

2014 SPECIAL SESSION I

INTRODUCED

14200514D

HOUSE BILL NO. 5010

Offered September 15, 2014

A BILL to amend and reenact Chapter 2 of the Acts of Assembly of 2014, Special Session I, which appropriated the public revenues and provided a portion of such revenues for the two years ending, respectively, on the thirtieth day of June, 2015, and the thirtieth day of June, 2016.

Patron—Jones

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That § 3 of the first enactment (Total Projected Revenues available for the period ending June 30, 2015 and June 30, 2016, page 1) of Chapter 2 of the Acts of Assembly of 2014, Special Session I, be hereby amended and reenacted and that the cited chapter be further amended by adding in § 1-130 of Part 1 Items 471.10, 471.20, 471.30, and 471.40 as follows:

§ 3. The appropriations made in this act from the general fund are based upon the following:

	First Year	Second Year	Total
Unreserved Balance, June 30, 2014	\$478,643,378	\$0	\$478,643,378
	\$40,843,378		\$40,843,378
Additions to Balance	\$147,375,013	\$800,000	\$148,175,013
	\$253,925,013		\$254,725,013
Official Revenue			
Estimates	\$17,721,905,909	\$18,448,628,910	\$36,170,534,819
	\$16,894,205,909	\$17,347,328,910	\$34,241,534,819
Revenue			
Stabilization Fund	\$470,000,000	\$235,000,000	\$705,000,000
Transfers	\$616,168,307	\$524,066,980	\$1,140,235,287
	\$618,118,307	\$525,066,980	\$1,143,185,287
Total General Fund Resources Available for Appropriation	\$18,964,092,607	\$18,973,495,890	\$37,937,588,497
	\$18,277,092,607	\$18,108,195,890	\$36,385,288,497
The appropriations made in this act from nongeneral funds are based upon the following:			
	First Year	Second Year	Total
Balance, June 30, 2014	\$4,708,335,881	\$0	\$4,708,335,881
Official Revenue			
Estimates	\$25,652,980,255	\$26,248,075,807	\$51,901,056,062
	\$25,667,980,255		\$51,916,056,062
Lottery Proceeds Fund	\$525,000,000	\$510,000,000	\$1,035,000,000
	\$553,100,000		\$1,063,100,000
Internal Service Fund	\$1,595,861,216	\$1,612,651,825	\$3,208,513,041
Bond Proceeds	\$632,144,586	\$105,000,000	\$737,144,586
Total Nongeneral Fund Revenues Available for Appropriation	\$33,114,321,938	\$28,475,727,632	\$61,590,049,570
	\$33,157,421,938		\$61,633,149,570
TOTAL PROJECTED REVENUES	\$51,845,287,081	\$47,480,608,416	\$99,325,895,497
	\$51,434,514,545	\$46,583,923,522	\$98,018,438,067

Item Details(\$)

Appropriations(\$)

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55		First Year	Second Year	First Year	Second Year
56		FY 2015	FY 2016	FY 2015	FY 2016

57 Item 471.10.  
 58 Reversion Clearing Account -  
 59 State Agency Savings (\$92,400,000) (\$100,000,000)  
 60 Fund Sources: General (\$92,400,000) (\$100,000,000)

61 Authority: Discretionary Inclusion.  
 62 A. To accomplish savings estimated at \$92,400,000 the first year and \$100,000,000 the second year,  
 63 the Department of Planning and Budget is hereby authorized to transfer amounts to this Item from the  
 64 general fund appropriation for operating expenses of the executive branch agencies.

65 B. Notwithstanding the provisions of any item in Part 1 or any other contrary provision of law,  
 66 actions required on the part of agencies to implement the savings enumerated in this Item are hereby  
 67 authorized provided that such actions do not conflict with the provisions of § 4-1.02 of Part 4.

68 C. Any nongeneral fund appropriation change or changes in the appropriation of agency authorized  
 69 positions required to implement the savings enumerated in this Item are hereby authorized.

