

2020 SESSION

SENATE BILL NO. 29

Offered January 8, 2020

Prefiled December 17, 2019

A BILL to amend and reenact Chapter 854 of the 2019 Acts of Assembly, which appropriated the public revenues and provided a portion of such revenues for the two years ending, respectively, on the thirtieth day of June, 2019, and the thirtieth day of June, 2020; and a BILL to amend and reenact § 58.1-638 of the Code of Virginia and to repeal the fifth enactment of Chapter 17 and the fifth enactment of Chapter 18 of the Acts of Assembly of 2019.

Patrons - Norment, Hanger, and Howell

Referred to the Committee on Finance and Appropriations

Be it enacted by the General Assembly of Virginia:

1. That Items 40, 41, 42, 81, 83, 103, 105, 129, 135, 136, 195, 242, 259, 265, 266, 279, 281, 282, 302, 303, 305, 309, 310, 311, 312, 321, 325, 328, 339, 340, 341, 342, 343, 344, 345, 346, 348, 352, 355, 358, 370, 371, 372, 373, 377, 385, 390, 439, 448, 449, 450, 451, 452, 453, 454, 455, 474, 475, 481, § 2-0, C-22.50, C-46, C-47, C-48, C-48.10, C-50, C-53, § 3-1.01, § 3-4.01, § 3-5.03, § 3-5.09, § 3-5.21, § 4-2.01, § 4-2.02, § 4-5.04, and § 4-14.00 of Chapter 854 of the 2019 Acts of Assembly, be hereby amended and reenacted and that the cited chapter be further amended by adding Items C-13.05 and C-33.10, and that the cited chapter be further amended by striking therefrom § 4-5.11.

2. §1. The following are hereby appropriated, for the current biennium, as set forth in succeeding parts, sections and items, for the purposes stated and for the years indicated:

A. The balances of appropriations made by previous acts of the General Assembly which are recorded as unexpended, as of the close of business on the last day of the previous biennium, on the final records of the State Comptroller; and

B. The public taxes and arrears of taxes, as well as moneys derived from all other sources, which shall come into the state treasury prior to the close of business on the last day of the current biennium. The term "moneys" means nontax revenues of all kinds, including but not limited to fees, licenses, services and contract charges, gifts, grants, and donations, and projected revenues derived from proposed legislation contingent upon General Assembly passage.

§ 2. Such balances, public taxes, arrears of taxes, and monies derived from all other sources as are not segregated by law to other funds, which funds are defined by the State Comptroller, pursuant to § 2.2-803, Code of Virginia, shall establish and constitute the general fund of the state treasury.

§ 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, 2018	\$1,229,941,000	\$0	\$1,229,941,000
Additions to Balance	(\$723,275,506)	\$336,198,952 \$1,930,619,607	(\$387,076,554) \$3,160,560,607
Official Revenue Estimates	\$20,528,667,750	\$21,556,728,000 \$21,704,500,000	\$42,085,395,750 \$42,233,167,750
Transfer	\$639,095,037	\$635,773,381 \$666,676,701	\$1,274,868,418 \$1,305,771,738
Total General Fund Resources Available for Appropriation	\$21,674,428,281	\$22,528,700,333 \$23,063,812,842	\$44,203,128,614 \$44,738,241,123

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

	First Year	Second Year	Total
Balance, June 30, 2018	\$6,342,196,144	\$0	\$6,342,196,144
Official Revenue Estimates	\$31,403,525,053	\$35,070,229,412 \$36,169,158,858	\$66,473,754,465 \$67,572,683,911

1	Lottery Proceeds Fund	\$632,398,647	\$628,830,501	\$1,261,229,148
2			\$613,449,864	\$1,245,848,511
3	Internal Service Fund	\$2,099,646,770	\$2,071,214,416	\$4,170,861,186
4			\$2,070,676,464	\$4,170,323,234
5	Bond Proceeds	\$1,112,897,936	\$1,243,269,436	\$2,356,167,372
6			\$1,352,214,172	\$2,465,112,108
7	Total Nongeneral Fund Revenues			
8	Available for			
9	Appropriation	\$41,590,664,550	\$39,013,543,765	\$80,604,208,315
10			\$40,205,499,358	\$81,796,163,908
11	TOTAL PROJECTED			
12	REVENUES	\$63,265,092,831	\$61,542,244,098	\$124,807,336,929
13			\$63,269,312,200	\$126,534,405,031

14 § 4. Nongeneral fund revenues which are not otherwise segregated pursuant to this act shall be segregated in accordance with the acts
15 respectively establishing them.

16 § 5. The sums herein appropriated are appropriated from the fund sources designated in the respective items of this act.

17 § 6. When used in this act the term:

18 A. "Current biennium" means the period from the first day of July two thousand eighteen, through the thirtieth day of June two
19 thousand twenty, inclusive.

20 B. "Previous biennium" means the period from the first day of July two thousand sixteen, through the thirtieth day of June two
21 thousand eighteen, inclusive.

22 C. "Next biennium" means the period from the first day of July two thousand twenty, through the thirtieth day of June two thousand
23 twenty-two, inclusive.

24 D. "State agency" means a court, department, institution, office, board, council or other unit of state government located in the
25 legislative, judicial, or executive departments or group of independent agencies, or central appropriations, as shown in this act, and
26 which is designated in this act by title and a three-digit agency code.

27 E. "Nonstate agency" means an organization or entity as defined in § 2.2-1505 C, Code of Virginia.

28 F. "Authority" sets forth the general enabling statute, either state or federal, for the operation of the program for which appropriations
29 are shown.

30 G. "Discretionary" means there is no continuing statutory authority which infers or requires state funding for programs for which the
31 appropriations are shown.

32 H. "Appropriation" shall include both the funds authorized for expenditure and the corresponding level of full-time equivalent
33 employment.

34 I. "Sum sufficient" identifies an appropriation for which the Governor is authorized to exceed the amount shown in the Appropriation
35 Act if required to carry out the purpose for which the appropriation is made.

36 J. "Item Details" indicates that, except as provided in § 6 H above, the numbers shown under the columns labeled Item Details are for
37 information reference only.

38 K. Unless otherwise defined, terms used in this act dealing with budgeting, planning and related management actions are defined in the
39 instructions for preparation of the Executive Budget.

40 § 7. The total appropriations from all sources in this act have been allocated as follows:

41	BIENNIUM 2018-20			
42	General Fund	Nongeneral Fund	Total	
43	OPERATING EXPENSES	\$44,190,797,183	\$76,379,925,389	\$120,570,722,572
44		\$44,170,420,379	\$77,013,894,223	\$121,184,314,602
45	LEGISLATIVE			
46	DEPARTMENT	\$195,122,878	\$7,878,620	\$203,001,498
47	JUDICIAL DEPARTMENT	\$1,002,962,598	\$67,346,128	\$1,070,308,726

1		\$1,007,462,598		\$1,074,808,726
2	EXECUTIVE DEPARTMENT	\$42,992,244,014	\$74,322,965,586	\$117,315,209,600
3		\$42,967,367,210	\$74,956,934,420	\$117,924,301,630
4	INDEPENDENT AGENCIES	\$467,693	\$1,981,735,055	\$1,982,202,748
5	STATE GRANTS TO			
6	NONSTATE AGENCIES	\$0	\$0	\$0
7	CAPITAL OUTLAY			
8	EXPENSES	\$4,704,000	\$2,798,237,302	\$2,802,941,302
9		\$4,824,000	\$2,907,182,038	\$2,912,006,038
10	TOTAL	\$44,195,501,183	\$79,178,162,691	\$123,373,663,874
11		\$44,175,244,379	\$79,921,076,261	\$124,096,320,640

12 § 8. This chapter shall be known and may be cited as the "2020 Amendments to the 2019 Appropriation Act."

ITEM 1.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	PART 1: OPERATING EXPENSES			
2	LEGISLATIVE DEPARTMENT			
3	1.	Not set out.		
4	2.	Not set out.		
5	3.	Not set out.		
6	4.	Not set out.		
7	5.	Not set out.		
8	6.	Not set out.		
9	7.	Not set out.		
10	8.	Not set out.		
11	9.	Not set out.		
12	10.	Not set out.		
13	11.	Not set out.		
14	12.	Not set out.		
15	13.	Not set out.		
16	14.	Not set out.		
17	15.	Not set out.		
18	16.	Not set out.		
19	17.	Not set out.		
20	18.	Not set out.		
21	19.	Not set out.		
22	20.	Not set out.		
23	21.	Not set out.		
24	22.	Not set out.		
25	23.	Not set out.		
26	24.	Not set out.		
27	25.	Not set out.		

ITEM 26.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1 26.	Not set out.			
2 26.10	Not set out.			
3 27.	Not set out.			
4 28.	Not set out.			
5 29.	Not set out.			
6 30.	Not set out.			
7 31.	Not set out.			
8 32.	Not set out.			
9 33.	Not set out.			
10 34.	Not set out.			
11	TOTAL FOR LEGISLATIVE DEPARTMENT.....		\$101,685,070	\$101,316,428
12	General Fund Positions.....	597.50	600.50	
13	Nongeneral Fund Positions.....	32.50	32.50	
14	Position Level.....	630.00	633.00	
15	Fund Sources: General.....	\$97,738,939	\$97,383,939	
16	Special.....	\$3,689,533	\$3,675,891	
17	Trust and Agency.....	\$118,945	\$118,945	
18	Federal Trust.....	\$137,653	\$137,653	

ITEM 35.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	JUDICIAL DEPARTMENT			
2	§ 1-1. SUPREME COURT (111)			
3	35.	Not set out.		
4	36.	Not set out.		
5	37.	Not set out.		
6	38.	Not set out.		
7	39.	Not set out.		
8	Circuit Courts (113)			
9	40.	Pre-Trial, Trial, and Appellate Processes (32100).....		\$113,976,455
10		Trial Processes (32103).....	\$49,546,226	\$52,434,446
11		Other Court Costs And Allowances (Criminal Fund)		
12		(32104).....	\$64,430,229	\$64,590,229
13		Fund Sources: General.....	\$113,971,455	\$117,019,675
14		Special.....	\$5,000	\$5,000
15	Authority: Article VI, Section 1, Constitution of Virginia; Title 17.1, Chapter 5; § 19.2-163 ,			
16	Code of Virginia.			
17	A. Out of the amounts in this Item for Trial Processes shall be paid:			
18	1. The annual salaries of Circuit Court judges, each at \$171,120 from July 1, 2018 to June 9,			
19	2019, \$174,542 from June 10, 2019 to June 30, 2020. Such salaries shall represent the total			
20	compensation from all sources for Circuit Court judges.			
21	2. Expenses necessarily incurred for the position of judge of the Circuit Court, including clerk			
22	hire not exceeding \$1,500 a year for each judge.			
23	3. The state's share of expenses incident to the prosecution of a petition for a writ of habeas			
24	corpus by an indigent petitioner, including payment of counsel fees as fixed by the Court; the			
25	expenses shall be paid upon receipt of an appropriate order from a Circuit Court.			
26	4. A circuit court judge shall only be reimbursed for mileage for commuting if the judge has			
27	to travel to a courthouse in a county or city other than the one in which the judge resides and			
28	the distance between the judge's residence and the courthouse is greater than 25 miles.			
29	B. The Chief Circuit Court Judge shall restrict the appointment of special justices to conduct			
30	involuntary mental commitment hearings to those unusual instances when no General District			
31	Court or Juvenile and Domestic Relations District Court Judge can be made available or when			
32	the volume of the hearings would require more than eight hours a week.			
33	C. There is hereby reappropriated the unexpended balance remaining at the close of business			
34	on June 30, 2018, in the appropriation made in Item 42, Chapter 836, Acts of Assembly of			
35	2017, in the item detail Other Court Costs and Allowances (Criminal Fund) and the balance			
36	remaining in this item detail on June 30, 2019.			
37	D. The appropriation in this Item for Other Court Costs and Allowances (Criminal Fund) shall			
38	be used to implement the provisions of § 8.01-384.1:1 , Code of Virginia.			
39	E.1. General fund appropriations for Other Court Costs and Allowances (Criminal Fund) total			
40	\$ 124,909,073 the first year and \$ 124,909,073 \$129,409,073 the second year in this Item and			
41	Items 35, 39, 41, 42 and 43.			

