper instruments, if deemed necessary by DGS to avoid delay in the implementation of the construction project work or safety and security enhancements."

Explanation:

(This amendment makes modifications to necessary easements required to execute projects at the Seat of Government.)

Item C-53 #1c

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:

Conference Report to House Bill 1700

(This amendment updates the 9(D) Revenue Bond table to reflect the actions in Item C-13.20.)

Item 3-1.01 #1c

Transfers

Interfund Transfers

Language

Language:

Page 551, after line 50, insert:

"8. Commission on the Virginia Alcohol Safety Action Program (Special) For expenses incurred for care, treatment, study and rehabilitation of alcoholics by the Department of Behavioral Health and Developmental Services and other state agencies".	\$325,000	\$0
--	-----------	-----

Page 552, line 1, strike the first "\$74,913,243" and insert "\$72,238,243".

Explanation:

(This amendment transfers \$325,000 in nongeneral fund balances within the Commission on the Virginia Alcohol Safety Action Program to support expenses incurred by the Department of Behavioral Health and Developmental Services to support treatment and rehabilitation of those suffering from substance abuse.)

Item 3-1.01 #2c

Transfers

Interfund Transfers

Language

Language:

Page 560, after line 13 insert:

"MM. The transfer of excess amounts in the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund to the general fund pursuant to Item 58 of this act is estimated at \$14,000,000 the first year and \$500,000 the second year."

Explanation:

(This amendment sets out the estimated amounts from the transfers that will occur to the general fund from the OAG Revolving Trust Fund.)

Item 3-1.01 #3c

Transfers

Interfund Transfers

Language

Language:

Page 552, line 7, strike "\$112,900,000" and insert "\$115,600,000".

Page 552, line 7, strike "\$117,200,000" and insert "\$120,000,000".

Explanation:

(This amendment increases the net profit transfer to the general fund from the Alcoholic Beverage Control Authority by \$2.7 million the first year and \$2.8 million the second year relative to the amounts assumed in the introduced budget. In total, the net profit transfer is increased by \$5.8 million the first year and \$4.5 million the second year relative to the profit transfers assumed in Chapter 2.)

Item 3-1.01 #4c

Transfers

Interfund Transfers

Language

Language:

Page 552, line 7, strike "\$117,200,000" and insert "\$116,470,195".

Explanation:

(This amendment reduces the transfer of net ABC profits to the general fund by \$729,805 the second year, to account for increasing from 8 percent to 20 percent the commission paid to distillery stores for on-premises sales.)

Item 3-1.01 #5c

Transfers

Interfund Transfers

Language

Language:

Page 552, line 7, strike "\$117,200,000" and insert "\$118,058,697".

Explanation:

(This amendment increases the transfer of net ABC profits to the general fund by \$858,697 the second year, based upon the estimated increase in sales resulting from opening 253 government

Conference Report to House Bill 1700

stores at 10 a.m. on Sundays.)

Item 3-1.01 #6c

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 3-5.15 #1c

Adjustments and Modifications to Tax Collections

Provider Coverage Assessment

Language

Language:

Page 566, line 32, after "adults", insert:

"which includes the costs of administering the provisions of the Section 1115 waiver".

Page 566, line 35, after "providing coverage" insert:

", which includes the costs of administering the provisions of the Section 1115 waiver,".

Page 567, line 16, after "Committees", insert:

", and the Virginia Hospital and Healthcare Association".

Page 567, line 18, after "Fund.", insert:

"The report shall also include a complete and itemized listing of all administrative costs included in the coverage assessment."

Page 567, after line 22, insert:

"H. The Hospital Payment Policy Advisory Committee shall meet to consider the implementation and provisions of the Provider Coverage and Payment Rate Assessments in order to consider and make recommendations to ensure the collection and use of such funds are appropriate and consistent with the intent of the General Assembly. Specifically, the Committee shall consider the level of detail and format necessary to develop the report pursuant to paragraph E. The committee shall recommend a format and associated level of detail, to be included in the report to the Joint Subcommittee for Health and Human Resources Oversight. The Joint Subcommittee shall approve the final format and associated level of detail of the

Conference Report to House Bill 1700

report to be submitted by the Department of Medical Assistance Services."

Explanation:

(This amendment clarifies the hospital provider assessment language such that the administrative costs that are part of the full costs of coverage include administering the provisions of the Section 1115 waiver. Language also requires that the Department of Medical Assistance Services include details about all administrative costs included in the coverage assessment be included in a report that is due September 1 of each year and adds the Virginia Hospital and Healthcare Association to those to whom the report is submitted. The format and level of detail of the report will be based on a recommendation of the Hospital Payment Policy Advisory Committee and approved by the Joint Subcommittee for Health and Human Resources Oversight.)

Item 3-5.17 #1c

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 #1c

Adjustments and Modifications to Tax Collections

Refundable Earned Income Tax Credit

Language

Language:

Page 570, strike lines 4 through 8.

Explanation:

(This amendment removes language included in House Bill 1700 as introduced relating to the Earned Income Tax Credit.)

Adjustments and Modifications to Tax Collections

Taxpayer Relief Fund

Language

Language:

Page 570, after line 8, insert:

"A. Notwithstanding any other provision of law, the Comptroller shall transfer any revenues generated by the individual reform provisions contained in Subtitle A of Title I and §§ 13611-13613 of the federal Tax Cuts and Jobs Act, P.L. 115-97 (2017), from the collection of taxes during Fiscal Years 2019 through 2025, estimated to be approximately \$450 million annually, beyond those revenues reasonably expected to be collected due to general economic growth and absent the federal policy changes, less the estimated reduction in revenues needed to implement the tax policy changes set forth in the first enactment of Chapters 17 and 18, 2019 Acts of Assembly for the relevant fiscal year, to the Taxpayer Relief Fund established pursuant to the fifth enactment of that Act. The Governor, in consultation with the State Comptroller and the Tax Commissioner, shall certify to the General Assembly on or before September 1 each year the estimated amount to be transferred to the Fund pursuant to this act.

B. For purposes of determining the amounts required to be deposited to the Revenue Stabilization Fund pursuant to Article X, Section 8, Constitution of Virginia, the certified amounts for fiscal year 2019 shall not include any amounts transferred from the general fund to the Taxpayer Relief Fund that will be used to provide refunds pursuant to the fourth enactment of Chapters 17 and 18, 2019 Acts of Assembly."

Explanation:

(This amendment transfers revenues to the Taxpayer Relief Fund pursuant to the provisions of Chapters 17 and 18, 2019 Session of the General Assembly.)

Adjustments and Modifications to Tax Collections

FY18-19

FY19-20

Neighborhood Assistance Act Tax Credit

Language:

Page 0, after line 0, insert:

"3-5.22 NEIGHBORHOOD ASSISTANCE ACT TAX CREDIT

\$0

\$0

Conference Report to House Bill 1700

Page 570, after line 8, insert:

Notwithstanding any other provision of law or regulation, in order to be eligible to receive an allocation of credits pursuant to § 58.1-439.20:1, Code of Virginia, at least 50 percent of the persons served by the neighborhood organization, either directly by the neighborhood organization or through the provision of revenues to other organizations or groups serving such persons, shall be low-income persons or eligible students with disabilities and at least 50 percent of the neighborhood organization's revenues shall be used to provide services to low-income persons or to eligible students with disabilities, either directly by the neighborhood organization or through the provision of revenues to other organizations or groups providing such services. A tax credit shall be issued by the Superintendent of Public Instruction or the Commissioner of Social Services to an individual only upon receipt of a certification made by a neighborhood organization to whom tax credits were allocated for an approved program pursuant to § 58.1-439.20, § 58.1-439.20:1 or this language."

Explanation:

(This amendment allows a neighborhood organization to qualify to receive an allocation of tax credits from the Department of Education if (i) at least 50 percent of the persons served by the neighborhood organization, either directly by the neighborhood organization or through the provision of revenues to other organizations or groups serving such persons, are low-income persons or eligible students with disabilities and (ii) at least 50 percent of the neighborhood organization's revenues are used to provide services to low-income persons or eligible students with disabilities, either directly by the organization or through the provision of revenues to other organizations or groups providing such services.)

Item 4-2.01 #1c

Revenues

Nongeneral Fund Revenues

Language

Language:

Page 579, strike lines 48 through 51 and insert:

"2) The University of Mary Washington is hereby authorized to undertake a review of its tuition and fee structure for the purpose of more closely aligning auxiliary fees, including room, board, and the comprehensive fee, with auxiliary expenditure budgets. Adjustments to mandatory fees in auxiliary programs may exceed three percent subject to annual approval by the University's Board of Visitors to the extent required to effect budgetary alignment of revenues and expenditures. This exemption will be limited to the period beginning in fiscal year 2019-20 and extending through the end of fiscal year 2023-24."

Explanation:

(This amendment clarifies the beginning and end dates for a comprehensive fee waiver.)

Item 4-2.02 #1c

Revenues

General Fund Revenue

Language

Language:

Page 582, after line 11, insert:

"e. REVENUES GENERATED FROM CLIMATE CHANGE COMPACTS

Any revenues generated through participation in any regional climate change compact, including but not limited to the Regional Greenhouse Gas Initiative and the Transportation Climate Initiative, shall be deposited in the general fund and shall not be transferred to any other entity as a condition of such compact nor shall such funds be expended for any projects or programs without the express approval of the General Assembly as evidenced by an appropriation of such funds in a general Appropriation Act with the exception of expenditures required pursuant to any contracts signed prior to the passage of this act by the General Assembly."

Explanation:

(This amendment provides that any monies derived from projects or programs of regional climate change compacts such as the Regional Greenhouse Gas Initiative (RGGI) or the Transportation Climate Initiative (TCI) shall be deposited to the general fund and not be used for any other purposes without appropriation by the General Assembly.)