70		Item Details(\$)		Appropriations(\$)	
71		First Year	Second Year	First Year	Second Year
72		FY 2015	FY 2016	FY 2015	FY 2016

73 Item 471.20.  
 74 Reversion Clearing Account -  
 75 Higher Education Savings (\$45,000,000) (\$45,000,000)  
 76 Fund Sources: General (\$45,000,000) (\$45,000,000)

77 Authority: Discretionary Inclusion.  
 78 A. To accomplish savings estimated at \$45,000,000 each year, the Department of Planning and  
 79 Budget is hereby authorized to transfer amounts to this Item from the general fund appropriation for  
 80 educational and general programs of public colleges and universities as follows:

81	Institution	Annual Reduction
82	Christopher Newport University	\$601,975
83	College of William and Mary	2,338,873
84	George Mason University	4,705,571
85	James Madison University	3,113,308
86	Longwood University	542,707
87	Norfolk State University	550,089
88	Old Dominion University	2,230,669
89	Radford University	1,113,249
90	University of Mary Washington	635,447
91	University of Virginia	8,160,065
92	University of Virginia at Wise	126,330
93	Virginia Commonwealth University	5,377,759
94	Virginia Military Institute	441,825
95	Virginia State University	637,174
96	Virginia Tech	6,133,525
97	Richard Bland College	64,754
98	Virginia Community College System	8,226,680
99	Total	\$45,000,000

100 B. It is the intent of the General Assembly that these savings are to be achieved through productivity  
 101 and operating efficiencies and not through new rate increases on tuition, fees, or other nongeneral fund  
 102 enhancements imposed by the Boards of Visitors after September 1, 2014.

103 C. Notwithstanding the provisions of any Item in Part 1 or any other contrary provision of law,  
 104 actions required on the part of agencies to implement the savings enumerated in this Item are hereby  
 105 authorized provided that such actions do not conflict with the provisions of § 4-1.02 of Part 4.

106 D. Any nongeneral fund appropriation change or changes in the appropriation of agency authorized  
 107 positions required to implement the savings enumerated in this Item are hereby authorized.

108		Item Details(\$)		Appropriations(\$)	
109		First Year	Second Year	First Year	Second Year
110		FY 2015	FY 2016	FY 2015	FY 2016

111 Item 471.30.  
 112 Reversion Clearing Account -

113 Aid to Local Government (\$30,000,000) (\$30,000,000)

114 Fund Sources: General (\$30,000,000) (\$30,000,000)

115 Authority: Discretionary Inclusion.

116 A. To accomplish savings estimated at \$30,000,000 the first year and \$30,000,000 the second year,  
 117 the Department of Planning and Budget is hereby authorized to transfer to this Item from the general  
 118 fund appropriation for state aid to local government programs or receive reimbursement payments in a  
 119 manner that provides localities flexibility in how such savings are implemented.

120 B. The Director of the Department of Planning and Budget shall provide the chief operating officer  
 121 of each city and county in the Commonwealth a list of certain state aid to local government programs  
 122 along with an estimate of the general fund amount for each program that each county and city could  
 123 expect to receive from the state during each year of the biennium. The total amount listed for these  
 124 programs will serve as the basis for calculating the savings apportioned to each city and county for this  
 125 Item. The pro rata savings apportionment will be equal to the percentage of the aggregate general fund  
 126 amount for all of these state aid programs in each city and county, with such savings totaling  
 127 \$30,000,000 the first year and \$30,000,000 the second year.

128 C. Each city and county in the Commonwealth shall have flexibility in determining how it will  
 129 implement the savings apportioned to it. Each city and county can choose to (i) take the total savings  
 130 out of one program included on the list provided by the Department of Planning and Budget, (ii) reduce  
 131 multiple state aid programs on a proportional basis or by a specified percentage reduction, or (iii)  
 132 reimburse the Commonwealth in aggregate for its share of the savings, thereby keeping the state aid  
 133 programs at an unreduced level. Each locality may also use option (iii) in combination with option (i)  
 134 or (ii). The governing body of each city and county shall make its selection and certify its choice to the  
 135 Director, Department of Planning and Budget, within 30 days of receipt of the savings amount  
 136 apportioned to it from the Department of Planning and Budget. Within 10 days of receipt, the Director  
 137 of the Department of Planning and Budget shall review such certification for accuracy to ascertain that  
 138 the required savings amount apportioned to the city or county is obtainable using the selected option(s)  
 139 submitted on the certification. Unless the Director of the Department of Planning and Budget finds a  
 140 certification to include savings that are not obtainable or sustainable, the certification shall be approved  
 141 and implemented without further delay. In the event that a city or county has not submitted or obtained  
 142 an approved certification by January 1, 2015, the Director of the Department of Planning and Budget is  
 143 hereby authorized to withhold an amount equivalent to the savings amount apportioned to the affected  
 144 city or county from the aid to local government programs that the Director determines are most  
 145 discretionary and represent general purpose aid to the local government in question before he begins to  
 146 withhold any funds from categorical grants serving a particular functional area or public service.