ITEM 40.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	2. The Chief Justice of the Supreme Court of Virginia shall determine how the amounts				
2	appropriated to Other Courts Costs and Allowances (Criminal Fund) will be allocated,				
3	consistent with statutory provisions in the Code of Virginia. Funds within these				
4	appropriations are to be used to fund fully the statutory caps on compensation applicable				
5	to attorneys appointed by the court to defend criminal charges. Should this appropriation				
6	not be sufficient to fund fully all of the statutory caps on compensation as established by §				
7	19.2-163, Code of Virginia, that this appropriation shall be applied first to fully fund the				
8	statutory caps for the most serious noncapital felonies and then, should funds still remain				
9	in this appropriation, to the other statutory caps, in declining order of the severity of the				
10	charges to which each cap is applicable.				
11	3. Out of the amount appropriated from the general fund for Other Court Costs and				
12	Allowances (Criminal Fund) in this Item, there shall be transferred an amount not to				
13	exceed \$880,000 the first year and not to exceed \$880,000 the second year to the Criminal				
14	Injuries Compensation Fund, administered by the Virginia Workers' Compensation				
15	Commission, for the administration of the physical evidence recovery kit (PERK)				
16	program.				
17	4. Notwithstanding the provisions of § 19.2-163, Code of Virginia, the amount of				
18	compensation allowed to counsel appointed by the court to defend a felony charge that				
19	may be punishable by death shall be calculated on an hourly basis at a rate set by the				
20	Supreme Court of Virginia.				
21	F.1. For any hearing conducted pursuant to § 19.2-306, Code of Virginia, the circuit court				
22	shall have presented to it a sentencing revocation report prepared on a form designated by				
23	the Virginia Criminal Sentencing Commission indicating the condition or conditions of				
24	the suspended sentence, good behavior, or probation supervision that the defendant has				
25	allegedly violated.				
26	2. For any hearing conducted pursuant to § 19.2-306 in which the defendant is cited for				
27	violation of a condition or conditions other than a new criminal offense conviction, the				
28	court shall also have presented to it the applicable probation violation guideline				
29	worksheets established pursuant to Chapter 1042 of the Acts of Assembly 2003. The court				
30	shall review and consider the suitability of the discretionary probation violation				
31	guidelines. Before imposing sentence, the court shall state for the record that such review				
32	and consideration have been accomplished and shall make the completed worksheets a				
33	part of the record of the case and open for inspection. In hearings in which the court				
34	imposes a sentence that is either greater or less than that indicated by the discretionary				
35	probation violation guidelines, the court shall file with the record of the case a written				
36	explanation of such departure.				
37	3. Following any hearing conducted pursuant to § 19.2-306 and the entry of a final order,				
38	the clerk of the circuit court in which the hearing was held shall cause a copy of such				
39	order or orders, the original sentencing revocation report, any applicable probation				
40	violation guideline worksheets prepared in the case, and a copy of any departure				
41	explanation prepared pursuant to subsection F.2., to be forwarded to the Virginia Criminal				
42	Sentencing Commission within 30 days.				
43	4. The failure to follow any or all of the provisions specified in F.1. through F.3 or the				
44	failure to follow any or all of these provisions in the prescribed manner shall not be				
45	reviewable on appeal or the basis of any other post-hearing relief.				
46	G. Mandated changes or improvements to court facilities pursuant to § 15.2-1643, Code of				
47	Virginia, or otherwise, including any new construction, shall be delayed at the request of				
48	the local governing body in which the court is located until June 30, 2020. The provisions				
49	of this item shall not apply to facilities that were subject to litigation on or before				
50	November 30, 2008.				
51	H. In order to reduce expenditures through the Criminal Fund for court-appointed counsel,				
52	effective July 1, 2014, compensation paid to attorneys appointed pursuant to Virginia				
53	Code § 53.1-40 shall be limited to \$55 per hour, with a maximum per diem compensation				
54	of \$200, plus reasonable expenses, to be paid from the Criminal Fund.				
55	I.1. Notwithstanding the provisions of § 19.2-155, Code of Virginia, in cases where an				

ITEM 40.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Attorney for the Commonwealth must recuse himself from a case or a special prosecutor must				
2	be appointed, the circuit court judge must appoint an Attorney for the Commonwealth or an				
3	Assistant Attorney for the Commonwealth from another jurisdiction. If the circuit court judge				
4	determines that the appointment of such Attorney for the Commonwealth or such Assistant				
5	Attorney for the Commonwealth is not appropriate or that such an attorney or assistant is				
6	unavailable then the judge must request approval from the Executive Secretary of the				
7	Supreme Court for an exception to this requirement.				
8	2. The Executive Secretary of the Supreme Court shall include in the annual report required in				
9	paragraph A. of Item 38 information on the number of exceptions granted related to special				
10	prosecutors and the related expenditures.				
11	J. Notwithstanding any other provisions of Chapter 23 of Title 8.1 of the Code of Virginia, a				
12	reasonable fee not to exceed \$150 may be charged by Commissioners of Accounts for any				
13	foreclosures on a timeshare estate to reimburse them for the reasonable costs associated				
14	therewith.				
15	K. Sufficient funding is provided in the second year appropriation for this item to fill all				
16	circuit court judgeships authorized pursuant to § 17.1-507, Code of Virginia, as of July 1,				
17	2019.				
18	Total for Circuit Courts.....			\$113,976,455	\$117,024,675
19	General Fund Positions.....	165.00	165.00		
20	Position Level.....	165.00	165.00		
21	Fund Sources: General.....	\$113,971,455	\$117,019,675		
22	Special.....	\$5,000	\$5,000		
23	General District Courts (114)				
24	41. Pre-Trial, Trial, and Appellate Processes (32100).....			\$117,958,469	\$120,337,475
25					\$122,587,475
26	Trial Processes (32103).....	\$96,960,139	\$99,339,145		
27	Other Court Costs And Allowances (Criminal Fund)				
28	(32104).....	\$15,069,165	\$15,069,165		
29			\$17,319,165		
30	Involuntary Mental Commitments (32105).....	\$5,929,165	\$5,929,165		
31	Fund Sources: General.....	\$117,958,469	\$120,337,475		
32			\$122,587,475		
33	Authority: Article VI, Section 8, Constitution of Virginia; §§ 16.1-69.1 through 16.1-137,				
34	19.2-163 and 37.2-809 et seq., Code of Virginia.				
35	A. Out of the amounts in this Item for Trial Processes shall be paid:				
36	1. The annual salaries of all General District Court judges, \$154,017 from July 1, 2018 to				
37	June 9, 2019, \$ 157,097 from June 10, 2019 to June 30, 2020. Such salary shall be 90 percent				
38	of the annual salary fixed by law for judges of the Circuit Courts and shall represent the total				
39	compensation for General District Court Judges and incorporate all supplements formerly				
40	paid by the various localities.				
41	2. The salaries of substitute judges and court personnel.				
42	B. There is hereby reappropriated the unexpended balances remaining at the close of business				
43	on June 30, 2018, in the appropriation made in Item 43, Chapter 836, Acts of Assembly of				
44	2017 in the item details Other Court Costs and Allowances (Criminal Fund) and Involuntary				
45	Mental Commitments and the balances remaining in these item details on June 30, 2019.				
46	C. Any balance, or portion thereof, in the item detail Involuntary Mental Commitments, may				
47	be transferred between Items 41, 42, 43, and 300, as needed, to cover any deficits incurred for				
48	Involuntary Mental Commitments by the Supreme Court or the Department of Medical				
49	Assistance Services.				
50	D. The appropriation in this Item for Other Court Costs and Allowances (Criminal Fund) shall				

ITEM 41.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	be used to implement the provisions of § 8.01-384.1:1, Code of Virginia.			
2	E. Out of the amount appropriated from the general fund for Other Court Costs and			
3	Allowances (Criminal Fund) in this Item, there shall be transferred an amount not to			
4	exceed \$40,000 the first year and not to exceed \$40,000 the second year to the Criminal			
5	Injuries Compensation Fund, administered by the Virginia Workers' Compensation			
6	Commission, for the administration of the physical evidence recovery kit (PERK)			
7	program.			
8	F. A district court judge shall only be reimbursed for mileage for commuting if the judge			
9	has to travel to a courthouse in a county or city other than the one in which the judge			
10	resides and the distance between the judge's residence and the courthouse is greater than			
11	25 miles.			
12	G. Upon the retirement or separation from employment of any chief general district court			
13	clerks from the 7th judicial district or the 13th judicial district, any vacant chief clerk			
14	positions in excess of one chief clerk for each general district court shall be reallocated by			
15	the Committee on District Courts to district courts with the highest documented unmet			
16	staffing requirements.			
17	H. Sufficient funding is provided in the second year appropriation for this item to fill all			
18	general district court judgeships authorized pursuant to § 16.1-69.6:1, Code of Virginia, as			
19	of July 1, 2019.			
20	Total for General District Courts.....		\$117,958,469	\$120,337,475
21				\$122,587,475
22	General Fund Positions.....	1,056.10	1,056.10	
23	Position Level.....	1,056.10	1,056.10	
24	Fund Sources: General.....	\$117,958,469	\$120,337,475	
25			\$122,587,475	
26	Juvenile and Domestic Relations District Courts (115)			
27	42. Pre-Trial, Trial, and Appellate Processes (32100)....		\$98,711,729	\$102,676,739
28				\$104,926,739
29	Trial Processes (32103).....	\$66,639,631	\$70,604,641	
30	Other Court Costs And Allowances (Criminal			
31	Fund) (32104).....	\$31,807,351	\$31,807,351	
32			\$34,057,351	
33	Involuntary Mental Commitments (32105).....	\$264,747	\$264,747	
34	Fund Sources: General.....	\$98,711,729	\$102,676,739	
35			\$104,926,739	
36	Authority: Article VI, Section 8, Constitution of Virginia; §§ 16.1-69.1 through 16.1-			
37	69.58, 16.1-226 through 16.1-334, 19.2-163 and 37.2-809 through 37.2-813., Code of			
38	Virginia.			
39	A. Out of the amounts in this Item for Trial Processes shall be paid:			
40	1. The annual salaries of all full-time Juvenile and Domestic Relations District Court			
41	Judges, \$154,017 from July 1, 2018 to June 9, 2019, \$ 157,097 from June 10, 2019 to June			
42	30, 2020. Such salary shall be 90 percent of the annual salary fixed by law for judges of			
43	the Circuit Courts and shall represent the total compensation for Juvenile and Domestic			
44	Relations District Court Judges.			
45	2. The salaries of substitute judges and court personnel.			
46	B. There is hereby reappropriated the unexpended balances remaining at the close of			
47	business on June 30, 2018, in the appropriation made in Item 44, Chapter 836, Acts of			
48	Assembly of 2017, in the Item details Other Court Costs and Allowances (Criminal Fund)			
49	and Involuntary Mental Commitments and the balances remaining in these item details on			
50	June 30, 2019.			

ITEM 42.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	C. Any balance, or portion thereof, in the Item detail Involuntary Mental Commitments, may				
2	be transferred between Items 41, 42, 43, and 300, as needed, to cover any deficits incurred for				
3	Involuntary Mental Commitments by the Supreme Court or the Department of Medical				
4	Assistance Services.				
5	D. The appropriation in this Item for Other Court Costs and Allowances (Criminal Fund) shall				
6	be used to implement the provisions of § 8.01-384.1:1, Code of Virginia.				
7	E. Out of the amount appropriated from the general fund for Other Court Costs and				
8	Allowances (Criminal Fund) in this Item, there shall be transferred an amount not to exceed				
9	\$870,000 the first year and not to exceed \$870,000 the second year to the Criminal Injuries				
10	Compensation Fund, administered by the Virginia Workers' Compensation Commission for				
11	the administration of the physical evidence recovery kit (PERK) program.				
12	F. Sufficient funding is provided in the second year appropriation for this item to fill all				
13	juvenile and domestic relations court judgeships authorized pursuant to § 16.1-69.6:1, Code of				
14	Virginia, as of July 1, 2019.				
15	Total for Juvenile and Domestic Relations District				
16	Courts.....			\$98,711,729	\$102,676,739
17					\$104,926,739
18	General Fund Positions.....	617.10	617.10		
19	Position Level.....	617.10	617.10		
20	Fund Sources: General.....	\$98,711,729	\$102,676,739		
21			\$104,926,739		
22	43. Not set out.				
23	44. Not set out.				
24	Grand Total for Supreme Court.....			\$447,109,202	\$456,789,726
25					\$461,289,726
26	General Fund Positions.....	2,708.71	2,708.71		
27	Nongeneral Fund Positions.....	8.00	8.00		
28	Position Level.....	2,716.71	2,716.71		
29	Fund Sources: General.....	\$437,825,226	\$447,505,750		
30			\$452,005,750		
31	Special.....	\$308,655	\$308,655		
32	Dedicated Special Revenue.....	\$7,675,321	\$7,675,321		
33	Federal Trust.....	\$1,300,000	\$1,300,000		
34	45. Not set out.				
35	46. Not set out.				
36	47. Not set out.				
37	48. Not set out.				
38	49. Not set out.				
39	50. Not set out.				
40	TOTAL FOR JUDICIAL DEPARTMENT.....			\$529,358,799	\$540,949,927
41					\$545,449,927
42	General Fund Positions.....	3,267.71	3,287.71		
43	Nongeneral Fund Positions.....	106.00	106.00		
44	Position Level.....	3,373.71	3,393.71		

ITEM 50.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Fund Sources: General.....	\$495,685,735	\$507,276,863		
2			\$511,776,863		
3	Special.....	\$9,457,292	\$9,457,292		
4	Dedicated Special Revenue.....	\$22,915,772	\$22,915,772		
5	Federal Trust.....	\$1,300,000	\$1,300,000		

ITEM 51.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	EXECUTIVE DEPARTMENT			
2	EXECUTIVE OFFICES			
3	51.	Not set out.		
4	52.	Not set out.		
5	53.	Not set out.		
6	54.	Not set out.		
7	55.	Not set out.		
8	56.	Not set out.		
9	57.	Not set out.		
10	58.	Not set out.		
11	59.	Not set out.		
12	60.	Not set out.		
13	61.	Not set out.		
14	62.	Not set out.		
15	63.	Not set out.		
16	64.	Not set out.		
17	TOTAL FOR EXECUTIVE OFFICES.....		\$71,694,622	\$70,901,065
18	General Fund Positions.....	324.42	324.42	
19	Nongeneral Fund Positions.....	247.58	247.58	
20	Position Level.....	572.00	572.00	
21	Fund Sources: General.....	\$36,949,238	\$36,949,238	
22	Special.....	\$19,840,593	\$19,840,593	
23	Commonwealth Transportation.....	\$2,087,938	\$2,087,938	
24	Dedicated Special Revenue.....	\$92,978	\$92,978	
25	Federal Trust.....	\$12,723,875	\$11,930,318	

ITEM 65.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF ADMINISTRATION			
2	65.	Not set out.		
3	66.	Not set out.		
4	67.	Not set out.		
5	68.	Not set out.		
6	69.	Not set out.		
7	70.	Not set out.		
8	71.	Not set out.		
9	72.	Not set out.		
10	73.	Not set out.		
11	74.	Not set out.		
12	75.	Not set out.		
13	76.	Not set out.		
14	77.	Not set out.		
15	78.	Not set out.		
16	79.	Not set out.		
17	80.	Not set out.		
18	§ 1-2. DEPARTMENT OF HUMAN RESOURCE MANAGEMENT (129)			
19	81.	Personnel Management Services (70400).....		\$103,100,826
20				\$108,364,532
21		Agency Human Resource Services (70401).....	\$1,452,709	\$1,677,709
22				\$1,927,709
23		Human Resource Service Center (70402).....	\$1,362,447	\$1,286,809
24		Health Benefits Services (70406).....	\$6,859,837	\$6,868,079
25		Personnel Development Services (70409).....	\$678,686	\$678,686
26		Personnel Management Information System		
27		(70410).....	\$1,827,972	\$1,861,248
28				\$1,323,296
29		Equal Employment and Dispute Resolution		
30		Services (70413).....	\$1,822,940	\$1,895,766
31		State Employee Program Services (70417).....	\$2,139,084	\$2,139,084
32		State Employee Workers' Compensation Services		
33		(70418).....	\$86,414,323	\$91,414,323
34		Administrative and Support Services (70419).....	\$542,828	\$542,828
35		Fund Sources: General.....	\$5,207,112	\$5,429,300
36				\$5,679,300
37		Special.....	\$1,272,515	\$1,272,515
38		Enterprise.....	\$2,519,448	\$2,519,448