Item 4-5.04 #1c

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 599, line 21, strike "or state statute".

Explanation:

(This amendment prohibits any funding in the budget from being used for abortion services unless otherwise required by federal law.)

Item 4-5.04 #2c

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 599, after line 21, insert:

"m. BODY-WORN CAMERAS: No expenditures from general or nongeneral fund sources may be made by any state agency or authority for the purchase or implementation of body-worn cameras or body-worn camera systems."

Explanation:

(This amendment prohibits state agencies from using funds appropriated in this act to purchase or implement body-worn cameras or body-worn camera systems.)

Item 4-5.10 #1c

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 150 acres, more or less, of surplus state property located in York County, Virginia to the Eastern Virginia Regional Industrial Facility 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 Facility 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 Facility Authority is authorized to convey the property rights of approximately 150 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 Facility 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 Facility Authority, will be returned to the Commonwealth and deposited to the General Fund. In no case shall the Eastern Virginia Regional Industrial Facility 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 Facility Authority for development of the Hampton Roads Unmanned Systems Park

Conference Report to House Bill 1700

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 4-5.11 #1c

Special Conditions and Restrictions on Expenditures

FY18-19

FY19-20

Limitations on Use of State Funding

Language:

Page 601, after line 45, insert:

"4-5.11 4-5.11: LIMITATIONS ON USE OF STATE FUNDING

\$0

\$0

LIMITATIONS ON USE OF STATE FUNDING

“a. Notwithstanding any other provision of the Code of Virginia, no expenditures from the general, special, or other nongeneral fund sources from any appropriation by the General Assembly shall be used to support membership or participation in the Regional Greenhouse Gas Initiative (RGGI) until such time as the General Assembly has approved such membership as evidenced by language authorizing such action in the Appropriation Act, with the exception of any expenditures required pursuant to any contract signed prior to the passage of this act by the General Assembly, nor shall any RGGI auction proceeds be used to supplement any appropriation in this act without express General Assembly approval.”

Explanation:

(This amendment prohibits the use of any funds appropriated by the General Assembly to support membership or participation in any climate change compacts without express General Assembly approval.)

Item 4-5.11 #2c

Special Conditions and Restrictions on Expenditures

FY18-19

FY19-20

Department of General Services

Language:

Page 601, after line 45, insert:

"4-5.11 Seat of Government Traffic and Pedestrian Safety

\$0

\$0

Conference Report to House Bill 1700

Page 601, after line 45, insert:

"In order to implement and maintain traffic and pedestrian operational safety and security enhancements and secure the seat of government, the Commonwealth Transportation Board shall, not later than January 1, 2020, add to the state primary highway system, pursuant to § 33.2-314, Code of Virginia, those portions of the rights-of-way located in the City of Richmond identified as Bank Street from 9th Street to 14th Street, 10th Street from Main Street to Bank Street, 12th Street from Main Street to Bank Street, and Governor Street from Main Street to Bank Street and, pursuant to the responsibilities of the Department of General Services (DGS) (§ 2.2-1129) and the Division of Capitol Police (DCP) (§ 30-34.2:1), DGS and DCP shall control those rights-of-way and pedestrian and vehicular traffic thereon. The rights-of-way so transferred shall be in addition to the 50 miles per year authorized to be transferred under § 33.2-314(A)."

Explanation:

(This amendment addresses efforts to implement and maintain traffic and pedestrian operational safety and security.)

Item 4-6.01 #1c

Special Conditions and Restrictions on Expenditures

Employee Compensation

Language

Language:

Page 609, line 19, strike "Administrator" and unstrike "Director".

Explanation:

(This amendment corrects a technical error in the introduced budget regarding the title of the Director of the Southwest Virginia Higher Education Center.)

Item 4-6.01 #2c

Special Conditions and Restrictions on Expenditures

Employee Compensation

Language

Language:

Page 607, unstrike line 21.

Page 607, line 21, strike the second "\$90,537" and insert "\$92,348".

Page 607, line 21, strike the third "\$90,537" and insert "\$92,348".

Page 607, strike line 37.

Explanation:

Conference Report to House Bill 1700

(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.)

Item 4-6.01 #3c

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.)

Item 4-9.02 #1c

Higher Education Restructuring

Level II Authority

Language

Language:

Page 625, after line 11, insert:

"e. Notwithstanding the small purchase thresholds set forth in the Rules Governing Procurement for institutions of higher education that have operational authority in the area of procurement, the small purchases thresholds shall be the same thresholds set forth in the Virginia Public Procurement Act (§ 2.2- 4300 et seq). Where small purchase thresholds in the Rules Governing Procurement for such institutions exceed those in 2.2-4300 et seq, the Rules Governing Procurement shall be the authorized procurement threshold."

Explanation:

(This amendment makes technical language changes that correct inconsistent thresholds in the procurement process.)

Item 4-9.03 #1c

Higher Education Restructuring

Level III Authority

Language

Language:

Page 625, after line 17, insert:

Conference Report to House Bill 1700

"c. Notwithstanding the small purchase thresholds set forth in the Rules Governing Procurement the small purchases thresholds for Level III institutions shall be the small purchase thresholds set forth in the Virginia Public Procurement Act (§ 2.2-4300 et seq). Where small purchase thresholds under Rules Governing Procurement for Level III institutions exceed those in 2.2-4300 et seq, the Rules Governing Procurement shall be the authorized procurement threshold."

Explanation:

(This amendment makes technical language changes that correct inconsistent thresholds in the procurement process.)

Item 4-14 #1c

Effective Date

Additional Enactments

Language

Language:

Page 630, strike lines 47 through 49 and insert:

"7. That the Code of Virginia is amended and reenacted by amending §§ 58.1-601, 58.1-602, 58.1-605, 58.1-606, 58.1-612, 58.1-615, and 58.1-635, as they may become effective, repealing the seventh and fifteenth enactments of Chapter 766 of the Acts of Assembly of 2013 and the twelfth enactment of Chapter 684 of the Acts of Assembly of 2015, as amended by Chapters 854 and 856 of the Acts of Assembly of 2018, relating to remote sales and use tax collection and sufficient activity by dealers and marketplace facilitators as to require registration for sales and use tax collection and adding a section numbered 58.1-612.1, as follows:

§ 58.1-601. (Contingent expiration date) Administration of chapter.

A. The Tax Commissioner shall administer and enforce the assessment and collection of the taxes and penalties imposed by this chapter, *including the collection of state and local sales and use taxes from remote sellers.*

B. *In administering the collection of state and local sales and use taxes from remote sellers, the Tax Commissioner shall:*

- 1. Provide adequate information to remote sellers to enable them to identify state and local sales and use tax rates and exemptions;*
- 2. Provide adequate information to software providers to enable them to make software and services available to remote sellers;*
- 3. Ensure that if the Department requires a periodic audit the remote seller may complete a single audit that covers the state and local sales and use taxes in all localities; and*
- 4. Require no more than one sales and use tax return per month be filed with the Department by any remote seller or any software provider on behalf of such remote seller.*

Conference Report to House Bill 1700

C. For purposes of evaluating the fiscal, economic and policy impact of sales and use tax exemptions, the Tax Commissioner may require from any person information relating to the evaluation of exempt purchases or sales, information relating to the qualification for exempt purchases, and information relating to direct or indirect government financial assistance ~~which~~ *that* the person receives. Such information shall be filed on forms prescribed by the Tax Commissioner.

§ 58.1-602. (Contingent expiration date) Definitions.

As used in this chapter, unless the context clearly shows otherwise, ~~the term or phrase:~~

"Advertising" means the planning, creating, or placing of advertising in newspapers, magazines, billboards, broadcasting and other media, including, without limitation, the providing of concept, writing, graphic design, mechanical art, photography and production supervision. Any person providing advertising as defined ~~herein~~ *in this section* shall be deemed to be the user or consumer of all tangible personal property purchased for use in such advertising.

"Amplification, transmission and distribution equipment" means, but is not limited to, production, distribution, and other equipment used to provide Internet-access services, such as computer and communications equipment and software used for storing, processing and retrieving end-user subscribers' requests.

"Business" includes any activity engaged in by any person, or caused to be engaged in by him, with the object of gain, benefit or advantage, either directly or indirectly.

"Cost price" means the actual cost of an item or article of tangible personal property computed in the same manner as the sales price as defined in this section without any deductions therefrom on account of the cost of materials used, labor, or service costs, transportation charges, or any expenses whatsoever.

"Custom program" means a computer program ~~which~~ *that* is specifically designed and developed only for one customer. The combining of two or more prewritten programs does not constitute a custom computer program. A prewritten program that is modified to any degree remains a prewritten program and does not become custom.

"Distribution" means the transfer or delivery of tangible personal property for use, consumption, or storage by the distributee, and the use, consumption, or storage of tangible personal property by a person ~~who~~ *that* has processed, manufactured, refined, or converted such property, but does not include the transfer or delivery of tangible personal property for resale or any use, consumption, or storage otherwise exempt under this chapter.

"Gross proceeds" means the charges made or voluntary contributions received for the lease or rental of tangible personal property or for furnishing services, computed with the same deductions, where applicable, as for sales price as defined in this section over the term of the lease, rental, service, or use, but not less frequently than monthly. "Gross proceeds" does not include finance charges, carrying charges, service charges, or interest from credit extended on

Conference Report to House Bill 1700

the lease or rental of tangible personal property under conditional lease or rental contracts or other conditional contracts providing for the deferred payments of the lease or rental price.