147 D. The savings in state aid to local government programs identified by each city or county on its  
 148 approved certification (or by the Director of the Department of Planning and Budget in absence of an  
 149 approved certification) shall be transferred from the other items where such amounts are appropriated  
 150 in this act to offset the reversion amount listed in this Item. Payments from local governments electing  
 151 to use option (iii) in Paragraph C. shall be deposited to a suspense account which shall be administered  
 152 pursuant to § 3-1.03 Part 3.

	Item Details(\$)		Appropriations(\$)	
	First Year	Second Year	First Year	Second Year
	FY 2015	FY 2016	FY 2015	FY 2016

153 Item 471.40.  
 154 Reversion Clearing Account -  
 155 Miscellaneous (\$40,620,360) (\$284,881,274)  
 156 Fund Sources: General (\$40,620,360) (\$284,881,274)

160 Authority: Discretionary Inclusion.

161 A. The Director of the Department of Planning and Budget shall withhold and transfer to this Item  
 162 amounts estimated at \$46,300,000 the first year and \$23,000,000 the second year from the general fund  
 163 appropriations included in this act as described in Paragraphs 1 through 8 of this Paragraph A.  
 164 reflecting savings generated by utilizing nongeneral fund resources to offset general fund expenses and  
 165 from other actions to reduce spending.

166 1. In recognition of additional fiscal year 2014 Lottery Proceeds Funds and Literary Funds, and to  
 167 accomplish general fund savings estimated at \$43,100,000 the first year, the Department of Planning  
 168 and Budget is hereby authorized to transfer amounts to this Item from the general fund appropriation  
 169 for Direct Aid to Public Education, Agency 197, Item 136 of this general appropriation act as follows:  
 170 a) \$26,200,288 from Textbooks, b) \$1,899,712 from Remedial Summer School, and c) \$15,000,000 from  
 171 payment of teacher retirement costs. There is hereby appropriated \$28,100,000 of additional Lottery  
 172 Fund proceeds to Direct Aid to Public Education, Agency 197, Item 136, as follows: a) \$26,200,288 for

173 Textbooks, and b) \$1,899,712 for Remedial Summer School. There is hereby appropriated \$15,000,000  
174 from additional Literary Fund revenues to Direct Aid to Public Education, Agency 197, Item 136 of this  
175 general appropriation act for the appropriation set out for the payment of teacher retirement costs in  
176 FY 2015.

177 2. To accomplish savings estimated at \$3,200,000 the first year and \$23,000,000 the second year, the  
178 Department of Planning and Budget is hereby authorized to transfer amounts to this Item from the  
179 general fund appropriation for debt service payments in Item 276 of this general appropriation act.  
180 These savings reflect reduced payment requirements due to bond refinancings.

181 3. Notwithstanding the provisions of § 10.1-2128.1 of the Code of Virginia, to accomplish savings  
182 estimated at \$1,000,000 the first year and \$1,000,000 the second year, the Department of Planning and  
183 Budget is hereby authorized to transfer amounts to this Item from the nongeneral funds deposited into  
184 the Natural Resources Commitment Fund in Item 357 D.2.

185 4. On or before June 30, 2015, the Director of the Department of Planning and Budget shall revert  
186 an amount estimated at \$102,000,000 to the general fund from unobligated balances from executive  
187 branch agencies.

188 5. On or before June 30, 2015, the Director of the Department of Planning and Budget shall revert  
189 an amount estimated at \$700,000 from Judicial agency balances.

190 6. On or before June 30, 2015, the Director of the Department of Planning and Budget shall revert  
191 an amount estimated at \$2,850,000 from legislative agency balances, \$500,000 from the House of  
192 Delegates, and \$500,000 from the Senate of Virginia.

193 7. On or before June 30, 2015, the Director of the Department of Planning and Budget shall transfer  
194 to the general fund an amount estimated at \$950,000 from balances of the Virginia Alcohol Safety  
195 Action Program.

196 8. Notwithstanding the provisions of § 3-5.09 of Part 3 or any other contrary provision of law, the  
197 increase in the portion of the general sales and use tax deposited into the Highway Maintenance and  
198 Operating Fund pursuant to the provisions of § 58.1-638 G.2. shall be deferred until fiscal year 2016.

199 B. Notwithstanding the provisions of any item in Part 1 or any other contrary provision of law,  
200 actions required on the part of agencies to implement the savings enumerated in this Item are hereby  
201 authorized provided that such actions do not conflict with the provisions of § 4-1.02 of Part 4.