ITEM 81.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Internal Service.....	\$7,338,929	\$7,372,205	
2			\$6,834,253	
3	Trust and Agency.....	\$86,762,822	\$91,771,064	
4	Authority: Title 2.2, Chapters 12 and 28, 29, 30, and 32, Code of Virginia.			
5	A. The Department of Human Resource Management shall report any proposed changes in			
6	premiums, benefits, carriers, or provider networks to the Governor and the Chairmen of the			
7	House Appropriations and Senate Finance Committees at least sixty days prior to			
8	implementation.			
9	B.1. The Department of Human Resource Management shall operate a human resource			
10	service center to support the human resource needs of those agencies identified by the			
11	Secretary of Administration in consultation with the Department of Planning and Budget. The			
12	agencies identified shall cooperate with the Department of Human Resource Management by			
13	transferring such records and functions as may be required.			
14	2. Out of this appropriation, \$622,898 the first year and \$622,898 the second year from the			
15	general fund shall be used to support the human resource service center.			
16	3. Nothing in this paragraph shall prohibit additional agencies from using the services of the			
17	center; however, these additional agencies' use of the human resource service center shall be			
18	subject to approval by the affected cabinet secretary and the Secretary of Administration.			
19	4. a. Agencies that are partially or fully funded with nongeneral funds that receive approval by			
20	the affected cabinet secretary and the Secretary of Administration to join the human resource			
21	service center, on or after July 1, 2014, shall pay the Department of Human Resource			
22	Management the costs to support the human resource service center. The agency's share of the			
23	costs to support the human resource service center shall be based on the agency's applicable			
24	nongeneral fund expenditures as set out in § 4-5.03 of this act.			
25	b. The rates required to recover the costs of the human resource service center shall be			
26	provided by the Department of Human Resource Management to the Department of Planning			
27	and Budget by September 1 each year for review and approval of the subsequent fiscal year's			
28	rate in accordance with § 4-5.03 of this act.			
29	c. The rates for the human resource service center shall be \$625.00 per full-time equivalent			
30	and \$225.00 per wage employee the first year and \$900.00 per full-time equivalent and			
31	\$325.00 per wage employee the second year.			
32	C. The institutions of higher education shall be exempt from the centralized advertising			
33	requirements identified in Executive Order 73 (01).			
34	D.1. To ensure fair and equitable performance reviews, the Department of Human Resource			
35	Management, within available resources, is directed to provide performance management			
36	training to agencies and institutions of higher education with classified employees.			
37	2. Agency heads in the Executive Department are directed to require appropriate performance			
38	management training for all agency supervisors and managers.			
39	E. The Department of Human Resource Management shall take into account the claims			
40	experience of each agency and institution when setting premiums for the workers'			
41	compensation program.			
42	F.1. The Department of Human Resource Management shall report to the Governor and			
43	Chairmen of the House Appropriations and Senate Finance Committees by October 30 of			
44	each year, on its recommended workers' compensation premiums for state agencies for the			
45	following biennium. This report shall also include the basis for the department's			
46	recommendations; the status and recommendations of the loss control program authorized in			
47	paragraph F. 2; the number and amount of workers' compensation settlements concluded in			
48	the previous fiscal year, inclusive of those authorized in paragraph F. 3.a; and the impact of			
49	those settlements on the workers' compensation program's reserves.			
50	2. Beginning July 1, 2015, the Department of Human Resource Management shall conduct an			
51	annual review of each state agency's loss control history, to include the severity of workers'			

ITEM 81.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	compensation claims, experience modification factor, and frequency normalized by			
2	payroll. Based on the annual review, state agencies deemed by the Department of Human			
3	Resource Management as having higher than normal loss history shall be required to			
4	participate in a loss control program. All executive, judicial, legislative, and independent			
5	agencies required to participate in the loss control program shall fully cooperate with the			
6	Department of Human Resource Management's review.			
7	3. a. A working capital advance of up to \$20,000,000 shall be provided to the Department			
8	of Human Resource Management to identify and potentially settle certain workers'			
9	compensation claims open for more than one year but less than 10 years. The Department			
10	of Human Resource Management shall pay back the working capital advance from annual			
11	premiums over a seven-year period.			
12	b. The Secretary of Finance and Secretary of Administration shall approve the drawdowns			
13	from this working capital advance prior to the expenditure of funds. The State Comptroller			
14	shall notify the Governor and the Chairmen of the House Appropriations and Senate			
15	Finance Committees of any approved drawdowns.			
16	G. The Department of Human Resource Management shall report to the Governor and			
17	Chairmen of the House Appropriations and Senate Finance Committees, by October 15 of			
18	each year, on the renewal cost of the state employee health insurance program premiums			
19	that will go into effect on July 1 of the following year. This report shall include the impact			
20	of the renewal cost on employee and employer premiums and a valuation of liabilities as			
21	required by Other Post Employment Benefits reporting standards.			
22	H. Out of this appropriation, \$606,439 the first year and \$606,439 the second year from			
23	the general fund is provided for the time, attendance and leave system.			
24	I. The Department of Human Resource Management shall develop and distribute			
25	instructions and guidelines to all executive department agencies for the provision of an			
26	annual statement of total compensation for each classified employee. The statement			
27	should account for the full cost to the Commonwealth and the employee of cash			
28	compensation as well as Social Security, Medicare, retirement, deferred compensation,			
29	health insurance, life insurance, and any other benefits. The Director, Department of			
30	Human Resource Management, shall ensure that all executive department agencies			
31	provide this notice to each employee. The Department of Accounts and the Virginia			
32	Retirement System shall provide assistance upon request. Further, the Director of the			
33	Department of Human Resource Management shall provide instructions and guidelines for			
34	the development notices of total compensation to all independent, legislative, and judicial			
35	agencies, and institutions of higher education for preparation of annual statements to their			
36	employees.			
37	J. 1. The appropriation for the Personnel Management Information System (PMIS) is a			
38	sum sufficient and amounts shown are estimates from an internal service fund which shall			
39	be paid solely from revenues derived from charges to participating agencies, identified by			
40	the Department of Human Resource Management and approved by the Department of			
41	Planning and Budget, to support the operation of PMIS and its subsystems authorized in			
42	this Item.			
43	2.a. The rate for agencies to support PMIS and its subsystems, operated and maintained by			
44	the Department of Human Resource Management, shall be \$16.20 per position the first			
45	year and no more than \$17.03 \$10.82 per position the second year. The rate is based upon			
46	the higher of the agency's maximum employment level as of July 1, 2017, and filled wage			
47	positions as of June 30, 2017, or the total number of filled classified and wage positions as			
48	of June 30, 2017.			
49	b. The rates authorized to support the operation of PMIS and its subsystems shall be			
50	provided by the Department of Human Resource Management and approved by the			
51	Department of Planning and Budget by September 1 each year for review and approval of			
52	the subsequent fiscal year's rate in accordance with § 4-5.03 of this act.			
53	3. The State Comptroller shall recover the cost of services provided for the administration			
54	of the internal service fund through interagency transactions as determined by the State			
55	Comptroller.			

ITEM 81.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	K. Out of the amounts appropriated for this Item to support the Commission on Employee			
2	Retirement Security and Pension Reform, the Department of Human Resource Management is			
3	authorized to spend an amount estimated at \$75,000 each year on the development and			
4	maintenance of an employee exit survey and an amount estimated at \$20,000 per year to			
5	subscribe to Occupationally Based Data Services focused on total compensation and			
6	evaluation of peer employers.			
7	L. The Department of Human Resource Management shall work with the Virginia			
8	Information Technologies Agency to develop a pilot program, beginning in July of 2019,			
9	utilizing a currently available electronic platform, to track and evaluate the productivity			
10	contract staff when teleworking or working in an office that is not part of the agency for			
11	which they work or for which they have a contract. The Departments shall identify specific			
12	executive branch agencies which have a significant number of such contractors and work with			
13	these agencies to develop the pilot project. The Departments shall report to the Chairmen of			
14	the House Appropriations and Senate Finance Committees on the results of the pilot program			
15	by November 15, 2020.			
16	M.1. The Department of Human Resource Management shall convene a workgroup to			
17	develop a methodology that can be used to determine (i) the amount of funding that should be			
18	appropriated for state employee salary increases each year and (ii) how to distribute that			
19	funding to address state agencies' most significant workforce challenges.			
20	2. The methodology should be data-driven and include (i) recruitment and retention trends for			
21	each job role in the state workforce, (ii) how salaries and total compensation for each job role			
22	compare to similar jobs at other employers, (iii) the extent to which recruitment and retention			
23	challenges can be addressed by salary increases, and (iv) the impact of recruitment and			
24	retention challenges in each job role on state agency operations.			
25	3. In developing the methodology, the workgroup shall incorporate data from the Personnel			
26	Management Information System, the Department of Human Resource Management's			
27	employee exit survey, and data from Occupationally Based Data Services.			
28	4. The workgroup shall include representatives from the Department of Human Resource			
29	Management, the Department of Planning and Budget, House Appropriations Committee			
30	staff, Senate Finance Committee staff, and human resources staff from multiple state			
31	agencies.			
32	5. The methodology developed by the workgroup shall be used to develop the biennial report			
33	required by House Bill 2055 of the 2019 General Assembly Session. Notwithstanding the			
34	provisions of House Bill 2055, the first biennial report using this methodology shall be due by			
35	December 1, 2019.			
36	N. The Department of Human Resource Management shall work with the Department of			
37	Veterans Services to identify and promote policies to support the hiring and continued			
38	employment of disabled veterans in the state workforce. The Departments shall submit any			
39	recommendations for state workforce policy changes to the Chairmen of the House			
40	Appropriations and Senate Finance Committees by November 15, 2019.			
41	Total for Department of Human Resource			
42	Management.....		\$103,100,826	\$108,364,532
43				\$108,076,580
44	General Fund Positions.....	49.96	49.96	
45	Nongeneral Fund Positions.....	66.04	66.04	
46	Position Level.....	116.00	116.00	
47	Fund Sources: General.....	\$5,207,112	\$5,429,300	
48			\$5,679,300	
49	Special.....	\$1,272,515	\$1,272,515	
50	Enterprise.....	\$2,519,448	\$2,519,448	
51	Internal Service.....	\$7,338,929	\$7,372,205	
52			\$6,834,253	
53	Trust and Agency.....	\$86,762,822	\$91,771,064	
54	82. Not set out.			

ITEM 82.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Grand Total for Department of Human Resource				
2	Management.....			\$2,188,546,893	\$2,218,810,599
3					\$2,218,522,647
4	General Fund Positions.....	49.96	49.96		
5	Nongeneral Fund Positions.....	66.04	66.04		
6	Position Level.....	116.00	116.00		
7	Fund Sources: General.....	\$5,207,112	\$5,429,300		
8			\$5,679,300		
9	Special.....	\$1,272,515	\$1,272,515		
10	Enterprise.....	\$536,569,692	\$536,569,692		
11	Internal Service.....	\$1,526,534,752	\$1,551,568,028		
12			\$1,551,030,076		
13	Trust and Agency.....	\$118,962,822	\$123,971,064		
14	§ 1-3. DEPARTMENT OF ELECTIONS (132)				
15	83. Electoral Services (72300).....			\$12,116,786	\$16,114,173
16					\$15,966,865
17	Electoral Administration, Uniformity, Legality,				
18	and Quality Assurance Services (72302).....	\$1,285,140	\$2,098,443		
19			\$1,951,135		
20	Statewide Voter Registration System and				
21	Associated Information Technology Services				
22	(72304).....	\$8,872,492	\$12,169,925		
23	Campaign Finance Disclosure Administration				
24	Services (72309).....	\$181,282	\$181,282		
25	Voter Services and Communications (72311).....	\$703,944	\$483,944		
26	Administrative Services (72312).....	\$1,073,928	\$1,180,579		
27	Fund Sources: General.....	\$12,064,536	\$13,061,923		
28			\$12,914,615		
29	Special.....	\$52,250	\$52,250		
30	Trust and Agency.....	\$0	\$3,000,000		
31	Authority: Title 24.2, Chapter 1, Code of Virginia.				
32	A. It is the intention of the General Assembly that all local precincts, other than central				
33	absentee precincts established under § 24.2-712, Code of Virginia, will use electronic				
34	pollbooks for elections held beginning in November, 2010.				
35	B. Any locality using paper pollbooks for elections held beginning in November, 2010,				
36	shall be responsible for entering voting credit as provided in § 24.2-668. Additionally, any				
37	locality using paper pollbooks for elections held after November, 2010 may be required to				
38	reimburse the Department of Elections for state costs associated with providing paper				
39	pollbooks.				
40	C. Municipalities will pay all expenses associated with May elections after June 30, 2009,				
41	including those costs incurred by the Department of Elections.				
42	D. The State Board of Elections shall by regulation provide for an administrative fee up to				
43	\$25 for each non-electronic report filed with the State Board under § 24.2-947.5. The				
44	regulation shall provide for waiver of the fee based upon indigence.				
45	E. All unpaid charges and civil penalties assessed under Title 24.2 shall be subject to				
46	interest, the administrative collection fee and late penalties authorized in the Virginia Debt				
47	Collection Act, Chapter 48 of Title 2.2, § 2.2-4800 et seq.				
48	F. Out of this appropriation, \$212,687 the first year and \$212,687 the second year from the				
49	general fund is provided for voter outreach and education required to inform voters about				
50	the photo identification requirements pursuant to Chapter 725 of the Acts of Assembly of				
51	2013. It is the intent of the General Assembly that registration cards containing the voter's				
52	photograph and signature be provided free to any eligible voter upon request to the general				