"Gross sales" means the sum total of all retail sales of tangible personal property or services as defined in this chapter, without any deduction, except as provided in this chapter. "Gross sales" ~~shall~~ *does* not include the federal retailers' excise tax or the federal diesel fuel excise tax imposed in § 4091 of the Internal Revenue Code if the excise tax is billed to the purchaser separately from the selling price of the article, or the Virginia retail sales or use tax, or any sales or use tax imposed by any county or city under § 58.1-605 or 58.1-606.

"Import" and "imported" are words applicable to tangible personal property imported into the Commonwealth from other states as well as from foreign countries, and "export" and "exported" are words applicable to tangible personal property exported from the Commonwealth to other states as well as to foreign countries.

"In this Commonwealth" or "in the Commonwealth" means within the limits of the Commonwealth of Virginia and includes all territory within these limits owned by or ceded to the United States of America.

"Integrated process," when used in relation to semiconductor manufacturing, means a process that begins with the research or development of semiconductor products, equipment, or processes, includes the handling and storage of raw materials at a plant site, and continues to the point that the product is packaged for final sale and either shipped or conveyed to a warehouse. Without limiting the foregoing, any semiconductor equipment, fuel, power, energy, supplies, or other tangible personal property shall be deemed used as part of the integrated process if its use contributes, before, during, or after production, to higher product quality, production yields, or process efficiencies. Except as otherwise provided by law, ~~such term shall~~ *"integrated process" does* not mean general maintenance or administration.

"Internet" means collectively, the myriad of computer and telecommunications facilities, which comprise the interconnected ~~world-wide~~ *worldwide* network of computer networks.

"Internet service" means a service that enables users to access proprietary and other content, information electronic mail, and the Internet as part of a package of services sold to end-user subscribers.

"Lease or rental" means the leasing or renting of tangible personal property and the possession or use thereof by the lessee or renter for a consideration, without transfer of the title to such property.

"Manufacturing, processing, refining, or conversion" includes the production line of the plant starting with the handling and storage of raw materials at the plant site and continuing through the last step of production where the product is finished or completed for sale and conveyed to a warehouse at the production site, and also includes equipment and supplies used for production line testing and quality control. ~~The term "manufacturing" shall~~ *"Manufacturing" also include* *includes* the necessary ancillary activities of newspaper and magazine printing when such activities are performed by the publisher of any newspaper or magazine for sale daily or

Conference Report to House Bill 1700

regularly at average intervals not exceeding three months.

The determination of whether any manufacturing, mining, processing, refining or conversion activity is industrial in nature shall be made without regard to plant size, existence or size of finished product inventory, degree of mechanization, amount of capital investment, number of employees or other factors relating principally to the size of the business. Further, "industrial in nature" ~~shall include~~ *includes*, but *is not* ~~be~~ limited to, those businesses classified in codes 10 through 14 and 20 through 39 published in the Standard Industrial Classification Manual for 1972 and any supplements issued thereafter.

"Modular building" means, but ~~shall is not be~~ limited to, single and multifamily houses, apartment units, commercial buildings, and permanent additions thereof, comprised of one or more sections that are intended to become real property, primarily constructed at a location other than the permanent site, built to comply with the Virginia Industrialized Building Safety Law (§ 36-70 et seq.) as regulated by the Virginia Department of Housing and Community Development, and shipped with most permanent components in place to the site of final assembly. For purposes of this chapter, a "modular building ~~shall~~" *does* not include a mobile office as defined in § 58.1-2401 or any manufactured building subject to and certified under the provisions of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. § 5401 et seq.).

"Modular building manufacturer" means a person ~~or corporation who~~ *that* owns or operates a manufacturing facility and is engaged in the fabrication, construction and assembling of building supplies and materials into modular buildings, as defined in this section, at a location other than at the site where the modular building will be assembled on the permanent foundation and may or may not be engaged in the process of affixing the modules to the foundation at the permanent site.

"Modular building retailer" means any person ~~who~~ *that* purchases or acquires a modular building from a modular building manufacturer, or from another person, for subsequent sale to a customer residing within or outside of the Commonwealth, with or without installation of the modular building to the foundation at the permanent site.

"Motor vehicle" means a "motor vehicle" as defined in § 58.1-2401, taxable under the provisions of the Virginia Motor Vehicles Sales and Use Tax Act (§ 58.1-2400 et seq.) and upon the sale of which all applicable motor vehicle sales and use taxes have been paid.

"Occasional sale" means a sale of tangible personal property not held or used by a seller in the course of an activity for which ~~he~~ *it* is required to hold a certificate of registration, including the sale or exchange of all or substantially all the assets of any business and the reorganization or liquidation of any business, provided *that* such sale or exchange is not one of a series of sales and exchanges sufficient in number, scope and character to constitute an activity requiring the holding of a certificate of registration.

"Open video system" means an open video system authorized pursuant to 47 U.S.C. § 573 and, for purposes of this chapter only, ~~shall also include~~ *includes* Internet service regardless of

Conference Report to House Bill 1700

whether the provider of such service is also a telephone common carrier.

"Person" includes any individual, firm, copartnership, cooperative, nonprofit membership corporation, joint venture, association, corporation, estate, trust, business trust, trustee in bankruptcy, receiver, auctioneer, syndicate, assignee, club, society, or other group or combination acting as a unit, body politic or political subdivision, whether public or private, or quasi-public, and the plural of ~~such term shall mean~~ "person" means the same as the singular.

"Prewritten program" means a computer program that is prepared, held or existing for general or repeated sale or lease, including a computer program developed for in-house use and subsequently sold or leased to unrelated third parties.

"Railroad rolling stock" means locomotives, of whatever motive power, autocars, railroad cars of every kind and description, and all other equipment determined by the Tax Commissioner to constitute railroad rolling stock.

"Remote seller" means any dealer deemed to have sufficient activity within the Commonwealth to require registration under § 58.1-613 under the criteria specified in subdivision C 10 or 11 of § 58.1-612 or any software provider acting on behalf of such dealer.

"Retail sale" or a "sale at retail" means a sale to any person for any purpose other than for resale in the form of tangible personal property or services taxable under this chapter, and shall include any such transaction as the Tax Commissioner upon investigation finds to be in lieu of a sale. All sales for resale must be made in strict compliance with regulations applicable to this chapter. Any dealer making a sale for resale which is not in strict compliance with such regulations shall be personally liable for payment of the tax.

The terms "retail sale" and a "sale at retail" ~~shall~~ specifically include the following: (i) the sale or charges for any room or rooms, lodgings, or accommodations furnished to transients for less than 90 continuous days by any hotel, motel, inn, tourist camp, tourist cabin, camping grounds, club, or any other place in which rooms, lodging, space, or accommodations are regularly furnished to transients for a consideration; (ii) sales of tangible personal property to persons for resale when because of the operation of the business, or its very nature, or the lack of a place of business in which to display a certificate of registration, or the lack of a place of business in which to keep records, or the lack of adequate records, or because such persons are minors or transients, or because such persons are engaged in essentially service businesses, or for any other reason there is likelihood that the Commonwealth will lose tax funds due to the difficulty of policing such business operations; (iii) the separately stated charge made for automotive refinish repair materials that are permanently applied to or affixed to a motor vehicle during its repair; and (iv) the separately stated charge for equipment available for lease or purchase by a provider of satellite television programming to the customer of such programming. Equipment sold to a provider of satellite television programming for subsequent lease or purchase by the customer of such programming shall be deemed a sale for resale. The Tax Commissioner is authorized to promulgate regulations requiring vendors of or sellers to such persons to collect the tax imposed by this chapter on the cost price of such tangible personal property to such persons and may refuse to issue certificates of registration to such persons. The terms "retail

Conference Report to House Bill 1700

sale" and a "sale at retail" also ~~shall~~ specifically include the separately stated charge made for supplies used during automotive repairs whether or not there is transfer of title or possession of the supplies and whether or not the supplies are attached to the automobile. The purchase of such supplies by an automotive repairer for sale to the customer of such repair services shall be deemed a sale for resale.

The term "transient" ~~shall~~ *does* not include a purchaser of camping memberships, time-shares, condominiums, or other similar contracts or interests that permit the use of, or constitute an interest in, real estate, however created or sold and whether registered with the Commonwealth or not. Further, a purchaser of a right or license which entitles the purchaser to use the amenities and facilities of a specific real estate project on an ongoing basis throughout its term shall not be deemed a transient, provided, however, that the term or time period involved is for seven years or more.

The terms "retail sale" and "sale at retail" ~~shall~~ *do* not include a transfer of title to tangible personal property after its use as tools, tooling, machinery or equipment, including dies, molds, and patterns, if (i) at the time of purchase, the purchaser is obligated, under the terms of a written contract, to make the transfer and (ii) the transfer is made for the same or a greater consideration to the person for whom the purchaser manufactures goods.

"Retailer" means every person engaged in the business of making sales at retail, or for distribution, use, consumption, or storage to be used or consumed in the Commonwealth.

"Sale" means any transfer of title or possession, or both, exchange, barter, lease or rental, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property and any rendition of a taxable service for a consideration, and includes the fabrication of tangible personal property for consumers who furnish, either directly or indirectly, the materials used in fabrication, and the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing, or serving such tangible personal property. A transaction whereby the possession of property is transferred but the seller retains title as security for the payment of the price shall be deemed a sale.

"Sales price" means the total amount for which tangible personal property or services are sold, including any services that are a part of the sale, valued in money, whether paid in money or otherwise, and includes any amount for which credit is given to the purchaser, consumer, or lessee by the dealer, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, losses or any other expenses whatsoever.