202 C. Any nongeneral fund appropriation change or changes in the appropriation of agency authorized  
203 positions required to implement the savings enumerated in this Item are hereby authorized.

204 D. Included in this appropriation is \$5,679,640 the first year and \$10,118,726 the second year to be  
205 transferred by the Director of the Department of Planning and Budget to Items 39, 40, and 41 to  
206 effectuate the filling of judgeships. The amounts appropriated in this paragraph for each year of the  
207 biennium to effectuate the filling of judgeships shall be the maximum amounts transferred to Items 39,  
208 40, and 41 for such purposes notwithstanding any relevant provision to the contrary. In addition, all  
209 conditions and restrictions relating to the filling of judgeships shall be as provided in Items, 39, 40, and  
210 41.

211 E.1. For purposes of determining a transfer from the Revenue Stabilization Fund to the general fund  
212 as a result of a downward revision in general fund revenues, the term "total general fund revenues  
213 appropriated" shall mean the general fund operating and capital appropriations for each year of the  
214 biennium contained in the Appropriation Act which is in effect at the time when such downward revision  
215 in general fund revenues is made.

216 2. In accordance with Article 10, § 8, Virginia Constitution, and § 2.2-1830, Code of Virginia, the  
217 amount of the transfer shall not exceed the lesser of one-half of the balance of the Revenue Stabilization  
218 Fund or one-half of the forecasted shortfall in revenues.

219 3. The anticipated shortfalls in general fund revenues for fiscal years ending June 30, 2015, and  
220 June 30, 2016, shall be computed by comparing the revised forecast for "Total General Fund Resources  
221 Available for Appropriation" as shown in § 3 of the first enactment to the total general fund revenues  
222 appropriated for each year of the biennium as contained in the general appropriation act as it became  
223 effective on July 1, 2014 (Chapter 2 of the Acts of Assembly of 2014, Special Session I).

224 4. One-half of the shortfall in revenues is estimated at \$648,650,000, which is more than one-half of  
225 the balance in the Revenue Stabilization Fund as of September 15, 2014. Of this shortfall amount,  
226 \$470,000,000 is hereby appropriated in FY 2015, pursuant to § 2.2-1830, Code of Virginia. Upon  
227 completion of the Auditor of Public Accounts' report on certified tax revenues for FY 2014 pursuant to  
228 § 2.2-1829, Code of Virginia, the State Comptroller shall deposit this sum into the general fund of the  
229 state treasury on or before June 30, 2015.

230 5. One-half of the balance of the Revenue Stabilization Fund, estimated at \$235,000,000, is hereby  
231 appropriated in FY 2016, pursuant to § 2.2-1830, Code of Virginia. Upon completion of the Auditor of  
232 Public Accounts' report on certified tax revenues for FY 2015 pursuant to § 2.2-1829, Code of Virginia,  
233 the State Comptroller shall deposit this sum into the general fund of the state treasury on or before  
234 June 30, 2016.

235 *F. To accomplish savings estimated at \$272,000,000 in fiscal year 2016, the Governor shall develop*  
236 *budget reduction plans and other strategies for submission to the 2015 General Assembly as part of the*  
237 *requirements of § 2.2-1509, Code of Virginia. In developing these plans, the Governor shall take into*  
238 *consideration any further adjustments to the revenues pursuant to § 2.2-1503, Code of Virginia.*

239 *G. 1. The Governor is hereby authorized to reallocate up to \$5,000,000 from existing appropriations*  
240 *from programs in the Executive Department that foster economic development during each year of the*  
241 *current biennium to enhance economic development efforts in the Commonwealth if he determines that*  
242 *all or a portion of that amount is needed and better used to take advantage of the availability of job*  
243 *creation or workforce development opportunities in order to further diversify and grow the economy of*  
244 *Virginia.*

245 *2. At least five days prior to any action to implement the provisions contained in paragraph 1, the*  
246 *Governor shall submit a notice of his intended action to the Chairmen of the House Appropriations and*  
247 *Senate Finance Committees which itemizes the source or sources of such funding and the specific*  
248 *purposes or uses of any disbursements he intends to authorize pursuant to the provisions of this item.*

249 **2. That Paragraph K. of Item 468 is repealed.**

250 **3. That Paragraph GG.1. of § 3-1.01 of Part 3 is repealed.**

251 **4. That all provisions of this act amending Chapter 2 of the Acts of Assembly of 2014, Special**  
252 **Session I, including the second and third enactments of this act, shall become effective on passage**  
253 **of this act as provided in § 1-214 of the Code of Virginia.**

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