ITEM 83.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	registrar.				
2	G. Out of this appropriation, \$212,423 the first year and \$212,423 the second year from the				
3	general fund is provided for conducting list maintenance mailings as required by the National				
4	Voter Registration Act.				
5	H. No funds available within this appropriation shall be expended to substantially rebuild the				
6	Virginia Election & Registration Information System (VERIS) until such time as the				
7	Department of Elections, in consultation with the Virginia Information Technologies Agency				
8	(VITA), has (i) solicited feedback from the GR/EB Duties Workgroup, (ii) developed a				
9	product requirements document, and (iii) developed a draft request for proposals document				
10	for a potential replacement to the VERIS system. The Department shall submit a report to the				
11	Chairmen of the House Appropriations and Senate Finance Committees by December 1,				
12	2019, including the completed product requirements document and draft request for proposals				
13	document, as well as an assessment by the Department regarding the options of replacing or				
14	rebuilding the VERIS system, including the use of third-party vendors.				
15	I. The Department of Elections, in collaboration with the Compensation Board, shall conduct				
16	a comparison of General Registrars' salaries, in relation to other local constitutional officers'				
17	salaries, between the years 1981 and 2018. Additionally, the Department shall prepare an				
18	analysis detailing the duties and job responsibilities for general registrars. The Department				
19	shall submit this information to the Chairmen of the Senate Finance and House				
20	Appropriations Committees by September 1, 2019.				
21	J. Out of this appropriation, \$147,308 the second year from the general fund is provided to				
22	fund expenses incurred by the Department associated with the 2020 presidential primary.				
23	84. Not set out.				
24	Total for Department of Elections.....			\$18,074,622	\$22,072,009
25					\$21,924,701
26	General Fund Positions.....	43.00	49.00		
27	Position Level.....	43.00	49.00		
28	Fund Sources: General.....	\$18,022,372	\$19,019,759		
29			\$18,872,451		
30	Special.....	\$52,250	\$52,250		
31	Trust and Agency.....	\$0	\$3,000,000		
32	84.10 Not set out.				
33	84.20 Not set out.				
34	84.30 Not set out.				
35	84.40 Not set out.				
36	84.50 Not set out.				
37	84.60 Not set out.				
38	84.70 Not set out.				
39	TOTAL FOR OFFICE OF ADMINISTRATION.....			\$3,571,663,488	\$3,553,556,906
40					\$3,553,121,646
41	General Fund Positions.....	368.46	377.46		
42	Nongeneral Fund Positions.....	731.54	737.94		
43	Position Level.....	1,100.00	1,115.40		
44	Fund Sources: General.....	\$736,141,756	\$739,964,258		
45			\$740,066,950		

ITEM 84.70.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Special.....	\$20,756,576	\$20,487,686		
2	Enterprise.....	\$572,469,717	\$573,355,332		
3	Internal Service.....	\$2,072,535,537	\$2,043,345,975		
4			\$2,042,808,023		
5	Trust and Agency.....	\$126,963,534	\$134,971,776		
6	Dedicated Special Revenue.....	\$35,346,638	\$34,236,501		
7	Federal Trust.....	\$7,449,730	\$7,195,378		

ITEM 85.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF AGRICULTURE AND FORESTRY			
2	85.	Not set out.		
3	86.	Not set out.		
4	87.	Not set out.		
5	88.	Not set out.		
6	89.	Not set out.		
7	90.	Not set out.		
8	91.	Not set out.		
9	92.	Not set out.		
10	93.	Not set out.		
11	94.	Not set out.		
12	95.	Not set out.		
13	96.	Not set out.		
14	97.	Not set out.		
15	98.	Not set out.		
16	99.	Not set out.		
17	100.	Not set out.		
18	101.	Not set out.		
19	TOTAL FOR OFFICE OF AGRICULTURE AND			
20	FORESTRY.....		\$111,373,547	\$111,502,547
21	General Fund Positions.....	498.59	498.59	
22	Nongeneral Fund Positions.....	337.41	337.41	
23	Position Level.....	836.00	836.00	
24	Fund Sources: General.....	\$56,854,686	\$56,968,686	
25	Special.....	\$19,959,447	\$19,959,447	
26	Trust and Agency.....	\$7,170,138	\$7,170,138	
27	Dedicated Special Revenue.....	\$10,810,980	\$10,810,980	
28	Federal Trust.....	\$16,578,296	\$16,593,296	

ITEM 102.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF COMMERCE AND TRADE			
2	§ 1-4. SECRETARY OF COMMERCE AND TRADE (192)			
3	102.	Not set out.		
4	Economic Development Incentive Payments (312)			
5	103.	Economic Development Services (53400).....		\$47,964,808
6				\$93,823,498
7		Financial Assistance for Economic Development		
8		(53410).....	\$47,964,808	\$93,823,498
9				\$94,823,498
10		Fund Sources: General.....	\$41,684,808	\$87,912,498
11		Special.....	\$6,130,000	\$5,761,000
12		Dedicated Special Revenue.....	\$150,000	\$150,000
13				\$1,150,000
14	Authority: Discretionary Inclusion.			
15	A.1. Out of the appropriation for this Item, \$19,750,000 the first year and \$19,750,000 the			
16	second year from the general fund shall be deposited to the Commonwealth's			
17	Development Opportunity Fund, as established in § 2.2-115, Code of Virginia. Such funds			
18	shall be used at the discretion of the Governor, subject to prior consultation with the			
19	Chairmen of the House Appropriations and Senate Finance Committees, to attract			
20	economic development prospects to locate or expand in Virginia. If the Governor,			
21	pursuant to the provisions of § 2.2-115, E.1., Code of Virginia, determines that a project is			
22	of regional or statewide interest and elects to waive the requirement for a local matching			
23	contribution, such action shall be included in the report on expenditures from the			
24	Commonwealth's Development Opportunity Fund required by § 2.2-115, F., Code of			
25	Virginia. Such report shall include an explanation on the jobs anticipated to be created, the			
26	capital investment made for the project, and why the waiver was provided.			
27	2. The Governor may allocate these funds as grants or loans to political subdivisions.			
28	Loans shall be approved by the Governor and made in accordance with procedures			
29	established by the Virginia Economic Development Partnership and approved by the State			
30	Comptroller. Loans shall be interest-free unless otherwise determined by the Governor			
31	and shall be repaid to the general fund of the state treasury. The Governor may establish			
32	the interest rate to be charged, otherwise, any interest charged shall be at market rates as			
33	determined by the State Treasurer and shall be indicative of the duration of the loan. The			
34	Virginia Economic Development Partnership shall be responsible for monitoring			
35	repayment of such loans and reporting the receivables to the State Comptroller as			
36	required.			
37	3. Funds may be used for public and private utility extension or capacity development on			
38	and off site; road, rail, or other transportation access costs beyond the funding capability			
39	of existing programs; site acquisition; grading, drainage, paving, and other activity			
40	required to prepare a site for construction; construction or build-out of publicly-owned			
41	buildings; grants or loans to an industrial development authority, housing and			
42	redevelopment authority, or other political subdivision pursuant to their duties or powers;			
43	training; or anything else permitted by law.			
44	4. Consideration should be given to economic development projects that 1) are in areas of			
45	high unemployment; 2) link commercial development along existing transportation/transit			
46	corridors within regions; and 3) are located near existing public infrastructure.			
47	5. It is the intent of the General Assembly that the Virginia Economic Development			
48	Partnership shall work with localities awarded grants from the Commonwealth's			
49	Development Opportunity Fund to recover such moneys when the economic development			
50	projects fail to meet minimal agreed-upon capital investment and job creation targets. All			
51	such recoveries shall be deposited and credited to the Commonwealth's Development			

ITEM 103.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Opportunity Fund.				
2	6. Up to \$5,000,000 of previously awarded funds and funds repaid by political subdivisions or				
3	business beneficiaries and deposited to the Commonwealth's Development Opportunity Fund				
4	may be used to assist Prince George County with site improvements related to the location of				
5	a major aerospace engine manufacturer to the Commonwealth.				
6	7. Up to \$2,675,000 of previously awarded funds and funds repaid by political subdivisions or				
7	business beneficiaries and deposited to the Commonwealth's Development Opportunity Fund				
8	may be reallocated to the Virginia Jobs Investment Program Fund and made available for				
9	eligible businesses under the Virginia Jobs Investment Program subject to the conditions set				
10	forth in § 2.2-2240.3, Code of Virginia.				
11	B.1. Out of the appropriation for this Item, \$4,609,210 the first year and \$5,236,900 the				
12	second year from the general fund shall be deposited to the Investment Performance Grant				
13	subfund of the Virginia Investment Partnership Grant Fund to be used to pay investment				
14	performance grants in accordance with § 2.2-5101, Code of Virginia.				
15	2. Consideration should be given to economic development projects that 1) are in areas of				
16	high unemployment; 2) link commercial development along existing transportation/transit				
17	corridors within regions; and 3) are located near existing public infrastructure.				
18	D. Out of the appropriation for this Item, \$3,000,000 the first year and \$3,000,000 the second				
19	year from the general fund and an amount estimated at \$150,000 the first year and \$150,000				
20	the second year from nongeneral funds shall be deposited to the Governor's Motion Picture				
21	Opportunity Fund, as established in § 2.2-2320, Code of Virginia. These nongeneral fund				
22	revenues shall be deposited to the fund from revenues generated by the digital media fee				
23	established pursuant to § 58.1-1731, et seq., Code of Virginia. Such funds shall be used at the				
24	discretion of the Governor to attract film industry production activity to the Commonwealth.				
25	E. Out of the appropriation for this Item, \$5,500,000 the first year and \$5,500,000 the second				
26	year from the Aerospace Manufacturing Performance Grant Fund and \$630,000 the first year				
27	and \$261,000 the second year from the Aerospace Manufacturer Workforce Training Grant				
28	Fund is hereby appropriated. These funds shall be used for grants in accordance with §§ 59.1-				
29	284.20 and 59.1-284.22, Code of Virginia. The Director, Department of Planning and Budget				
30	shall transfer these funds to the impacted state agencies upon request to the Director,				
31	Department of Planning and Budget by the respective state agency.				
32	F.1. Out of the appropriation for this Item, \$4,400,000 the first year and \$3,000,000 the				
33	second year from the general fund shall be deposited to the Virginia Economic Development				
34	Incentive Grant subfund of the Virginia Investment Partnership Grant Fund, and \$1,000,000				
35	the second year from the Virginia Economic Development Incentive Grant Fund is hereby				
36	appropriated. The appropriation is to be used to pay investment performance grants in				
37	accordance with § 2.2-5102.1, Code of Virginia.				
38	2. Consideration should be given to economic development projects that 1) are in areas of				
39	high unemployment; 2) link commercial development along existing transportation/transit				
40	corridors within regions; and 3) are located near existing public infrastructure.				
41	3. Notwithstanding § 2.2-5102.1.E. or any other provision of law, and subject to appropriation				
42	by the General Assembly, up to \$8,000,000 in economic development incentive grants is				
43	authorized for eligible projects to be awarded on or after July 1, 2017, but before June 30,				
44	2019. Any eligible project awarded such grants shall be subject to the conditions set forth in §				
45	2.2-5102.1. Any additional grant awards not authorized by this act, including any awards after				
46	June 30, 2019, shall require separate legislation.				
47	G.1. Out of the appropriation for this Item, \$3,750,000 the first year and \$3,750,000 the				
48	second year from the general fund shall be provided for the Virginia Biosciences Health				
49	Research Corporation (VBHRC), a non-stock corporation research consortium initially				
50	comprised of the University of Virginia, Virginia Commonwealth University, Virginia				
51	Polytechnic Institute and State University, George Mason University and the Eastern Virginia				
52	Medical School. The consortium will contract with private entities, foundations and other				
53	governmental sources to capture and perform research in the biosciences, as well as promote				
54	the development of bioscience infrastructure tools which can be used to facilitate additional				

ITEM 103.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	research activities. The Director, Department of Planning and Budget, is authorized to			
2	provide these funds to the non-stock corporation research consortium referenced in this			
3	paragraph upon request filed with the Director, Department of Planning and Budget by			
4	VBHRC.			
5	2. Of the amounts provided in G.1. for the research consortium, up to \$3,750,000 the first			
6	year and \$3,750,000 the second year may be used to develop or maintain investments in			
7	research infrastructure tools to facilitate bioscience research.			
8	3. The remaining funding shall be used to capture and perform research in the biosciences			
9	and must be matched at least dollar-for-dollar by funding provided by such private			
10	entities, foundations and other governmental sources. No research will be funded by the			
11	consortium unless at least two of the participating institutions, including the five founding			
12	institutions and any other institutions choosing to join, are actively and significantly			
13	involved in collaborating on the research. No research will be funded by the consortium			
14	unless the research topic has been vetted by a scientific advisory board and holds potential			
15	for high impact near-term success in generating other sponsored research, creating spin-			
16	off companies or otherwise creating new jobs. The consortium will set guidelines to			
17	disburse research funds based on advisory board findings. The consortium will have near-			
18	term sustainability as a goal, along with corporate-sponsored research gains, new Virginia			
19	company start-ups, and job creation milestones.			
20	4. Other publicly-supported institutions of higher education in the Commonwealth may			
21	choose to join the consortium as participating institutions. Participation in the consortium			
22	by the five founding institutions and by other participating institutions choosing to join			
23	will require a cash contribution from each institution in each year of participation of at			
24	least \$50,000.			
25	5. Of these funds, up to \$500,000 the first year and \$500,000 the second year may be used			
26	to pay the administrative, promotional and legal costs of establishing and administering			
27	the consortium, including the creation of intellectual property protocols, and the			
28	publication of research results.			
29	6. The Virginia Economic Development Partnership, in consultation with the publicly-			
30	supported institutions of higher education in the Commonwealth participating in the			
31	consortium, shall provide to the Governor, and the Chairmen of the Senate Finance and			
32	House Appropriations committees, by November 1 of each year a written report			
33	summarizing the activities of the consortium, including, but not limited to, a summary of			
34	how any funds disbursed to the consortium during the previous fiscal year were spent, and			
35	the consortium's progress during the fiscal year in expanding upon existing research			
36	opportunities and stimulating new research opportunities in the Commonwealth.			
37	7. The accounts and records of the consortium shall be made available for review and			
38	audit by the Auditor of Public Accounts upon request.			
39	8. Up to \$2,500,000 of the funds managed by the Commonwealth Health Research Board			
40	(CHRB), created pursuant to § 32.1-162.23, Code of Virginia, shall be directed toward			
41	collaborative research projects, approved by the boards of the VBHRC and CHRB, to			
42	support Virginia's core bioscience strengths, improve human health, and demonstrate			
43	commercial viability and a high likelihood of creating new companies and jobs in			
44	Virginia.			
45	H. Out of the appropriation for this Item, \$5,669,833 the first year and \$2,669,833 the			
46	second year from the general fund shall be available for eligible businesses under the			
47	Virginia Jobs Investment Program. Pursuant to § 2.2-1611, Code of Virginia, the			
48	appropriation provided for the Virginia Jobs Investment Program for eligible businesses			
49	shall be deposited to the Virginia Jobs Investment Program Fund.			
50	I. Out of the appropriation for this Item, \$500,000 the first year and \$500,000 the second			
51	year from the general fund may be provided to the Virginia Economic Development			
52	Partnership to facilitate additional domestic and international marketing and trade			
53	missions approved by the Governor. The Director, Department of Planning and Budget, is			
54	authorized to provide these funds to the Virginia Economic Development Partnership			
55	upon written approval of the Governor.			