"Sales price" ~~shall~~ *does* not include (i) any cash discount allowed and taken; (ii) finance charges, carrying charges, service charges or interest from credit extended on sales of tangible personal property under conditional sale contracts or other conditional contracts providing for deferred payments of the purchase price; (iii) separately stated local property taxes collected; (iv) that portion of the amount paid by the purchaser as a discretionary gratuity added to the price of a meal; or (v) that portion of the amount paid by the purchaser as a mandatory gratuity or service charge added by a restaurant to the price of a meal, but only to the extent that such

Conference Report to House Bill 1700

mandatory gratuity or service charge does not exceed 20 percent of the price of the meal. Where used articles are taken in trade, or in a series of trades as a credit or part payment on the sale of new or used articles, the tax levied by this chapter shall be paid on the net difference between the sales price of the new or used articles and the credit for the used articles.

"Semiconductor cleanrooms" means the integrated systems, fixtures, piping, partitions, flooring, lighting, equipment, and all other property used to reduce contamination or to control airflow, temperature, humidity, vibration, or other environmental conditions required for the integrated process of semiconductor manufacturing.

"Semiconductor equipment" means (i) machinery or tools or repair parts or replacements thereof; (ii) the related accessories, components, pedestals, bases, or foundations used in connection with the operation of the equipment, without regard to the proximity to the equipment, the method of attachment, or whether the equipment or accessories are affixed to the realty; (iii) semiconductor wafers and other property or supplies used to install, test, calibrate or recalibrate, characterize, condition, measure, or maintain the equipment and settings thereof; and (iv) equipment and supplies used for quality control testing of product, materials, equipment, or processes; or the measurement of equipment performance or production parameters regardless of where or when the quality control, testing, or measuring activity takes place, how the activity affects the operation of equipment, or whether the equipment and supplies come into contact with the product.

"Storage" means any keeping or retention of tangible personal property for use, consumption or distribution in the Commonwealth, or for any purpose other than sale at retail in the regular course of business.

"Tangible personal property" means personal property ~~which~~ *that* may be seen, weighed, measured, felt, or touched, or is in any other manner perceptible to the senses. ~~The term "tangible "Tangible personal property" shall does not include stocks, bonds, notes, insurance or other obligations or securities. The term "tangible "Tangible personal property" shall include~~ *includes* (i) telephone calling cards upon their initial sale, which shall be exempt from all other state and local utility taxes, and (ii) manufactured signs.

"Use" means the exercise of any right or power over tangible personal property incident to the ownership thereof, except that it does not include the sale at retail of that property in the regular course of business. ~~The term "Use" does not include the exercise of any right or power, including use, distribution, or storage, over any tangible personal property sold to a nonresident donor for delivery outside of the Commonwealth to a nonresident recipient pursuant to an order placed by the donor from outside the Commonwealth via mail or telephone. The term "Use" does not include any sale determined to be a gift transaction, subject to tax under § 58.1-604.6.~~

"Use tax" refers to the tax imposed upon the use, consumption, distribution, and storage as ~~herein~~ defined *in this section*.

"Used directly," when used in relation to manufacturing, processing, refining, or conversion, refers to those activities ~~which~~ *that* are an integral part of the production of a product, including

Conference Report to House Bill 1700

all steps of an integrated manufacturing or mining process, but not including ancillary activities such as general maintenance or administration. When used in relation to mining, ~~it shall refer~~ "used directly" refers to the activities specified ~~above~~, in this definition and, in addition, any reclamation activity of the land previously mined by the mining company required by state or federal law.

"Video programmer" means a person ~~or entity~~ that provides video programming to end-user subscribers.

"Video programming" means video and/or information programming provided by or generally considered comparable to programming provided by a cable operator, including, but not limited to, Internet service.

§ 58.1-604. (Contingent expiration date) Imposition of use tax.

There is hereby levied and imposed, in addition to all other taxes and fees now imposed by law, a tax upon the use or consumption of tangible personal property in this Commonwealth, or the storage of such property outside the Commonwealth for use or consumption in this Commonwealth, in the amount of 4.3 percent:

1. Of the cost price of each item or article of tangible personal property used or consumed in this Commonwealth. Tangible personal property that has been acquired for use outside this Commonwealth and subsequently becomes subject to the tax imposed hereunder shall be taxed on the basis of its cost price if such property is brought within this Commonwealth for use within six months of its acquisition; but if so brought within this Commonwealth six months or more after its acquisition, such property shall be taxed on the basis of the current market value (but not in excess of its cost price) of such property at the time of its first use within this Commonwealth. Such tax shall be based on such proportion of the cost price or current market value as the duration of time of use within this Commonwealth bears to the total useful life of such property (but it shall be presumed in all cases that such property will remain within this Commonwealth for the remainder of its useful life unless convincing evidence is provided to the contrary).

2. Of the cost price of each item or article of tangible personal property stored outside this Commonwealth for use or consumption in this Commonwealth.

3. A transaction taxed under § 58.1-603 shall not also be taxed under this section, nor shall the same transaction be taxed more than once under either section.

4. The use tax shall not apply with respect to the use of any article of tangible personal property brought into this Commonwealth by a nonresident individual, visiting in Virginia, for his personal use, while within this Commonwealth.

~~5. (Contingent repeal date -- see note) The use tax shall not apply to out-of-state mail order catalog purchases totaling \$100 or less during any calendar year.~~

§ 58.1-604. (Contingent effective date) Imposition of use tax.

There is hereby levied and imposed, in addition to all other taxes and fees now imposed by law,

Conference Report to House Bill 1700

a tax upon the use or consumption of tangible personal property in this Commonwealth, or the storage of such property outside the Commonwealth for use or consumption in this Commonwealth, in the amount of three and one-half percent through midnight on July 31, 2004, and four percent beginning on and after August 1, 2004:

1. Of the cost price of each item or article of tangible personal property used or consumed in this Commonwealth. Tangible personal property which has been acquired for use outside this Commonwealth and subsequently becomes subject to the tax imposed hereunder shall be taxed on the basis of its cost price if such property is brought within this Commonwealth for use within six months of its acquisition; but if so brought within this Commonwealth six months or more after its acquisition, such property shall be taxed on the basis of the current market value (but not in excess of its cost price) of such property at the time of its first use within this Commonwealth. Such tax shall be based on such proportion of the cost price or current market value as the duration of time of use within this Commonwealth bears to the total useful life of such property (but it shall be presumed in all cases that such property will remain within this Commonwealth for the remainder of its useful life unless convincing evidence is provided to the contrary).

2. Of the cost price of each item or article of tangible personal property stored outside this Commonwealth for use or consumption in this Commonwealth.

3. A transaction taxed under § 58.1-603 shall not also be taxed under this section, nor shall the same transaction be taxed more than once under either section.

4. The use tax shall not apply with respect to the use of any article of tangible personal property brought into this Commonwealth by a nonresident individual, visiting in Virginia, for his personal use, while within this Commonwealth.

~~5. The use tax shall not apply to out-of-state mail order catalog purchases totaling \$100 or less during any calendar year.~~

§ 58.1-605. (Contingent expiration date) To what extent and under what conditions cities and counties may levy local sales taxes; collection thereof by Commonwealth and return of revenue to each city or county entitled thereto.

A. No county, city or town shall impose any local general sales or use tax or any local general retail sales or use tax except as authorized by this section.

B. The council of any city and the governing body of any county may levy a general retail sales tax at the rate of one percent to provide revenue for the general fund of such city or county. Such tax shall be added to the rate of the state sales tax imposed by §§ 58.1-603 and 58.1-604 and shall be subject to all the provisions of this chapter and the rules and regulations published with respect thereto. No discount under § 58.1-622 shall be allowed on a local sales tax.

C. 1. The council of any city and the governing body of any county desiring to impose a local sales tax under this section may do so by the adoption of an ordinance stating its purpose and referring to this section, and providing that such ordinance shall be effective on the first day of a

Conference Report to House Bill 1700

month at least 60 days after its adoption. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so that it will be received within five days after its adoption.

2. Prior to any change in the rate of any local sales and use tax, the Tax Commissioner shall provide remote sellers with at least 30 days' notice. Any change in the rate of any local sales and use tax shall only become effective on the first day of a calendar quarter. Failure to provide notice pursuant to this section shall require the Commonwealth and the locality to apply the preceding effective rate until 30 days after notification is provided.

D. Any local sales tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner and subject to the same penalties as provided for the state sales tax.

E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid into the state treasury to the credit of a special fund which is hereby created on the Comptroller's books under the name "Collections of Local Sales Taxes." Such local sales tax moneys shall be credited to the account of each particular city or county levying a local sales tax under this section. The basis of such credit shall be the city or county in which the sales were made as shown by the records of the Department and certified by it monthly to the Comptroller, namely, the city or county of location of each place of business of every dealer paying the tax to the Commonwealth without regard to the city or county of possible use by the purchasers. If a dealer has any place of business located in more than one political subdivision by reason of the boundary line or lines passing through such place of business, the amount of sales tax paid by such a dealer with respect to such place of business shall be treated for the purposes of this section as follows: one-half shall be assignable to each political subdivision where two are involved, one-third where three are involved, and one-fourth where four are involved.

F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in any month for the preceding month, the Comptroller shall draw his warrant on the Treasurer of Virginia in the proper amount in favor of each city or county entitled to the monthly return of its local sales tax moneys, and such payments shall be charged to the account of each such city or county under the special fund created by this section. If errors are made in any such payment, or adjustments are otherwise necessary, whether attributable to refunds to taxpayers, or to some other fact, the errors shall be corrected and adjustments made in the payments for the next two months as follows: one-half of the total adjustment shall be included in the payments for the next two months. In addition, the payment shall include a refund of amounts erroneously not paid to the city or county and not previously refunded during the three years preceding the discovery of the error. A correction and adjustment in payments described in this subsection due to the misallocation of funds by the dealer shall be made within three years of the date of the payment error.