ITEM 103.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	J. Out of the amounts in this item, \$50,000,000 the second year from the general fund shall be				
2	deposited to the Semiconductor Manufacturing Grant Fund for the award of grants to a				
3	qualified semiconductor manufacturing company in a qualified locality in accordance with				
4	legislation enacted by the 2019 General Assembly and subject to performance metrics agreed				
5	to in a memorandum of understanding with the Commonwealth.				
6	Total for Economic Development Incentive				
7	Payments.....			\$47,964,808	\$93,823,498
8					\$94,823,498
9	Fund Sources: General.....	\$41,684,808	\$87,912,498		
10	Special.....	\$6,130,000	\$5,761,000		
11	Dedicated Special Revenue.....	\$150,000	\$150,000		
12			\$1,150,000		
13	Grand Total for Secretary of Commerce and Trade.....			\$48,900,993	\$94,899,683
14					\$95,899,683
15	General Fund Positions.....	9.00	9.00		
16	Position Level.....	9.00	9.00		
17	Fund Sources: General.....	\$42,620,993	\$88,988,683		
18	Special.....	\$6,130,000	\$5,761,000		
19	Dedicated Special Revenue.....	\$150,000	\$150,000		
20			\$1,150,000		
21	104. Not set out.				
22	§ 1-5. DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (165)				
23	105. Housing Assistance Services (45800).....			\$71,902,939	\$69,673,655
24					\$76,673,655
25	Housing Assistance (45801).....	\$40,321,044	\$36,321,044		
26			\$43,321,044		
27	Homeless Assistance (45804).....	\$13,037,143	\$13,141,193		
28	Financial Assistance for Housing Services (45805)....	\$18,544,752	\$20,211,418		
29	Fund Sources: General.....	\$24,880,355	\$22,651,071		
30			\$29,651,071		
31	Special.....	\$344,537	\$344,537		
32	Dedicated Special Revenue.....	\$100,000	\$100,000		
33	Federal Trust.....	\$46,578,047	\$46,578,047		
34	Authority: Title 36, Chapters 8, 9, and 11; and Title 58.1, Chapter 3, Articles 4 and 13, Code				
35	of Virginia.				
36	A. Out of the amounts in this Item, \$3,482,705 from the general fund, \$100,000 from				
37	dedicated special revenue, and \$3,427,000 from federal trust funds the first year and				
38	\$3,482,705 from the general fund, \$100,000 from dedicated special revenue, and \$3,427,000				
39	from federal trust funds the second year shall be provided to support services for persons at				
40	risk of or experiencing homelessness and housing for populations with special needs, and				
41	\$4,050,000 the first year and \$4,050,000 the second year from the general fund shall be				
42	provided for homeless prevention. Of the general fund amount provided, the department is				
43	authorized to use up to two percent in each year for program administration. The amounts				
44	allocated for services for persons at risk of or experiencing homelessness shall be matched				
45	through local or private sources. Any balances for the purposes specified in this paragraph				
46	which are unexpended on June 30, 2019, and June 30, 2020, shall not revert to the general				
47	fund but shall be carried forward and reappropriated.				
48	B. The department shall report to the Chairmen of the Senate Finance, the House				
49	Appropriations Committees, and the Director, Department of Planning and Budget, by				
50	November 4 of each year on the state's homeless programs, including, but not limited to, the				
51	number of (i) emergency shelter beds, (ii) transitional housing units, (iii) single room				
52	occupancy dwellings, (iv) homeless intervention programs, (v) homeless prevention				
53	programs, and (vi) the number of homeless individuals supported by the permanent housing				

ITEM 105.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	state funding on a locality and statewide basis and the accomplishments achieved by the			
2	additional state funding provided to the program in the first year. The report shall also			
3	include the number of Virginians served by these programs, the costs of the programs, and			
4	the financial and in-kind support provided by localities and nonprofit groups in these			
5	programs. In preparing the report, the department shall consult with localities and			
6	community-based groups.			
7	C. Out of the amounts in this Item, \$1,100,000 the first year and \$1,100,000 the second			
8	year from the general fund shall be provided for rapid re-housing efforts. In keeping with			
9	the specific goals of the Balance of State Continuum of Care, \$200,000 of this amount in			
10	each year shall be focused on ensuring that no veteran is homeless or in a shelter for more			
11	than 30 days. These funds shall be used to supplement other state and federal programs,			
12	shall be directed to areas throughout the state where federal funds are not available, and			
13	shall be used to serve those veterans ineligible for federal benefits.			
14	D. The department shall continue to collaborate with the Department of Veteran Services			
15	to ensure coordinated efforts towards reducing homelessness among veterans.			
16	E.1. Out of the amounts in this Item, \$11,000,000 the first year and			
17	\$7,000,000 \$14,000,000 the second year from the general fund shall be deposited to the			
18	Virginia Housing Trust Fund, established pursuant to § 36-142 et seq., Code of Virginia.			
19	Notwithstanding § 36-142, Code of Virginia, when awarding grants through eligible			
20	organizations for targeted efforts to reduce homelessness, priority consideration shall be			
21	given to efforts to reduce the number of homeless youth and families.			
22	2. As part of the plan required by § 36-142 E., Code of Virginia, the department shall also			
23	report on the impact of the loans and grants awarded through the fund, including but not			
24	limited to: (i) the number of affordable rental housing units repaired or newly constructed,			
25	(ii) the number of individuals receiving down payments and/or closing assistance, and (iii)			
26	the progress and accomplishments in reducing homelessness achieved by the additional			
27	support provided through the fund.			
28	F. Out of the amounts in this Item, \$15,800,000 the first year and \$15,800,000 the second			
29	year from federal trust funds shall be provided to support Virginia affordable housing			
30	programs and the Indoor Plumbing Program.			
31	G. Out of the amounts in this Item, \$50,000 the first year and \$50,000 the second year			
32	from the general fund and one position shall be provided to support the administrative			
33	costs associated with administering the tax credits authorized pursuant to § 58.1-435,			
34	Code of Virginia.			
35	H. The department shall develop and implement strategies, that may include potential			
36	Medicaid financing, for housing individuals with serious mental illness. The department			
37	shall include other agencies in the development of such strategies including the Virginia			
38	Housing Development Authority, Department of Behavioral Health and Developmental			
39	Services, Department of Aging and Rehabilitative Services, Department of Medical			
40	Assistance Services, and Department of Social Services. The department shall also include			
41	stakeholders whose constituents have an interest in expanding supportive housing for			
42	people with serious mental illness, including the National Alliance on Mental Illness			
43	Virginia, the Virginia Housing Alliance and the Virginia Sheriff's Association. An annual			
44	report on such strategies and the progress on implementation shall be provided to the			
45	Chairmen of the House Appropriations and Senate Finance Committees by the first day of			
46	each General Assembly Regular Session.			
47	I. The Department of Housing and Community Development shall work with the Virginia			
48	Housing Commission to identify the impact of legislation that passed the 2019 session of			
49	the General Assembly that is designed to mitigate eviction rates and recommend if any			
50	further action is necessary to complement these efforts. The Department shall consider			
51	current federal, state and local resources, including but not limited to the following: (a)			
52	current counseling and social services provided by state agencies and authorities; (b) the			
53	potential needs of the cities of Richmond, Newport News, Hampton, Norfolk, and			
54	Chesapeake, as well as eviction prevention and diversion programs established in the			
55	cities of Arlington and Richmond; (c) data collected pursuant to Senate Bill 1450; and, (d)			
56	eviction prevention and diversion programs in other states. The Department shall analyze			

ITEM 105.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	and recommend how to better coordinate current public and private resources and programs to				
2	reduce eviction rates in Virginia, as well as how current prevention efforts can coordinate				
3	with existing and newly created eviction diversion laws and programs.				
4	106. Not set out.				
5	107. Not set out.				
6	108. Not set out.				
7	109. Not set out.				
8	110. Not set out.				
9	Total for Department of Housing and Community				
10	Development.....			\$161,990,156	\$182,110,872
11					\$189,110,872
12	General Fund Positions.....	60.25	61.25		
13			63.25		
14	Nongeneral Fund Positions.....	51.75	51.75		
15	Position Level.....	112.00	113.00		
16			115.00		
17	Fund Sources: General.....	\$88,905,720	\$109,026,436		
18			\$116,026,436		
19	Special.....	\$3,144,570	\$3,144,570		
20	Trust and Agency.....	\$150,000	\$150,000		
21	Dedicated Special Revenue.....	\$400,000	\$400,000		
22	Federal Trust.....	\$69,389,866	\$69,389,866		
23	111. Not set out.				
24	112. Not set out.				
25	113. Not set out.				
26	114. Not set out.				
27	115. Not set out.				
28	116. Not set out.				
29	117. Not set out.				
30	118. Not set out.				
31	119. Not set out.				
32	120. Not set out.				
33	121. Not set out.				
34	122. Not set out.				
35	123. Not set out.				
36	124. Not set out.				

ITEM 125.			Item Details(\$)		Appropriations(\$)	
			First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	125.	Not set out.				
2	126.	Not set out.				
3	126.10	Not set out.				
4	TOTAL FOR OFFICE OF COMMERCE AND					
5	TRADE.....				\$931,595,985	\$996,220,261
6						\$1,004,220,261
7	General Fund Positions.....		370.34	371.34		
8				373.34		
9	Nongeneral Fund Positions.....		1,307.66	1,307.66		
10	Position Level.....		1,678.00	1,679.00		
11				1,681.00		
12	Fund Sources: General.....		\$231,498,812	\$302,298,973		
13				\$309,298,973		
14	Special.....		\$27,524,327	\$26,920,327		
15	Commonwealth Transportation.....		\$1,592,572	\$1,592,572		
16	Trust and Agency.....		\$554,835,319	\$549,635,319		
17	Dedicated Special Revenue.....		\$25,848,945	\$25,477,060		
18				\$26,477,060		
19	Federal Trust.....		\$90,296,010	\$90,296,010		

ITEM 127.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF EDUCATION			
2	127.	Not set out.		
3	§ 1-6. DEPARTMENT OF EDUCATION, CENTRAL OFFICE OPERATIONS (201)			
4	128.	Not set out.		
5	129.	Special Education and Student Services (18200).....		\$16,492,613
6		Special Education Instructional Services (18201).....	\$9,907,986	\$9,907,986
7		Special Education Administration and Assistance		
8		Services (18202).....	\$1,043,459	\$1,043,459
9		Special Education Compliance and Monitoring		
10		Services (18203).....	\$3,058,297	\$3,551,052
11		Student Assistance and Guidance Services (18204)....	\$2,482,871	\$2,482,871
12		Fund Sources: General.....	\$1,903,579	\$2,396,334
13		Special.....	\$120,000	\$120,000
14		Federal Trust.....	\$14,469,034	\$14,469,034
15	Authority: Special Education Instructional Services: §§ 22.1-213 through 22.1-221, 22.1-			
16	253.13:1 through 22.1-253.13:8, 22.1-319 through 22.1-332, Code of Virginia; P.L. 108-446,			
17	Federal Code.			
18	Special Education Administration and Assistance Services: §§ 22.1-253.13:1 through 22.1-			
19	253.13:8, Code of Virginia; P.L. 108-446, Federal Code.			
20	Special Education Compliance and Monitoring Services: §§ 22.1-213 through 22.1-221, 22.1-			
21	253.13:1 through 22.1-253.13:8, 22.1-319 through 22.1-332, Code of Virginia; P.L. 108-446,			
22	Federal Code.			
23	Student Assistance and Guidance Services: Title 22.1, Chapters 1, 13, 14, 16; §§ 22.1-16.2,			
24	22.1-17.1, 22.1-17.2, 22.1-199.4, 22.1-206, 22.1-207.1, 22.1-208.01, 22.1-209.2, Code of			
25	Virginia; P.L. 107-110 and P.L. 108-446, Federal Code.			
26	A. The Department of Education, in collaboration with the Office of Children's Services, shall			
27	provide training to local staff serving on Family Assessment and Planning Teams and			
28	Community Policy and Management Teams. Training shall include, but need not be limited			
29	to, the federal and state requirements pertaining to the provision of the special education			
30	services funded under § 2.2-5211, Code of Virginia. The training shall also include written			
31	guidance concerning which services remain the financial responsibility of the local school			
32	divisions. In addition, the Department of Education shall provide ongoing local oversight of			
33	its federal and state requirements related to the provision of services funded under § 2.2-5211,			
34	Code of Virginia.			
35	B. The Board of Education shall consider the caseload standards for speech-language			
36	pathologists as part of its review of the Standards of Quality, pursuant to § 22.1-18.01, Code			
37	of Virginia.			
38	C. The Board of Education shall consider the inclusion of instructional positions needed for			
39	blind and visually impaired students enrolled in public schools and shall consider developing			
40	a caseload requirement for these instructional positions as part of its review of the Standards			
41	of Quality, pursuant to § 22.1-18.01, Code of Virginia.			
42	D. Out of this appropriation, \$447,416 the first year and \$447,416 the second year from the			
43	general fund is provided to the Department of Education to provide training, technical			
44	assistance, and on-site coaching to public school teachers and administrators on			
45	implementation of a positive behavioral interventions and supports program with the goal of			
46	improving school climate and reducing disruptive behavior in the classroom. Such training			
47	and other assistance may be provided as part of the Department's ongoing efforts to assist			
48	schools with implementation of a tiered system of supports that addresses both academic and			
49	behavioral needs.			