G. Such payments to counties are subject to the qualification that in any county wherein is situated any incorporated town constituting a special school district and operated as a separate school district under a town school board of three members appointed by the town council, the

Conference Report to House Bill 1700

county treasurer shall pay into the town treasury for general governmental purposes the proper proportionate amount received by him in the ratio that the school age population of such town bears to the school age population of the entire county. If the school age population of any town constituting a separate school district is increased by the annexation of territory since the last estimate of school age population provided by the Weldon Cooper Center for Public Service, such increase shall, for the purposes of this section, be added to the school age population of such town as shown by the last such estimate and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.

H. One-half of such payments to counties are subject to the further qualification, other than as set out in subsection G ~~above~~, that in any county wherein is situated any incorporated town not constituting a separate special school district which has complied with its charter provisions providing for the election of its council and mayor for a period of at least four years immediately prior to the adoption of the sales tax ordinance, the county treasurer shall pay into the town treasury of each such town for general governmental purposes the proper proportionate amount received by him in the ratio that the school age population of each such town bears to the school age population of the entire county, based on the latest estimate provided by the Weldon Cooper Center for Public Service. The preceding requirement pertaining to the time interval between compliance with election provisions and adoption of the sales tax ordinance shall not apply to a tier-city. If the school age population of any such town not constituting a separate special school district is increased by the annexation of territory or otherwise since the last estimate of school age population provided by the Weldon Cooper Center for Public Service, such increase shall, for the purposes of this section, be added to the school age population of such town as shown by the last such estimate and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.

I. Notwithstanding the provisions of subsection H, the board of supervisors of a county may, in its discretion, appropriate funds to any incorporated town not constituting a separate school district within such county which has not complied with the provisions of its charter relating to the elections of its council and mayor, an amount not to exceed the amount it would have received from the tax imposed by this chapter if such election had been held.

J. It is further provided that if any incorporated town which would otherwise be eligible to receive funds from the county treasurer under subsection G or H of this section be located in a county which does not levy a general retail sales tax under the provisions of this law, such town may levy a general retail sales tax at the rate of one percent to provide revenue for the general fund of the town, subject to all the provisions of this section generally applicable to cities and counties. Any tax levied under the authority of this subsection shall in no case continue to be levied on or after the effective date of a county ordinance imposing a general retail sales tax in the county within which such town is located.

§ 58.1-612. *Tax collectible from dealers; "dealer" defined; jurisdiction.*

A. The tax levied by §§ 58.1-603 and 58.1-604 shall be collectible from all persons ~~who~~ *that* are dealers, as ~~hereinafter~~ *hereinafter* defined *in this section*, and ~~who~~ *that* have sufficient contact with the Commonwealth to qualify under (i) subsections ~~(i)~~ B and C or (ii) *subsections* B and D.

Conference Report to House Bill 1700

B. ~~The term "dealer," as~~ As used in this chapter, ~~shall include~~ "dealer" includes every person ~~who~~ that:

1. Manufactures or produces tangible personal property for sale at retail, for use, consumption, or distribution, or for storage to be used or consumed in this Commonwealth;
2. Imports or causes to be imported into this Commonwealth tangible personal property from any state or foreign country, for sale at retail, for use, consumption, or distribution, or for storage to be used or consumed in this Commonwealth;
3. Sells at retail, or ~~who that~~ offers for sale at retail, or ~~who that~~ has in ~~his~~ its possession for sale at retail, or for use, consumption, or distribution, or for storage to be used or consumed in this Commonwealth, tangible personal property;
4. Has sold at retail, used, consumed, distributed, or stored for use or consumption in this Commonwealth, tangible personal property and ~~who that~~ cannot prove that the tax levied by this chapter has been paid on the sale at retail, the use, consumption, distribution, or storage of such tangible personal property;
5. Leases or rents tangible personal property for a consideration, permitting the use or possession of such property without transferring title thereto;
6. Is the lessee or rentee of tangible personal property and ~~who that~~ pays to the owner of such property a consideration for the use or possession of such property without acquiring title thereto;
7. As a representative, agent, or solicitor, of an out-of-state principal, solicits, receives and accepts orders from persons in this Commonwealth for future delivery and whose principal refuses to register as a dealer under § 58.1-613; or
8. Becomes liable to and owes this Commonwealth any amount of tax imposed by this chapter, whether ~~he~~ it holds, or is required to hold, a certificate of registration under § 58.1-613.

C. A dealer shall be deemed to have sufficient activity within the Commonwealth to require registration under § 58.1-613 if ~~he~~ it:

1. Maintains or has within this Commonwealth, directly or through an agent or subsidiary, an office, warehouse, or place of business of any nature;
2. Solicits business in this Commonwealth by employees, independent contractors, agents or other representatives;
3. Advertises in newspapers or other periodicals printed and published within this Commonwealth, on billboards or posters located in this Commonwealth, or through materials distributed in this Commonwealth by means other than the United States mail;
4. Makes regular deliveries of tangible personal property within this Commonwealth by means other than common carrier. A person shall be deemed to be making regular deliveries hereunder if vehicles other than those operated by a common carrier enter this Commonwealth more than

Conference Report to House Bill 1700

12 times during a calendar year to deliver goods sold by him;

5. Solicits business in this Commonwealth on a continuous, regular, seasonal, or systematic basis by means of advertising that is broadcast or relayed from a transmitter within this Commonwealth or distributed from a location within this Commonwealth;

6. Solicits business in this Commonwealth by mail, if the solicitations are continuous, regular, seasonal, or systematic and if the dealer benefits from any banking, financing, debt collection, or marketing activities occurring in this Commonwealth or benefits from the location in this Commonwealth of authorized installation, servicing, or repair facilities;

7. Is owned or controlled by the same interests which own or control a business located within this Commonwealth;

8. Has a franchisee or licensee operating under the same trade name in this Commonwealth if the franchisee or licensee is required to obtain a certificate of registration under § 58.1-613; ~~or~~

9. Owns tangible personal property that is for sale located in this Commonwealth, or that is rented or leased to a consumer in this Commonwealth, or offers tangible personal property, on approval, to consumers in this Commonwealth;

10. Receives more than \$100,000 in gross revenue, or other minimum amount as may be required by federal law, from retail sales in the Commonwealth in the previous or current calendar year, provided that in determining the amount of a dealer's gross revenues, the sales made by all commonly controlled persons as defined in subsection D shall be aggregated; or

11. Engages in 200 or more separate retail sales transactions, or other minimum amount as may be required by federal law, in the Commonwealth in the previous or current calendar year, provided that in determining the total number of a dealer's retail sales transactions, the sales made by all commonly controlled persons as defined in subsection D shall be aggregated.

D. A dealer is presumed to have sufficient activity within the Commonwealth to require registration under § 58.1-613 (unless the presumption is rebutted as provided herein) if any commonly controlled person maintains a distribution center, warehouse, fulfillment center, office, or similar location within the Commonwealth that facilitates the delivery of tangible personal property sold by the dealer to its customers. The presumption in this subsection may be rebutted by demonstrating that the activities conducted by the commonly controlled person in the Commonwealth are not significantly associated with the dealer's ability to establish or maintain a market in the Commonwealth for the dealer's sales. For purposes of this subsection, a "commonly controlled person" means any person that is a member of the same "controlled group of corporations," as defined in § 1563(a) of the Internal Revenue Code of 1954, as amended or renumbered, as the dealer or any other entity that, notwithstanding its form of organization, bears the same ownership relationship to the dealer as a corporation that is a member of the same "controlled group of corporations," as defined in § 1563(a) of the Internal Revenue Code of 1954, as amended or renumbered.

E. Notwithstanding any other provision of this section, the following shall not be considered to

Conference Report to House Bill 1700

determine whether a person ~~who~~ *that* has contracted with a commercial printer for printing in the Commonwealth is a "dealer" and whether such person has sufficient contact with the Commonwealth to be required to register under § 58.1-613:

1. The ownership or leasing by that person of tangible or intangible property located at the Virginia premises of the commercial printer which is used solely in connection with the printing contract with the person;
2. The sale by that person of property of any kind printed at and shipped or distributed from the Virginia premises of the commercial printer;
3. Activities in connection with the printing contract with the person performed by or on behalf of that person at the Virginia premises of the commercial printer; and
4. Activities in connection with the printing contract with the person performed by the commercial printer within Virginia for or on behalf of that person.

F. In addition to the jurisdictional standards contained in subsections C and D, nothing contained ~~herein~~ (*in this chapter* other than *in* subsection E) shall limit any authority ~~which~~ *that* this Commonwealth may enjoy under the provisions of federal law or an opinion of the United States Supreme Court to require the collection of sales and use taxes by any dealer ~~who~~ *that* regularly or systematically solicits sales within this Commonwealth. Furthermore, nothing contained in subsection C shall require any broadcaster, printer, outdoor advertising firm, advertising distributor, or publisher which broadcasts, publishes, or displays or distributes paid commercial advertising in this Commonwealth which is intended to be disseminated primarily to consumers located in this Commonwealth to report or impose any liability to pay any tax imposed under this chapter solely because such broadcaster, printer, outdoor advertising firm, advertising distributor, or publisher accepted such advertising contracts from out-of-state advertisers or sellers.