ITEM 129.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	E. Out of this appropriation, \$290,000 the first year and \$290,000 the second year from				
2	the general fund and \$290,000 the first year and \$290,000 the second year from federal				
3	funds shall be used for Multisensory Structured Literacy teacher training.				
4	F. Out of this appropriation, \$492,755 the second year from the general fund is provided				
5	to support statewide training and assistance for local school divisions to implement the				
6	Board of Education's Regulations Governing the Use of Seclusion and Restraint in Public				
7	Elementary and Secondary Schools in Virginia. <i>Any state funds provided to local school</i>				
8	<i>divisions in fiscal year 2020 to implement the Board of Education's Regulations</i>				
9	<i>Governing the Use of Seclusion and Restraint in Public Elementary and Secondary</i>				
10	<i>Schools in Virginia that are unexpended as of June 30, 2020, shall be carried on the books</i>				
11	<i>of the locality to be appropriated to the school division the following year to be used for</i>				
12	<i>the same purpose.</i>				
13	G.1. The Department of Education shall serve as the lead agency to collect and report data				
14	that succinctly measures the progress and outcomes of students that are placed in private				
15	provider settings by such student's public school of residence in Virginia or have been				
16	placed in a private provider facility by other legal means for which the Commonwealth is				
17	responsible for providing education. In keeping with the November 1, 2018, Private Day				
18	Special Education Outcomes report's findings and recommendations, the data shall include				
19	at least student attendance rates, graduation rates, individual student progress				
20	improvement rates relative to student individual education plans, standardized test scores,				
21	return to public school setting percentages, suspension and expulsion rates, transition to				
22	enrolling in post-secondary education percentages, and parental and student perspectives.				
23	2. The Department of Education, in collaboration with the Office of Children's Services,				
24	shall establish an implementation advisory group to assist in refining the outcome				
25	measures contained in paragraph G.1 of this item and the collection of any additional				
26	information that is beneficial in determining and measuring outcomes of such students in				
27	private day school settings that ensure a consistent set of comparable and compatible data				
28	relative to such data of students enrolled in the public schools in Virginia and who have an				
29	individualized education plan. The advisory workgroup shall include a representative				
30	number of various stakeholders that includes, but is not limited to, private day schools,				
31	local school divisions, associations that represent private providers, and others as				
32	necessary. The advisory group shall assist in the development of data collection protocols,				
33	requirements, and outcome reporting mechanisms. The relevant data shall be provided to				
34	the department annually by each private provider that receives state funding for the				
35	purpose of providing services as prescribed in such student's individualized education				
36	plan.				
37	3. The department shall begin collecting outcome data for private day special education				
38	schools in the 2019-2020 school year, if possible, but no later than the 2020-2021 school				
39	year. If warranted, other state agencies shall provide appropriate support to facilitate the				
40	collection of such data. All public school divisions that have students enrolled in such a				
41	private provider facility shall include in their contract for services with the private				
42	provider a requirement for the department to receive the data necessary to satisfy the data				
43	collections and subsequent reporting requirements. The department shall report annually				
44	on the outcome data for students enrolled in special education private day schools to				
45	Chairmen of the House Appropriations, House Education, Senate Finance, and Senate				
46	Education and Health Committees by the first day of the regular General Assembly				
47	Session.				
48	4. The Department of Education shall enter into a data sharing Memorandum of				
49	Understanding with the Office of Children's Services to allow linkage of specific student				
50	data to specific private day schools.				
51	5. The Department of Education and the Office of Children's Services shall have authority				
52	to implement these changes effective July 1, 2019, and prior to the completion of any				
53	regulatory process undertaken in order to effect such changes.				
54	130. Not set out.				
55	131. Not set out.				

ITEM 131.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	132.	Not set out.		
2	133.	Not set out.		
3	134.	Not set out.		
4	Total for Department of Education, Central Office			
5	Operations.....		\$108,665,168	\$121,138,531
6	General Fund Positions.....		144.00	149.00
7	Nongeneral Fund Positions.....		185.50	185.50
8	Position Level.....		329.50	334.50
9	Fund Sources: General.....		\$61,947,187	\$64,519,602
10	Special.....		\$5,159,353	\$5,159,353
11	Commonwealth Transportation.....		\$270,419	\$270,419
12	Trust and Agency.....		\$679,563	\$679,563
13	Federal Trust.....		\$40,608,646	\$50,509,594
14	Direct Aid to Public Education (197)			
15	135.	Financial Assistance for Educational, Cultural,		
16		Community, and Artistic Affairs (14300).....	\$32,171,945	\$33,324,222
17				\$32,965,708
18		Financial Assistance for Supplemental Education		
19		(14304).....	\$32,171,945	\$33,324,222
20				\$32,965,708
21		Fund Sources: General.....	\$32,171,945	\$33,324,222
22				\$32,965,708
23	Authority: Discretionary Inclusion.			
24	Appropriation Detail of Educational, Cultural, Community, and Artistic Affairs (14300)			
25	Supplemental Education Assistance		FY 2019	FY 2020
26	Programs (14304)			
27	Academies of Hampton		\$0	\$500,763
28	Achievable Dream		\$500,000	\$500,000
29	Career and Technical Education Regional		\$660,000	\$660,000
30	Centers			
31	Career and Technical Education - Emil		\$250,000	\$250,000
32	and Grace Shihaden Innovation Center			
33	Career and Technical Education Resource		\$298,021	\$298,021
34	Center			
35	Career Council at Northern Neck Career		\$60,300	\$60,300
36	& Technical Center			
37	Charter School Supplement		\$100,000	\$100,000
38	College Partnership Laboratory School		\$50,000	\$50,000
39	Communities in Schools (CIS)		\$1,244,400	\$1,244,400
40	Computer Science Teacher Training		\$550,000	\$550,000
41	Great Aspirations Scholarship Program		\$400,000	\$500,000
42	(GRASP)			
43	High School Program Innovation		\$500,000	\$500,000
44	Jobs for Virginia Graduates (JVG)		\$573,776	\$573,776
45	National Board Certification Program		\$5,250,000	\$5,393,514
46				\$5,035,000
47	Newport News Aviation Academy -		\$100,000	\$100,000
48	STEM Program			

ITEM 135.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Petersburg Executive Leadership	\$350,000		\$350,000
2	Recruitment Incentives			
3	Positive Behavioral Interventions &	\$1,598,000		\$1,598,000
4	Support (PBIS)			
5	Praxis and Virginia Communication and	\$50,000		\$50,000
6	Literacy Assessment Assistance for			
7	Provisionally Licensed Minority			
8	Teachers			
9	Project Discovery	\$962,500		\$962,500
10	Robots for Autism Pilot Program	\$0		\$200,000
11	Small School Division Assistance	\$145,896		\$145,896
12	Southside Virginia Regional	\$108,905		\$108,905
13	Technology Consortium			
14	Southwest Virginia Public Education	\$124,011		\$124,011
15	Consortium			
16	STEM Program / Research Study (VA	\$681,975		\$681,975
17	Air & Space Center)			
18	STEM Competition Team Grants	\$200,000		\$200,000
19	Targeted Extended/Enriched School	\$7,763,312		\$7,763,312
20	Year and Year-round School Grants			
21	Targeted Joint Consolidation School	\$0		\$400,000
22	Division Incentive			
23	Teach for America	\$500,000		\$500,000
24	Teacher Improvement Funding Initiative	\$15,000		\$15,000
25	Teacher Recruitment & Retention Grant	\$2,123,000		\$2,181,000
26	Programs			
27	Teacher Residency Program	\$2,000,000		\$1,750,000
28	Van Gogh Outreach Program	\$71,849		\$71,849
29	Virginia Early Childhood Foundation	\$2,750,000		\$2,750,000
30	(VECF)			
31	Virginia Reading Corps	\$600,000		\$600,000
32	Virginia Student Training and	\$300,000		\$300,000
33	Refurbishment (VA STAR) Program			
34	Vision Screening Grants	\$391,000		\$391,000
35	Vocational Lab Pilot	\$175,000		\$175,000
36	Wolf Trap Model STEM Program	\$725,000		\$725,000
37	Total	\$32,171,945		\$33,324,222
38				\$32,965,708
39	A. Out of this appropriation, the Department of Education shall provide \$573,776 the first			
40	year and \$573,776 the second year from the general fund for the Jobs for Virginia			
41	Graduates initiative.			
42	B. Out of this appropriation, the Department of Education shall provide \$124,011 the first			
43	year and \$124,011 the second year from the general fund for the Southwest Virginia			
44	Public Education Consortium at the University of Virginia's College at Wise. An			
45	additional \$71,849 the first year and \$71,849 the second year from the general fund is			
46	provided to the Consortium to continue the Van Gogh Outreach program with Lee and			
47	Wise County Public Schools and expand the program to the twelve school divisions in			
48	Southwest Virginia.			
49	C. This appropriation includes \$108,905 the first year and \$108,905 the second year from			
50	the general fund for the Southside Virginia Regional Technology Consortium to expand			
51	the research and development phase of a technology linkage.			
52	D. An additional state payment of \$145,896 the first year and \$145,896 the second year			
53	from the general fund is provided as a Small School Division Assistance grant for the City			
54	of Norton. To receive these funds, the local school board shall certify to the			

ITEM 135.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Superintendent of Public Instruction that its division has entered into one or more educational,				
2	administrative or support service cost-sharing arrangements with another local school				
3	division.				
4	E. Out of this appropriation, \$298,021 the first year and \$298,021 the second year from the				
5	general fund shall be allocated for the Career and Technical Education Resource Center to				
6	provide vocational curriculum and resource instructional materials free of charge to all school				
7	divisions.				
8	F. It is the intent of the General Assembly that the Department of Education provide bonuses				
9	from state funds to classroom teachers in Virginia's public schools who hold certification				
10	from the National Board of Professional Teaching Standards. Such bonuses shall be \$5,000				
11	the first year of the certificate and \$2,500 annually thereafter for the life of the certificate.				
12	This appropriation includes an amount estimated at \$5,250,000 the first year and \$5,393,514				
13	\$5,035,000 the second year from the general fund for the purpose of paying these bonuses. By				
14	October 15 of each year, school divisions shall notify the Department of Education of the				
15	number of classroom teachers under contract for that school year that hold such certification.				
16	G. This appropriation includes \$2,123,000 the first year and \$2,181,000 the second year from				
17	the general fund for grants, scholarships, and incentive payments to attract, recruit, and retain				
18	high-quality teachers and fill critical teacher shortage disciplines in Virginia's public schools.				
19	1. Out of this appropriation, \$708,000 the first year and \$708,000 the second year from the				
20	general fund is provided for teaching scholarship loans. These scholarships shall be for				
21	undergraduate students in college with a cumulative grade point average of at least 2.7, who				
22	are nominated by their college, and who meet the criteria and qualifications, pursuant to §				
23	22.1-290.01 , Code of Virginia, except as provided herein. Awards shall be made to students				
24	who are enrolled full-time or part-time in approved undergraduate or graduate teacher				
25	education programs for the top five critical teacher shortage disciplines, however minority				
26	students may be enrolled in any content area for teacher preparation. Scholarship recipients				
27	may fulfill the teaching obligation by accepting a teaching position, and teaching for at least				
28	two years in a school division where 50 percent or more of the students are eligible for free				
29	and reduced price lunch. Scholarship recipients who only complete one year of the teaching				
30	obligation shall be forgiven for one-half of the scholarship loan amount. Scholarship amounts				
31	are based on up to \$10,000 per year for full-time students, and shall be prorated for part-time				
32	students based on the number of credit hours. The Department of Education shall report				
33	annually on the critical shortage teaching areas in Virginia.				
34	a. The Department of Education shall make payments on behalf of the scholarship recipients				
35	directly to the Virginia institution of higher education where the scholarship recipient is				
36	enrolled full-time or part-time in an approved undergraduate or graduate teacher education				
37	program.				
38	b. The Department of Education is authorized to recover total funds awarded as scholarships,				
39	or the appropriate portion thereof, in the event that scholarship recipients fail to honor the				
40	stipulated teaching obligation.				
41	c. Within the fiscal year, any funds not awarded from this program may be applied toward the				
42	other teacher preparation, recruitment, and retention programs under paragraph G.				
43	2. Out of this appropriation, \$1,000,000 the first year and \$808,000 the second year from the				
44	general fund is provided to attract, recruit, and retain high-quality diverse individuals to teach				
45	science, technology, engineering, or mathematics (STEM) subjects in Virginia's middle and				
46	high schools experiencing difficulty in recruiting qualified teachers. A teacher employed full-				
47	time in a Virginia school division who has been issued a five-year Virginia teaching license				
48	with an endorsement in Middle Education 6-8: Mathematic, Mathematics-Algebra-I,				
49	mathematics, Middle Education 6-8: Science, Biology, Chemistry, Earth and Space Science,				
50	physics, or technology education and assigned to a teaching position in a corresponding				
51	STEM subject area in a hard-to-staff school is eligible to receive a \$5,000 incentive award				
52	after the completion of the first, second, and third year of teaching at a hard-to-staff school				
53	with a satisfactory performance evaluation and a signed contract in the same school division				
54	for the following school year. The maximum incentive award for each eligible teacher is				
55	\$15,000. Eligibility for access to these incentives shall be determined through an application				
56	process whereby school divisions shall apply to the Department of Education. Priority for				