~~G. (Contingent effective date) Pursuant to any federal legislation that grants states the authority to require remote sellers to collect sales and use tax, the Commonwealth is authorized, as permitted by such federal legislation, to require collection of sales and use tax by any remote seller, or a single or consolidated provider acting on behalf of a remote seller. If the federal legislation has an exemption for sellers whose sales are less than a minimum amount, then in determining such amount, the sales made by all persons related within the meanings of subsections (b) and (c) of § 267 or § 707(b)(1) of the Internal Revenue Code of 1986 shall be aggregated.~~

§ 58.1-612.1. *Tax collectible from marketplace facilitators; "marketplace facilitator" defined.*

A. *As used in this chapter:*

"Marketplace facilitator" means a person that contracts with a marketplace seller to facilitate, for consideration and regardless of whether such consideration is deducted as fees from transactions, the sale of such marketplace seller's products through a physical or electronic

Conference Report to House Bill 1700

marketplace operated by such person. "Marketplace facilitator" does not include a payment processor business appointed by a merchant to handle payment transactions from various channels, such as credit cards and debit cards, and whose sole activity with respect to marketplace sales is to handle transactions between two parties. "Marketplace facilitator" does not include a platform or forum that exclusively provides internet advertising services, including any advertisements that may list products for sale, so long as such platform or forum does not also engage directly or indirectly through one or more commonly controlled persons, as defined in subsection D of § 58.1-612, in the activities described in subsection C.

"Marketplace seller" means a person that is not a commonly controlled person, as defined in subsection D of § 58.1-612, to a marketplace facilitator and that makes sales through any physical or electronic marketplace operated by such marketplace facilitator, even if such seller would not have been required to collect and remit sales and use tax had the sale not been made through such marketplace.

B. The tax levied under this chapter shall be collectible from all persons that are marketplace facilitators that have sufficient contact with Virginia to require registration under subsection C.

C. A marketplace facilitator shall be deemed to have sufficient activity within the Commonwealth to require registration under § 58.1-613 if it meets at least one requirement in each of subdivisions 1, 2, and 3:

1. It engages, either directly or indirectly, through a commonly controlled person as defined in subsection D of § 58.1-612 in any of the following activities:

a. Transmitting or communicating an offer or acceptance between a purchaser and a marketplace seller;

b. Owning or operating the infrastructure, whether electronic or physical, or technology that brings purchasers and marketplace sellers together; or

c. Providing a virtual currency that purchasers are allowed or required to use to purchase products from the marketplace seller;

2. It engages in any of the following activities with respect to a marketplace seller's products:

a. Payment processing;

b. Fulfillment or storage;

c. Listing products for sale;

d. Setting prices;

e. Branding sales as those of the marketplace facilitator; or

f. Providing customer service or accepting or assisting with returns or exchanges; and

3. It establishes economic nexus through either of the following activities:

Conference Report to House Bill 1700

a. Facilitating sales in Virginia that, in the aggregate, generate more than \$100,000 in gross revenue, or other minimum amount as may be required by federal law, for such marketplace facilitator. A marketplace facilitator may exceed this threshold based on sales for either the previous or current calendar year. In determining the amount of a marketplace facilitator's gross revenues, the sales made by all commonly controlled persons, as defined in subsection D of § 58.1-612, shall be aggregated; or

b. Facilitating 200 or more separate retail sale transactions, or other minimum amount as may be required by federal law, in the Commonwealth in the previous or current calendar year. In determining the total number of retail sales transactions attributable to a marketplace facilitator, the sales made by all commonly controlled persons, as defined in subsection D of § 58.1-612, shall be aggregated.

D. 1. A marketplace facilitator shall be considered a dealer for purposes of this chapter and shall collect the tax imposed by this chapter on all transactions that it facilitates through its marketplace.

2. No marketplace seller shall collect sales and use tax on a transaction made through a marketplace facilitator's marketplace.

3. Notwithstanding the provisions of subdivisions 1 and 2, the Department shall allow for a waiver from the requirements of subdivisions 1 and 2 if a marketplace facilitator demonstrates, to the satisfaction of the Commissioner, that either (i) all of its marketplace sellers already are registered dealers under § 58.1-613 or (ii) the marketplace seller has sufficient nexus to require registration under § 58.1-613 and that collection of the tax by the marketplace facilitator for such marketplace seller would create an undue burden or hardship for either party. If such waiver is granted, the tax levied under this chapter shall be collectible from the marketplace seller. The Department shall develop guidelines that establish (a) the criteria for obtaining a waiver pursuant to this section, (b) the process and procedure for a marketplace facilitator to apply for a waiver, and (c) the process for providing notice to an affected marketplace facilitator and marketplace seller of a waiver obtained pursuant to this subdivision.

E. A market place facilitator shall be relieved from liability, including penalties and interest, for the incorrect collection or remittance of sales and use tax on transactions it facilitates or for which it is the seller if the error is due to reasonable reliance on (i) an invalid exemption certificate provided by the marketplace seller or the purchaser; (ii) incorrect or insufficient information provided by the Commonwealth; or (iii) incorrect or insufficient information provided by the marketplace seller or purchaser regarding the tax classification or proper sourcing of an item or transaction, provided that the marketplace facilitator can demonstrate it made a reasonable effort to obtain accurate information from the marketplace seller or purchaser. The relief from liability afforded to the marketplace facilitator pursuant to this subsection shall not exceed the total amount of tax due from the marketplace facilitator on the incorrect transaction independent of any penalties or interest that would have otherwise applied. Any deficiency resulting from incorrect information provided by the marketplace seller or as the result of an audit shall be the liability of the marketplace seller.

Conference Report to House Bill 1700

F. A marketplace facilitator is the sole entity subject to audit by the Department for sales and use tax collection for all transactions facilitated by the marketplace facilitator unless (i) the marketplace facilitator can demonstrate that its failure to collect the proper tax was due to incorrect information provided by the marketplace seller or (ii) the marketplace seller is subject to a waiver granted pursuant to subdivision D 3.

G. If a marketplace facilitator lacks physical presence in the Commonwealth and has both facilitated and made direct sales into the Commonwealth, both types of sales shall be considered in determining whether it has established economic nexus.

H. When a marketplace seller that is not otherwise required to register for the collection of the tax under any of the provisions contained in subdivisions C 1 through 9 of § 58.1-612 makes both direct sales and sales on a marketplace facilitator's marketplace, only the marketplace seller's direct sales shall be considered in determining whether the marketplace seller is required to register for the collection of the tax under subdivision C 10 or 11 of § 58.1-612.

I. No class action shall be brought against a marketplace facilitator in any court of the Commonwealth on behalf of customers arising from or in any way related to an overpayment of sales and use tax collected on sales facilitated by the marketplace facilitator, regardless of whether such claim is characterized as a tax refund claim. Nothing in this subsection shall affect a customer's right to seek a refund on an individual basis.

§ 58.1-615. (Contingent expiration date) Returns by dealers.

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

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

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

The Tax Commissioner shall not require that more than one sales and use tax return per month be filed with the Department by any remote seller or any software provider on behalf of such remote seller.

Conference Report to House Bill 1700

B. [Expired.]

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

D. Every dealer ~~who that~~ elects to file a consolidated sales tax return for any taxable period and ~~who that~~ is required to remit payment by electronic funds transfer pursuant to subsection B of § 58.1-202.1 beginning on and after July 1, 2010, shall file ~~his its~~ monthly return using an electronic medium prescribed by the Tax Commissioner. A waiver of this requirement may be granted if the Tax Commissioner determines that it creates an unreasonable burden on the dealer.

§ 58.1-625. (Effective until July 1, 2022) Collection of tax.

A. The tax levied by this chapter shall be paid by the dealer, but the dealer shall separately state the amount of the tax and add such tax to the sales price or charge. Thereafter, such tax shall be a debt from the purchaser, consumer, or lessee to the dealer until paid and shall be recoverable at law in the same manner as other debts. No action at law or suit in equity under this chapter may be maintained in this Commonwealth by any dealer ~~who that~~ is not registered under § 58.1-613 or is delinquent in the payment of the taxes imposed under this chapter.

B. Notwithstanding any exemption from taxes which any dealer now or hereafter may enjoy under the Constitution or laws of this or any other state, or of the United States, such dealer shall collect such tax from the purchaser, consumer, or lessee and shall pay the same over to the Tax Commissioner as herein provided.

C. Any dealer collecting the sales or use tax on transactions exempt or not taxable under this chapter shall transmit to the Tax Commissioner such erroneously or illegally collected tax unless or until ~~he it~~ can affirmatively show that the tax has since been refunded to the purchaser or credited to ~~his its~~ account.

D. 1. Any dealer ~~who that~~ neglects, fails, or refuses to collect such tax upon every taxable sale, distribution, lease, or storage of tangible personal property made by ~~him it, his its~~ agents, or employees shall be liable for and pay the tax ~~himself itself~~, and such dealer shall not thereafter be entitled to sue for or recover in this Commonwealth any part of the purchase price or rental from the purchaser until such tax is paid. Moreover, any dealer ~~who that~~ neglects, fails, or refuses to pay or collect the tax herein provided, either by ~~himself itself~~ or through ~~his its~~ agents or employees, ~~shall be~~ is guilty of a Class 1 misdemeanor.

2. *Notwithstanding subdivision 1, any remote seller or marketplace facilitator that has collected an incorrect amount of sales and use tax shall be relieved from liability for such amount,*

Conference Report to House Bill 1700

including any penalty or interest, if the error is a result of the remote seller's or marketplace facilitator's reasonable reliance on information provided by the Commonwealth.

~~E. (Contingent effective date) Notwithstanding subsection D, any remote seller, single provider, or consolidated provider who has collected an incorrect amount of sales or use tax shall be relieved from liability for such additional amount, including any penalty or interest, if collection of the improper amount is a result of the remote seller, single provider, or consolidated provider's reasonable reliance upon information provided by the Commonwealth, including, but not limited to, any information obtained from software provided by the Department of Taxation pursuant to subsection B of § 58.1-601.~~

~~F. All sums collected by a dealer as required by this chapter shall be deemed to be held in trust for the Commonwealth.~~

F. Notwithstanding the foregoing provisions of this section, any dealer is authorized during the period of time set forth in §§ 58.1-611.2 and 58.1-611.3 or subdivision 18 of § 58.1-609.1 not to collect the tax levied by this chapter or levied under the authority granted in §§ 58.1-605 and 58.1-606 from the purchaser, and to absorb such tax ~~himself~~*itself*. A dealer electing to absorb such taxes shall be liable for payment of such taxes to the Tax Commissioner in the same manner as ~~he~~ *it* is for tax collected from a purchaser pursuant to this section.

§58.1-625. (Effective July 1, 2022) Collection of tax.

A. The tax levied by this chapter shall be paid by the dealer, but the dealer shall separately state the amount of the tax and add such tax to the sales price or charge. Thereafter, such tax shall be a debt from the purchaser, consumer, or lessee to the dealer until paid and shall be recoverable at law in the same manner as other debts. No action at law or suit in equity under this chapter may be maintained in this Commonwealth by any dealer ~~who~~ *that* is not registered under § 58.1-613 or is delinquent in the payment of the taxes imposed under this chapter.

B. Notwithstanding any exemption from taxes which any dealer now or hereafter may enjoy under the Constitution or laws of this or any other state, or of the United States, such dealer shall collect such tax from the purchaser, consumer, or lessee and shall pay the same over to the Tax Commissioner as herein provided.

C. Any dealer collecting the sales or use tax on transactions exempt or not taxable under this chapter shall transmit to the Tax Commissioner such erroneously or illegally collected tax unless or until ~~he~~ *it* can affirmatively show that the tax has since been refunded to the purchaser or credited to ~~his~~ *its* account.

D. 1. Any dealer ~~who~~ *that* neglects, fails, or refuses to collect such tax upon every taxable sale, distribution, lease, or storage of tangible personal property made by ~~him~~ *it*, ~~his~~ *its* agents, or employees shall be liable for and pay the tax ~~himself~~ *itself*, and such dealer shall not thereafter be entitled to sue for or recover in this Commonwealth any part of the purchase price or rental from the purchaser until such tax is paid. Moreover, any dealer ~~who~~ *that* neglects, fails, or refuses to pay or collect the tax herein provided, either by ~~himself~~ *itself* or through ~~his~~ *its* agents or employees, ~~shall be~~ *is* guilty of a Class 1 misdemeanor.

Conference Report to House Bill 1700

2. Notwithstanding subdivision 1, any remote seller or marketplace facilitator that has collected an incorrect amount of sales and use tax shall be relieved from liability for such amount, including any penalty or interest, if the error is a result of the remote seller's or marketplace facilitator's reasonable reliance on information provided by the Commonwealth.

~~E. (Contingent effective date -- see Editor's note) Notwithstanding subsection D, any remote seller, single provider, or consolidated provider who has collected an incorrect amount of sales or use tax shall be relieved from liability for such additional amount, including any penalty or interest, if collection of the improper amount is a result of the remote seller, single provider, or consolidated provider's reasonable reliance upon information provided by the Commonwealth, including, but not limited to, any information obtained from software provided by the Department of Taxation pursuant to subsection B of § 58.1-601.~~

~~F. All sums collected by a dealer as required by this chapter shall be deemed to be held in trust for the Commonwealth.~~

F. Notwithstanding the foregoing provisions of this section, any dealer is authorized during the period of time set forth in § 58.1-611.2 not to collect the tax levied by this chapter or levied under the authority granted in §§ 58.1-605 and 58.1-606 from the purchaser, and to absorb such tax ~~himself~~ *itself*. A dealer electing to absorb such taxes shall be liable for payment of such taxes to the Tax Commissioner in the same manner as ~~he~~ *it* is for tax collected from a purchaser pursuant to this section.

§ 58.1-635. (Contingent expiration date) Failure to file return; fraudulent return; civil penalties.

A. When any dealer fails to make any return and pay the full amount of the tax required by this chapter, there shall be imposed, in addition to other penalties provided herein, a specific penalty to be added to the tax in the amount of six percent if the failure is for not more than one month, with an additional six percent for each additional month, or fraction thereof, during which the failure continues, not to exceed ~~thirty~~ 30 percent in the aggregate. In no case, however, shall the penalty be less than ~~ten dollars~~ \$10 and such minimum penalty shall apply whether or not any tax is due for the period for which such return was required. If such failure is due to providential or other good cause shown to the satisfaction of the Tax Commissioner, such return with or without remittance may be accepted exclusive of penalties. In the case of a false or fraudulent return where willful intent exists to defraud the Commonwealth of any tax due under this chapter, or in the case of a willful failure to file a return with the intent to defraud the Commonwealth of any such tax, a specific penalty of ~~fifty~~ 50 percent of the amount of the proper tax shall be assessed. All penalties and interest imposed by this chapter shall be payable by the dealer and collectible by the Tax Commissioner in the same manner as if they were a part of the tax imposed.

B. It shall be prima facie evidence of intent to defraud the Commonwealth of any tax due under this chapter when any dealer reports ~~his~~ *its* gross sales, gross proceeds or cost price, as the case may be, at ~~fifty~~ 50 percent or less of the actual amount.

C. Interest at a rate determined in accordance with § 58.1-15, shall accrue on the tax until the

Conference Report to House Bill 1700

same is paid, or until an assessment is made, pursuant to § 58.1-15, after which interest shall accrue as provided therein.

D. Notwithstanding any other provision of this section, any remote seller or marketplace facilitator that has collected an incorrect amount of sales and use tax shall be relieved from liability for such amount, including any penalty or interest, if the error is a result of the remote seller's or marketplace facilitator's reasonable reliance on information provided by the Commonwealth.

8. That the provisions of Chapter 766 of the Acts of Assembly of 2013 amending §§ 58.1-601, 58.1-602, 58.1-605, 58.1-606, 58.1-612, 58.1-615, and 58.1-635, as they may become effective, of the Code of Virginia are repealed.

9. That the fourth enactment of Chapter 766 of the Acts of Assembly of 2013 is amended and reenacted as follows:

4. That Article 22 (§§ 58.1-540 through 58.1-549) of Chapter 3 of Title 58.1 of the Code of Virginia, §§ ~~58.1-609.13~~, 58.1-2289, as it may become effective, 58.1-2290, and 58.1-2701, as it may become effective, of the Code of Virginia and the second enactment of Chapter 822 of the Acts of Assembly of 2009, as amended by Chapter 535 of the Acts of Assembly of 2012, are repealed.

10. That the seventh and fifteenth enactments of Chapter 766 of the Acts of Assembly of 2013 and the twelfth enactment of Chapter 684 of the Acts of Assembly of 2015, as amended by Chapters 854 and 856 of the Acts of Assembly of 2018, are repealed.

11. That nothing in this act shall be construed to appropriate or transfer any transportation revenues for nontransportation purposes pursuant to the twenty-second enactment of Chapter 896 of the Acts of Assembly of 2007 or the fourteenth enactment of Chapter 766 of the Acts of Assembly of 2013.

12. That the provisions of this act requiring remote sales and use tax collection by remote sellers and marketplace facilitators shall not apply to any retail sales transactions occurring before July 1, 2019; however, transactions occurring before July 1, 2019, may be included in the calculation of gross revenue or retail transactions pursuant to the provisions of subdivisions C 10 and 11 of § 58.1-612 of the Code of Virginia, as amended by this act.

13. That the Department of Taxation shall develop guidelines implementing the provisions of this act, including guidelines implementing the provisions of subsection D of § 58.1-612.1 of the Code of Virginia, as created by this act, creating a waiver. Such guidelines shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia).

14. That should any portion of this act be held unconstitutional by a court of competent jurisdiction, the remaining portions of this act shall remain in effect."

Page 631, strike lines 1 through 47.

Conference Report to House Bill 1700

Page 632, strike lines 1 through 7.

Page 632, line 8, strike "9." and insert "15."

Page 632, line 9, strike "10" and insert "16."

Page 632, strike lines 10 through 21.

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 removes includes language relating to remote seller sales tax nexus and marketplace facilitator sales tax nexus to respond to the provisions of the Wayfair decision.)

Item 4-14 #2c

Effective Date

Effective Date

Language

Language:

Page 630, strike line 8 through line 46, and insert:

6. That § 58.1-638 of the Code of Virginia is amended and reenacted as follows:

58.1-638. Disposition of state sales and use tax revenue.

A. The Comptroller shall designate a specific revenue code number for all the state sales and use tax revenue collected under the preceding sections of this chapter.

1. The sales and use tax revenue generated by the one-half percent sales and use tax increase enacted by the 1986 Special Session of the General Assembly shall be paid, in the manner hereinafter provided in this section, to the Transportation Trust Fund as defined in § 33.2-1524. Of the funds paid to the Transportation Trust Fund, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund as provided in this section; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund as provided in this section; and an aggregate of 14.7 percent shall be set aside as the Commonwealth Mass Transit Fund as provided in this section. The Fund's share of such net revenue shall be computed as an estimate of the net revenue to be received into the state treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall be made to the Fund on the last day of each month.

2. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Port Fund.

a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited

Conference Report to House Bill 1700

to it. Funds may be paid to any authority, locality or commission for the purposes hereinafter specified.

b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth Transportation Board to the Board of Commissioners of the Virginia Port Authority to be used to support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth. Expenditures for such capital needs are restricted to those capital projects specified in subsection B of § 62.1-132.1.

c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the ports of Virginia, including but not limited to the ports of Richmond, Hopewell, and Alexandria.

3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be part of the Transportation Trust Fund and which shall be known as the Commonwealth Airport Fund. The Commonwealth Airport Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on the funds shall be credited to the Fund. The funds so allocated shall be allocated by the Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall be allocated by the Virginia Aviation Board to any Virginia airport which is owned by the Commonwealth, a governmental subdivision thereof, or a private entity to which the public has access for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington Airports Authority (MWAA), as follows:

Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation Board from the Commonwealth Transportation Fund, shall be allocated as follows: 60 percent to MWAA, up to a maximum annual amount of \$2 million, and 40 percent to air carrier airports as provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a than it received in fiscal year 1994-1995.