ITEM 135.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	distribution of these incentives shall be to school divisions experiencing the most acute			
2	difficulties in recruiting qualified teachers, as determined using Department of Education			
3	criteria. School divisions that have been approved shall advertise the incentive for eligible			
4	vacancies and award such funds in accordance with this paragraph. For the purpose of the			
5	award of the additional \$1,000 to individuals who received funds under this program prior			
6	to July 1, 2018, the criteria provided in Chapter 836 of the 2017 Acts of Assembly shall			
7	continue to apply. Within the fiscal year, any funds not awarded from this program may be			
8	applied toward the other teacher preparation, recruitment, and retention programs under			
9	paragraph G.			
10	3. Out of this appropriation, \$415,000 the first year and \$415,000 the second year from the			
11	general fund is provided to help school divisions recruit and retain qualified middle-school			
12	mathematics teachers. Within the fiscal year, any funds not awarded from this program			
13	may be applied toward the other teacher preparation, recruitment, and retention programs			
14	under paragraph G.			
15	4. Out of this appropriation, \$250,000 the second year from the general fund is provided			
16	for tuition scholarships to be specifically allocated solely for licensed public high school			
17	teachers pursuing additional credentialing requirements necessary to be considered faculty			
18	who are qualified to teach dual enrollment courses in high schools in their local school			
19	division. The Department of Education shall make payments on behalf of the scholarship			
20	recipients directly to the Virginia institution of higher education where the scholarship			
21	recipient is enrolled full-time or part-time in an approved undergraduate or graduate			
22	teacher education program applicable to dual enrollment course curriculum available for			
23	public high school students. The lifetime maximum dual enrollment tuition scholarship			
24	award for each approved eligible teacher is \$7,500. Eligibility for access to these dual			
25	enrollment tuition scholarship awards shall be determined through an application process			
26	whereby school divisions shall apply to the Department of Education. In the application			
27	process, the applying school division shall include: i) an explanation of why such dual			
28	enrollment tuition scholarship is warranted, ii) the dual enrollment course or courses that			
29	shall be offered by the scholarship recipient's high school and taught by the recipient upon			
30	the recipient's successful completion of required coursework for appropriate credentialing			
31	to teach such dual enrollment courses, and iii) the projected student enrollment in the			
32	recipient taught public high school dual enrollment courses. The Department of Education			
33	shall compile and report the application information for each applying school division, and			
34	shall also report the number of recipients and amount of tuition awarded to each school			
35	division, the institution of higher education receiving tuition, the credentialing area			
36	pursued by recipients, and dual enrollment courses offered after the recipient's successful			
37	completion of the pursued credentialing. The Department shall submit the report by June			
38	30, 2020, and annually thereafter, to the House Committees on Education and			
39	Appropriations and the Senate Committees on Finance and Education and Health.			
40	H. Out of this appropriation, \$400,000 the first year and \$500,000 the second year from			
41	the general fund shall be distributed to the Great Aspirations Scholarship Program			
42	(GRASP) to provide students and families in need access to financial aid, scholarships,			
43	and counseling to maximize educational opportunities for students.			
44	I.1. Out of this appropriation, the Department of Education shall provide \$1,244,400 the			
45	first year and \$1,244,400 the second year from the general fund to Communities in			
46	Schools. These funds will be used to continue existing Communities in Schools			
47	programming in Petersburg and Richmond City, expand programming to all Petersburg			
48	schools, and expand the Pathways to Parents as Partners program to two additional			
49	Richmond City elementary schools. Further, Communities in Schools is directed to assist			
50	the Community School organization with the developing opportunities to establish a			
51	Community School program in interested school divisions.			
52	2. The Department of Education, in consultation with Communities In Schools of Virginia			
53	and other relevant stakeholders, shall develop, distribute to each local school division, and			
54	report to the Governor and General Assembly, no later than November 1, 2019, guidance			
55	on best practices for local school divisions to transition existing schools to community			
56	schools. Such guidance shall include best practices for removing nonacademic barriers to			
57	learning as a means to enhance student academic success in public elementary and			
58	secondary schools throughout the Commonwealth.			

ITEM 135.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	J. This appropriation includes \$100,000 the first year and \$100,000 the second year from the				
2	general fund for the Superintendent of Public Education to award supplemental grants to				
3	charter schools.				
4	K. Out of this appropriation, the Department of Education shall provide \$962,500 the first				
5	year and \$962,500 the second year from the general fund for Project Discovery. These funds				
6	are towards the cost of the program in Abingdon, Accomack/Northampton, Alexandria,				
7	Amherst, Appomattox, Arlington, Bedford, Bland, Campbell, Charlottesville, Cumberland,				
8	Danville/Pittsylvania, Fairfax, Franklin/Patrick, Fredericksburg/Spotsylvania,				
9	Goochland/Powhatan, Lynchburg, Newport News, Norfolk, Richmond City, Roanoke City,				
10	Smyth, Surry/Sussex, Tazewell, Williamsburg/James City, and Wythe and the salary of a				
11	fiscal officer for Project Discovery. The Department of Education shall administer the Project				
12	Discovery funding distributions to each community action agency. Distributions to each				
13	community action agency shall be based on performance measures established by the Board				
14	of Directors of Project Discovery. The contract with Project Discovery should specify the				
15	allocations to each local program and require the submission of a financial and budget report				
16	and program evaluation performance measures.				
17	2. Each participating community action agency shall submit annual performance metrics for				
18	services provided through the Project Discovery program that provide measurable evaluations				
19	and outcomes of participating students. Such performance metrics shall include evidenced-				
20	based data that effectively measure academic improvement outcomes. In addition, the				
21	performance metrics shall also include evidenced-based data to evaluate the specific				
22	effectiveness of the program for participating students on a longitudinal basis. Further, the				
23	performance metrics shall include the coordination and collaboration efforts the program staff				
24	regularly have with the school-based personnel, such as teachers and guidance counselors,				
25	that support and maximize opportunities of participating students to successfully graduate				
26	from high school and then to enroll and graduate from an institution of higher learning.				
27	Project Discovery shall submit a comprehensive and cumulative program performance				
28	metrics evaluation to the Department of Education and the Chairmen of the House				
29	Appropriations and Senate Finance Committees no later than October 1, 2016.				
30	L. Out of this appropriation, the Department of Education shall provide \$300,000 the first				
31	year and \$300,000 the second year from the general fund for the Virginia Student Training				
32	and Refurbishment Program.				
33	M. Out of this appropriation, \$1,598,000 the first year and \$1,598,000 the second year from				
34	the general fund is provided to expand the number of schools implementing a system of				
35	positive behavioral interventions and supports with the goal of improving school climate and				
36	reducing disruptive behavior in the classroom. Such a system may be implemented as part of				
37	a tiered system of supports that utilizes evidence-based, system-wide practices to provide a				
38	response to academic and behavioral needs. Any school division which desires to apply for				
39	this competitive grant must submit a proposal to the Department of Education by June 1				
40	preceding the school-year in which the program is to be implemented. The proposal must				
41	define student outcome objectives including, but not limited to, reductions in disciplinary				
42	referrals and out-of-school suspension rates. In making the competitive grant awards, the				
43	Department of Education shall give priority to school divisions proposing to serve schools				
44	identified by the Department as having high suspension rates. No funds awarded to a school				
45	division under this grant may be used to supplant funding for schools already implementing				
46	the program.				
47	N. Targeted Extended/Enriched School Year and Year-round School Grants Payments				
48	1. Out of this appropriation, \$7,150,000 the first year and \$7,150,000 the second year from the				
49	general fund is provided for a targeted extended/enriched school year or year-round school				
50	incentive in order to improve student achievement. Annual start-up grants of up to \$300,000				
51	per school may be awarded for a period of up to two years after the initial implementation				
52	year. The per school amount may be up to \$400,000 in the case of schools that have an				
53	Accredited with Conditions status and are rated at Level Three in two or more Academic				
54	Achievement for All Students school quality indicators, or schools that had an Accredited				
55	with Conditions status and were rated at Level Three in two or more Academic Achievement				
56	for All Students school quality indicators when the initial application was made. Schools that				
57	qualified for the per school grant up to \$400,000 under the previous Standards of				

ITEM 135.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Accreditation Denied Accreditation status remain eligible for funding for the initial three			
2	year period; after that period, such schools are subject to eligibility under the current			
3	Standards of Accreditation . After the third consecutive year of successful participation, an			
4	eligible school's grant amount shall be based on a shared split of the grant between the			
5	state and participating school division's local composite index. Such continuing schools			
6	shall remain eligible to receive a grant based on the 2012 JLARC Review of Year Round			
7	Schools' researched base findings.			
8	2. Except for school divisions with schools that are in an Accredited with Conditions			
9	status and are rated at Level Three in two or more Academic Achievement for All			
10	Students school quality indicators or in a Denied Accreditation status, any other school			
11	division applying for such a grant shall be required to provide a twenty percent local			
12	match to the grant amount received from either an extended/enriched school year or year-			
13	round school start-up or planning grant.			
14	3. In the case of any school division with schools that are in an Accredited with			
15	Conditions status and are rated at Level Three in two or more Academic Achievement for			
16	All Students school quality indicators or in a Denied Accreditation status that apply for			
17	funds, the school division shall also consult with the Superintendent of Public Instruction			
18	or designee on all recommendations regarding instructional programs or instructional			
19	personnel prior to submission to the local board for approval.			
20	4. Out of this appropriation, \$613,312 the first year and \$613,312 the second year from the			
21	general fund is provided for planning grants of no more than \$50,000 each for local school			
22	divisions pursuing the creation of new extended/enriched school year or year-round school			
23	programs for divisions or individual schools in support of the findings from the 2012			
24	JLARC Review of Year Round Schools. School divisions must submit applications to the			
25	Department of Education by August 1 of each year. Priority shall be given to schools			
26	based on need, relative to the state accreditation ratings or similar federal designations.			
27	Applications shall include evidence of commitment to pursue implementation in the			
28	upcoming school year. If balances exist, existing extended school year programs may be			
29	eligible to apply for remaining funds.			
30	5. A school division that has been awarded an extended/enriched school year or year-			
31	round school start-up grant or planning grant for the development of an extended/enriched			
32	school year or year-round school program may spend the awarded grant over two			
33	consecutive fiscal years.			
34	6. a) Any such school division receiving funding from a Targeted Extended/Enriched			
35	School Year and Year-round School grant shall provide an annual progress report to the			
36	Department of Education that evaluates end of year success of the extended/enriched			
37	school year or year-round school model implemented as compared to the prior school year			
38	performance as measured by an appropriate evaluation matrix no later than September 1			
39	each year.			
40	b) The Department of Education shall develop such evaluation matrix that would be			
41	appropriate for a comprehensive evaluation for such models implemented. Further, the			
42	Department of Education is directed to submit the annual progress reports from the			
43	participating school divisions and an executive summary of the program's overall status			
44	and levels of measured success to the Chairmen of House Appropriations and Senate			
45	Finance Committees no later than November 1 each year.			
46	7. Any funds remaining in this paragraph following grant awards may be disbursed by the			
47	Department of Education as grants to school divisions to support innovative approaches to			
48	instructional delivery or school governance models.			
49	O. Out of this appropriation, \$500,000 the first year and \$500,000 the second year from			
50	the general fund is provided through grants or contracts for the cost of fees and financial			
51	incentives associated with hiring teachers in challenged schools. These funds may be used			
52	for grants or contracts awarded and expenses associated with supporting the Teach for			
53	America program. School divisions or their partners may apply for those funds through			
54	applications submitted to the Department of Education. Applications must be submitted to			
55	the Department of Education by September 1 each year. Within the fiscal year, any			
56	unobligated balance may be used for the Teacher Residency program.			

ITEM 135.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	P. Out of this appropriation, \$725,000 the first year and \$725,000 the second year from the				
2	general fund is provided for the Accomack, Albemarle, Arlington, Chesterfield, Fairfax,				
3	Henrico, Loudoun, Norfolk, Petersburg, Richmond City, Suffolk, and Wythe Public Schools				
4	to support expansion of a STEM model program for kindergarten and preschool students.				
5	Each developed model will focus on enhancing children's learning experiences through the				
6	arts.				
7	Q. Out of this appropriation, \$500,000 the first year and \$500,000 the second year from the				
8	general fund is provided for the Achievable Dream partnership with Newport News School				
9	Division.				
10	R. Out of this appropriation, \$2,000,000 the first year and \$1,750,000 the second year from				
11	the general fund is provided for grants for teacher residency partnerships between university				
12	teacher preparation programs and the Petersburg, Norfolk, and Richmond City school				
13	divisions and any other university teacher preparation programs and hard-to-staff school				
14	divisions to help improve new teacher training and retention for hard-to-staff schools. The				
15	grants will support a site-specific residency model program for preparation, planning,				
16	development and implementation, including possible stipends in the program to attract				
17	qualified candidates and mentors. Applications must be submitted to the Department of				
18	Education by August 1 each year.				
19	Partner school divisions shall provide at least one-third of the cost of each program and shall				
20	provide data requested by the university partner in order to evaluate program effectiveness by				
21	the mutually agreed upon timelines. Each university partner shall report annually, no later				
22	than June 30, to the Department of Education on available outcome measures, including				
23	student performance indicators, as well as additional data needs requested by the Department				
24	of Education. The Department of Education shall provide, directly to the university partners,				
25	relevant longitudinal data that may be shared. The Department of Education shall consolidate				
26	all submissions from the participating university partners and school divisions and submit such				
27	consolidated annual report to the Chairmen of the House Appropriations and Senate Finance				
28	Committees no later than November 1 each year.				
29	S. Out of this appropriation, \$60,300 the first year and \$60,300 the second year from the				
30	general fund is provided to the Northern Neck Regional Technical Center to expand the				
31	workforce readiness education and industry based skills and certification development efforts				
32	supporting that region in the state. These funds support the Center's programs that serve high				
33	school students from the surrounding counties of Essex, Lancaster, Northumberland,				
34	Rappahannock, Westmoreland and Colonial Beach.				
35	T. Out of this appropriation, \$2,750,000 the first year and \$2,750,000 the second year from				
36	the general fund is provided to the Virginia Early Childhood Foundation.				
37	1. Of this amount, \$250,000 the first year and \$250,000 the second year is provided for				
38	general operations of the Foundation's grant program to strengthen the capacity of local				
39	communities to promote school readiness for young children through innovative regional				
40	partnerships.				
41	2. Of this amount, \$1,000,000 the first year and \$1,000,000 the second year is provided to				
42	operate a scholarship program to increase the skills of Virginia's early education workforce.				
43	3. Of this amount, \$1,500,000 the first year and \$1,500,000 the second year is provided to				
44	pilot an initiative to promote public-private delivery of pre-kindergarten services to high-risk				
45	children and communities. In determining these grant awards, the Virginia Early Childhood				
46	Foundation shall offer an award to a private-provider that has submitted application				
47	applicable to a partnership with Richmond City for a mixed delivery pre-kindergarten				
48	program, provided that the application is of high quality and is competitive with other				
49	submitted applications received for such an award.				
50	4. Notwithstanding any provisions of § 22.1-199.6 or § 22.1-299, and in order to achieve the				
51	priorities of the Joint Subcommittee on Virginia Preschool Initiative for exploring the				
52	feasibility of and barriers to mixed delivery preschool systems in Virginia, recipients of a				
53	Mixed-Delivery Preschool grant shall be provided maximum flexibility within their respective				
54	pilot initiative in order to fully implement the associated goals and objectives of the pilot.				
55	Recipients of a Mixed-Delivery Preschool grant and divisions participating in such grant pilot				