Of the remaining amount:

a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased by MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air carrier airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however, shall receive less than \$50,000 nor more than \$2 million per year from this provision.

b. Sixty percent of the funds shall be allocated as follows:

(1) For the first six months of each fiscal year, the funds shall be allocated as follows:

(a) Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever airports on a discretionary basis, except airports owned or leased by MWAA; and

Conference Report to House Bill 1700

(b) Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports on a discretionary basis; and

(2) For the second six months of each fiscal year, all remaining funds shall be allocated by the Aviation Board for all eligible airports on a discretionary basis, except airports owned or leased by MWAA.

3a. There is hereby created in the Department of the Treasury a special nonreverting fund that shall be a part of the Transportation Trust Fund and that shall be known as the Commonwealth Space Flight Fund. The Commonwealth Space Flight Fund shall be established on the books of the Comptroller and the funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it.

a. The amounts allocated to the Commonwealth Space Flight Fund pursuant to § 33.2-1526 shall be allocated by the Commonwealth Transportation Board to the Board of Directors of the Virginia Commercial Space Flight Authority to be used to support the capital needs, maintenance, and operating costs of any and all facilities owned and operated by the Virginia Commercial Space Flight Authority.

b. Commonwealth Space Flight Fund revenue shall be allocated by the Board of Directors to the Virginia Commercial Space Flight Authority in order to foster and stimulate the growth of the commercial space flight industry in Virginia.

4. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Mass Transit Fund.

a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of the biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall be credited to the Fund.

b. The amounts allocated pursuant to § 33.2-1526.1 shall be used to support the operating, capital, and administrative costs of public transportation at a state share determined by the Commonwealth Transportation Board, and these amounts may be used to support the capital project costs of public transportation and ridesharing equipment, facilities, and associated costs at a state share determined by the Commonwealth Transportation Board. Capital costs may include debt service payments on local or agency transit bonds.

c. There is hereby created in the Department of the Treasury a special nonreverting fund known as the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be established on the books of the Comptroller and consist of such moneys as are appropriated to it by the General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given, bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds remaining in the Commonwealth Transit

Conference Report to House Bill 1700

Capital Fund at the end of the biennium shall not revert to the general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth Transit Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political subdivision, another public entity created by an act of the General Assembly, or a private entity as defined in § 33.2-1800 and for purposes as enumerated in subdivision 7 of § 33.2-1701 or expended by the Department of Rail and Public Transportation for the purposes specified in this subdivision. Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures involving the establishment, improvement, or expansion of public transportation services through specific projects approved by the Commonwealth Transportation Board. The Commonwealth Transit Capital Fund shall not be allocated without requiring a local match from the recipient.

B. The sales and use tax revenue generated by a one percent sales and use tax shall be distributed among the counties and cities of the Commonwealth in the manner provided in subsections C and D.

C. The localities' share of the net revenue distributable under this section among the counties and cities shall be apportioned by the Comptroller and distributed among them by warrants of the Comptroller drawn on the Treasurer of Virginia as soon as practicable after the close of each month during which the net revenue was received into the state treasury. The distribution of the localities' share of such net revenue shall be computed with respect to the net revenue received into the state treasury during each month, and such distribution shall be made as soon as practicable after the close of each such month.

D. The net revenue so distributable among the counties and cities shall be apportioned and distributed upon the basis of the latest yearly estimate of the population of cities and counties ages five to 19, provided by the Weldon Cooper Center for Public Service of the University of Virginia. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for persons who are domiciled in orphanages or charitable institutions or who are dependents living on any federal military or naval reservation or other federal property within the school division in which the institutions or federal military or naval reservation or other federal property is located. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for members of the military services who are under 20 years of age within the school division in which the parents or guardians of such persons legally reside. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for individuals receiving services in state hospitals, state training centers, or mental health facilities, persons who are confined in state or federal correctional institutions, or persons who attend the Virginia School for the Deaf and the Blind within the school division in which the parents or guardians of such persons legally reside. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for persons who attend institutions of higher education within the school division in which the student's parents or guardians legally reside. To such estimate, the Department of Education

Conference Report to House Bill 1700

shall add the population of students with disabilities, ages two through four and 20 through 21, as provided to the Department of Education by school divisions. The revenue so apportionable and distributable is hereby appropriated to the several counties and cities for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, which shall be considered as funds raised from local resources. In any county, however, wherein is situated any incorporated town constituting a school division, the county treasurer shall pay into the town treasury for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, the proper proportionate amount received by him in the ratio that the school population of such town bears to the school population of the entire county. If the school population of any city or of any town constituting a school division is increased by the annexation of territory since the last estimate of school population provided by the Weldon Cooper Center for Public Service, such increase shall, for the purposes of this section, be added to the school population of such city or town as shown by the last such estimate and a proper reduction made in the school population of the county or counties from which the annexed territory was acquired.

E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a two percent sales and use tax, up to an annual amount of \$13 million, collected from the sales of hunting equipment, auxiliary hunting equipment, fishing equipment, auxiliary fishing equipment, wildlife-watching equipment, and auxiliary wildlife-watching equipment in Virginia, as estimated by the most recent U.S. Department of the Interior, Fish and Wildlife Service and U.S. Department of Commerce, Bureau of the Census National Survey of Fishing, Hunting, and Wildlife-Associated Recreation, shall be paid into the Game Protection Fund established under § 29.1-101 and shall be used, in part, to defray the cost of law enforcement. Not later than 30 days after the close of each quarter, the Comptroller shall transfer to the Game Protection Fund the appropriate amount of collections to be dedicated to such Fund. At any time that the balance in the Capital Improvement Fund, established under § 29.1-101.01, is equal to or in excess of \$35 million, any portion of sales and use tax revenues that would have been transferred to the Game Protection Fund, established under § 29.1-101, in excess of the net operating expenses of the Board, after deduction of other amounts which accrue to the Board and are set aside for the Game Protection Fund, shall remain in the general fund until such time as the balance in the Capital Improvement Fund is less than \$35 million.

F. 1. Of the net revenue generated from the one-half percent increase in the rate of the state sales and use tax effective August 1, 2004, pursuant to enactments of the 2004 Special Session I of the General Assembly, the Comptroller shall transfer from the general fund of the state treasury to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1 an amount equivalent to one-half of the net revenue generated from such one-half percent increase as provided in this subdivision. The transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund under this subdivision shall be for one-half of the net revenue generated (and collected in the succeeding month) from such one-half percent increase for the month of August 2004 and for each month thereafter.

Conference Report to House Bill 1700

2. Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the revenue generated by a 0.125 percent sales and use tax shall be distributed to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1, and be used for the state's share of Standards of Quality basic aid payments.

3. For the purposes of the Comptroller making the required transfers under subdivision 1 and 2, the Tax Commissioner shall make a written certification to the Comptroller no later than the twenty-fifth of each month certifying the sales and use tax revenues generated in the preceding month. Within three calendar days of receiving such certification, the Comptroller shall make the required transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund.

G. (Contingent expiration date — see note) Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the following percentages of the revenue generated by a one-half percent sales and use tax, such as that paid to the Transportation Trust Fund as provided in subdivision A 1, shall be paid to the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530:

1. For fiscal year 2014, an amount equal to 10 percent;
2. For fiscal year 2015, an amount equal to 20 percent;
3. For fiscal year 2016, an amount equal to 30 percent; and
4. For fiscal year 2017 and thereafter, an amount equal to 35 percent.

The Highway Maintenance and Operating Fund's share of the net revenue distributable under this subsection shall be computed as an estimate of the net revenue to be received into the state treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall be made to the Fund on the last day of each month.

H. (Contingent expiration date — see note) 1. The additional revenue generated by increases in the state sales and use tax from Planning District 8 pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited by the Comptroller in the fund established under § 33.2-2509.

2. The additional revenue generated by increases in the state sales and use tax from Planning District 23 pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited by the Comptroller in the fund established under § 33.2-2600.

3. The additional revenue generated by increases in the state sales and use tax in any other Planning District pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited into special funds that shall be established by appropriate legislation.

4. The net revenues distributable under this subsection shall be computed as an estimate of the net revenue to be received by the state treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall be

Conference Report to House Bill 1700

made to the appropriate funds on the last day of each month.

I. (For contingent expiration date, see Acts 2018, c. 850) The additional revenue generated by increases in the state sales and use tax from the Historic Triangle pursuant to § 58.1-603.2 shall be deposited by the Comptroller as follows: (i) 50 percent shall be deposited into the Historic Triangle Marketing Fund established pursuant to subsection E of § 58.1-603.2; and (ii) 50 percent shall be deposited in the special fund created pursuant to subdivision D 2 of § 58.1-603.2 and distributed to the localities in which the revenues were collected. The net revenues distributable under this subsection shall be computed as an estimate of the net revenues to be received by the state treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall be made to the appropriate funds on the last day of each month.

J. Beginning July 1, 2020, the first \$40 million of sales and use taxes remitted by online retailers with a physical nexus established pursuant to subsection D of § 58.1-612 shall be deposited into the Major Headquarters Workforce Grant Fund established pursuant to § 59.1-284.31.

K. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall be corrected and adjustments made in the distribution for the next quarter or for subsequent quarters.

KL. The term "net revenue," as used in this section, means the gross revenue received into the general fund or the Transportation Trust Fund of the state treasury under the preceding sections of this chapter, less refunds to taxpayers."

Explanation:

(This amendment directs the transfer of \$40.0 million from sales tax revenues currently remitted by online retailers with a physical presence in Virginia to the Major Headquarters Workforce Grant Fund established by the 2019 General Assembly.)