ITEM 135.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	activities shall be exempted from all regulatory and statutory provisions related to teacher				
2	licensure requirements and qualifications when paid by public funds within the confines of				
3	the Mixed-Delivery Preschool pilot initiative.				
4	In the case of new pilot grants awarded beginning in the second year, in addition to the				
5	provisions of § 22.1-199.6 E., grants shall be awarded to recipients that offer high quality				
6	preschool experience to participating enrolled at-risk four-year-old children.				
7	U. This appropriation includes \$500,000 the first year and \$500,000 the second year from				
8	the general fund to support ten competitive grants, not to exceed \$50,000 each, for				
9	planning the implementation of systemic High School Program Innovation by either				
10	individual school divisions or consortia of school divisions or implementing a plan for				
11	High School Program Innovation previously approved by the Department of Education.				
12	The local applicant(s) selected to conduct this systemic approach to high school reform, in				
13	consultation with the Department of Education, will develop and plan or implement				
14	innovative approaches to engage and to motivate students through personalized learning				
15	and instruction leading to demonstrated mastery of content, as well as skills development				
16	of career readiness. Essential elements of high school innovation include: (1) student				
17	centered learning, with progress based on student demonstrated proficiency; (2) 'real-				
18	world' connections that promote alignment with community work-force needs and				
19	emphasize transition to college and/or career; and (3) varying models for educator				
20	supports and staffing. Individual school divisions or consortia will be invited to apply on a				
21	competitive basis by submitting a grant application that includes descriptions of key				
22	elements of innovations, a detailed budget, expectations for outcomes and student				
23	achievement benefits, evaluation methods, and plans for sustainability. The Department of				
24	Education will make the final determination of which individual school divisions or				
25	consortia of divisions will receive the year-long planning grant for High School				
26	Innovation or a grant to implement a High School Program Innovation plan previously				
27	approved by the Department of Education. Any school division or consortium of divisions				
28	which desires to apply for this competitive grant must submit a proposal to the				
29	Department of Education by June 1 preceding the school year in which the planning or				
30	implementation for systemic high school innovation is to take place.				
31	V. Out of this appropriation, \$100,000 the first year and \$100,000 the second year from				
32	the general fund is provided to support the Newport News Aviation Academy's four-year				
33	high school STEM program, which focuses on piloting, aircraft maintenance, engineering,				
34	computers, and electronics.				
35	W. Out of this appropriation, \$15,000 the first year and \$15,000 the second year is				
36	provided for grants to school divisions of up to \$5,000 each to explore alternative teacher				
37	compensation approaches that move away from tenure-based step increases toward				
38	compensation systems based on teacher performance and student progress. Priority will be				
39	given to school divisions that have not previously explored alternative compensation				
40	approaches and have schools not achieving full accreditation, or that have high numbers of				
41	at-risk students needing qualified teachers in hard-to-staff subjects.				
42	X. Out of this appropriation, \$200,000 the first year and \$200,000 the second year from				
43	the general fund is provided for STEM Competition Team Grants. Notwithstanding §				
44	22.1-362 , Code of Virginia, Paragraph B, grants may not exceed \$5,000 each.				
45	Y. Out of this appropriation, \$681,975 the first year and \$681,975 the second year from				
46	the general fund is provided to support a multi-platform STEM education engagement				
47	program and research study, via the Virginia Air & Space Center.				
48	Z. Out of this appropriation, \$350,000 the first year and \$350,000 the second year from				
49	the general fund is provided for executive leadership incentives in the Petersburg City				
50	Public Schools to strengthen the impact of division and school level executive leadership				
51	on student achievement in the school division. Such incentives may include, but not be				
52	limited to, supplements to locally funded salaries, deferred salary compensation, bonuses,				
53	housing and commuting supplements, and professional development supplements. The				
54	Department of Education shall provide such executive management incentive payments				
55	directly to the Petersburg City Public Schools accounts pursuant to a Memorandum of				
56	Understanding entered into between the Board of Education and the Petersburg City				
57	School Board. Such Agreement shall be approved by both parties by July 1, 2016, shall				

ITEM 135.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	cover no less than both years of the biennium, and may be amended with the consent of both				
2	parties. Such Agreement shall include operational and student achievement metrics and				
3	include provisions for the achievement of such metrics as a condition of payment of the				
4	incentive funds by the Department of Education. The Department of Education shall provide				
5	updates on implementation of the Agreement to the Chairmen of the Senate Finance and				
6	House Appropriations Committees.				
7	AA. Out of this amount, \$600,000 the first year and \$600,000 the second year from the				
8	general fund shall be reserved for school divisions to partner with the Virginia Reading Corps				
9	program. The implementation partner shall determine and select partner school divisions. The				
10	Virginia Reading Corps shall report annually to the school divisions and Department of				
11	Education on the outcomes of this program.				
12	BB. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the				
13	general fund is provided for Chesterfield County Public Schools to partner and plan with				
14	Virginia State University for the continued development of a College Partnership Laboratory				
15	School in support of Etrick Elementary School.				
16	CC. Out of this appropriation, \$175,000 the first year and \$175,000 the second year from the				
17	general fund is provided to establish a Career and Technical Education Vocational Laboratory				
18	pilot that will be located within the Virginia Aviation Academy located in the Newport News				
19	school division. This vocational-based lab will be developed and focused on advanced,				
20	augmented and virtual reality related education.				
21	DD. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the				
22	general fund is provided for praxis assistance and Virginia Communication and Literacy				
23	Assessment assistance for provisionally licensed minority teachers seeking full licensure in				
24	Virginia. Grants of up to \$10,000 shall be awarded to school divisions, teacher preparation				
25	programs, or nonprofit organizations in all regions of the state to subsidize test fees and the				
26	cost of tutoring for provisionally licensed minority teachers seeking full licensure in Virginia.				
27	EE. Out of this appropriation, \$391,000 the first year and \$391,000 the second year from the				
28	general fund is provided to school divisions to pay for a portion of the vision screening of				
29	students in kindergarten, grade two or three and grades seven and ten, pursuant to Chapter				
30	312, 2017 Session Acts of Assembly. Eligible school divisions may receive the state's share of				
31	\$7.00 for each student reported in average daily membership and enrolled in kindergarten,				
32	grades three, seven and ten and who has received such vision screening test. The Department				
33	of Education shall administrator and distribute reimbursements to school divisions and the				
34	funding shall be prorated if needed, such that the appropriation is not exceeded. Prioritization				
35	shall be given the schools that would most benefit from state assistance in order to provide				
36	such vision screening service to students that are eligible for free lunch.				
37	FF. Out of this appropriation, \$660,000 the first year and \$660,000 the second year from the				
38	general fund is provided for annual grants of \$60,000 to each of the nine regional career and				
39	technical centers, Winchester Public Schools' Innovation Center and Norfolk Public Schools'				
40	Norfolk Technical Center, to expand workforce readiness education and industry based skills.				
41	GG. Out of this appropriation, \$250,000 the first year and \$250,000 the second year from the				
42	general fund is provided to Winchester Public Schools to match private support provided for				
43	the renovation of the Emil and Grace Shihadeh Innovation Center.				
44	HH. Out of this appropriation, \$200,000 the second year from the general fund is provided to				
45	encourage the use of robots to aid in the education of students on the autism spectrum. Any				
46	school division that desires to apply for this competitive grant must submit a proposal to the				
47	Department of Education outlining the intended use of funds and a projected number of				
48	students who will be served. The Department of Education shall establish criteria by which to				
49	award these funds to school divisions. Local school divisions may use the funds to purchase				
50	robotic devices with proven effectiveness for aiding in the academic and social-emotional				
51	learning of students on the autism spectrum.				
52	II. In the case of and in recognition of the current deliberations and on-going joint efforts of				
53	the Alleghany County School Board, Alleghany County Board of Supervisors, Covington				
54	City School Board and the Covington City Council toward investigating and determining				
55	benefits of operating a joint school division, that each respective entity has approved two				

ITEM 135.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	members to serve on the established Committee to facilitate such activities. Out of this			
2	appropriation, \$400,000 the second year from the general fund is included in this item's			
3	appropriation and is provided to Alleghany County Public School Division for the express			
4	purpose of using such funds as incentive funding to support costs incurred by such joint			
5	efforts of Alleghany County School Board, Alleghany County Board of Supervisors,			
6	Covington City School Board and the City of Covington City Council toward			
7	investigating and determining benefits of operating a joint school division. In the event			
8	that such Committee does not come up with a plan for Alleghany County Public Schools			
9	and Covington City Schools, the remainder of the incentive money will be allocated and			
10	used to support Alleghany County and Covington City public school divisions' jointly			
11	operated career and technical center, Jackson River Technical Center.			
12	JJ. Out of this appropriation, \$500,763 the second year from the general fund is provided			
13	to Hampton City school division for its Academies of Hampton which focuses on			
14	preparing students to be career ready or better equipped to enter into post-secondary			
15	education.			
16	KK. 1. Out of this appropriation, \$550,000 the first year and \$550,000 the second year			
17	from the general fund is provided to CodeVA for the development, marketing, and			
18	implementation of high-quality and effective computer science training and professional			
19	development activities for public school teachers throughout the Commonwealth for the			
20	purpose of improving the computer science literacy of all public school students in the			
21	Commonwealth using the Computer Science Standards of Learning For Virginia Public			
22	Schools, which were reviewed and endorsed by the Virginia Board of Education in			
23	November 2017. The provided funds may be utilized for planning, preparing and materials			
24	needed for teacher training sessions provided during the biennium.			
25	2. CodeVA shall report, no later than October 1, each year to the Chairmen of the House			
26	Education and Senate Education & Health Committees, Secretary of Education and the			
27	Superintendent of Public Instruction on its activities in the previous year to support			
28	computer science teacher training and curriculum development, including on collaboration			
29	with other stakeholders to avoid duplication of efforts.			
30	136.			\$6,973,289,154
31				\$7,251,757,923
32				\$7,267,535,524
33	Standards of Quality for Public Education (SOQ)			
34	(17801).....	\$6,152,892,137	\$6,196,871,983	
35			\$6,223,017,089	
36	Financial Incentive Programs for Public Education			
37	(17802).....	\$129,662,004	\$367,471,676	
38			\$372,787,631	
39	Financial Assistance for Categorical Programs			
40	(17803).....	\$58,336,366	\$58,583,763	
41			\$58,280,940	
42	Distribution of Lottery Funds (17805).....	\$632,398,647	\$628,830,501	
43			\$613,449,864	
44	Fund Sources: General.....	\$6,226,545,937	\$6,483,582,852	
45			\$6,514,741,090	
46	Special.....	\$895,000	\$895,000	
47	Commonwealth Transportation.....	\$2,100,000	\$2,100,000	
48	Trust and Agency.....	\$743,748,217	\$765,180,071	
49			\$749,799,434	
50	Authority: Standards of Quality for Public Education (SOQ) (17801): Article VIII, Section			
51	2, Constitution of Virginia; Chapter 667, Acts of Assembly, 1980; §§ 22.1-176 through			
52	22.1-198 , 22.1-199.1 , 22.1-199.2 , 22.1-213 through 22.1-221 , 22.1-227 through 22.1-237 ,			
53	22.1-253.13:1 through 22.1-253.13:8 , 22.1-254.01 , Code of Virginia; Title 51.1, Chapters			
54	1, 5, 6.2, 7, and 14, Code of Virginia; P.L. 91-230, as amended; P.L. 93-380, as amended;			
55	P.L. 94-142, as amended; P.L. 98-524, as amended, Federal Code.			
56	Financial Incentive Programs for Public Education (17802): §§ 22.1-24 , 22.1-289.1			
57	through 22.1-318 , Code of Virginia; P.L. 79-396, as amended; P.L. 89-10, as amended;			
58	P.L. 89-642, as amended; P.L. 108-265, as amended; Title II P.L. 99-159, as amended,			
	Federal Code.			

ITEM 136.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Financial Assistance for Categorical Programs (17803): Discretionary Inclusion; Treaty of				
2	1677 between Virginia and the Indians; §§ 22.1-3.4, 22.1-108, 22.1-199 through 22.1-212.2;2,				
3	22.1-213 through 22.1-221, 22.1-223 through 22.1-237, 22.1-254, Code of Virginia; P.L. 89-				
4	10, as amended; P.L. 91-230, as amended; P.L. 93-380, as amended; P.L. 94-142, as				
5	amended; P.L. 94-588; P.L. 95-561, as amended; P.L. 98-211, as amended; P.L. 98-524, as				
6	amended; P.L. 99-570; P.L. 100-297, as amended; P.L. 102-73, as amended; P.L. 105-220, as				
7	amended, Federal Code.				
8	Distribution of Lottery Funds (17805): §§ 58.1-4022 and 58.1-4022.1, Code of Virginia				
9	Appropriation Detail of Education				
10	Assistance Programs (17800)				
11	Standards of Quality (17801)	FY 2019		FY 2020	
12	Basic Aid	\$3,320,204,988		\$3,295,069,550	
13				\$3,303,283,961	
14	Sales Tax	\$1,421,600,000		\$1,486,302,403	
15				\$1,499,200,000	
16	Textbooks	\$70,008,927		\$70,023,715	
17				\$70,297,768	
18	Vocational Education	\$58,212,575		\$57,930,204	
19				\$58,140,646	
20	Gifted Education	\$35,280,085		\$35,314,827	
21				\$35,448,902	
22	Special Education	\$395,781,461		\$396,092,863	
23				\$397,401,799	
24	Prevention, Intervention, and	\$112,645,717		\$112,320,130	
25	Remediation			\$112,916,008	
26	English as a Second Language	\$59,957,366		\$62,519,408	
27				\$65,356,159	
28	VRS Retirement (includes RHCC)	\$441,069,956		\$442,260,022	
29				\$443,927,229	
30	Social Security	\$199,902,693		\$200,465,243	
31				\$201,220,925	
32	Group Life	\$13,570,212		\$13,596,751	
33				\$13,647,928	
34	Remedial Summer School	\$24,658,157		\$24,976,867	
35				\$22,175,764	
36	Total	\$6,152,892,137		\$6,196,871,983	
37				\$6,223,017,089	
38	Incentive Programs (17802)				
39	Compensation Supplement		\$0	\$201,975,291	
40				\$200,676,881	
41	Governor's Schools	\$17,572,420		\$18,560,517	
42				\$18,482,116	
43	At-Risk Add-On (split funded)	\$10,468,261		\$34,468,409	
44				\$52,247,254	
45	Clinical Faculty	\$318,750		\$318,750	
46	Career Switcher Mentoring Grants	\$279,983		\$279,983	
47	Special Education - Endorsement	\$437,186		\$437,186	
48	Program				
49	Special Education – Vocational Education	\$200,089		\$200,089	
50	Virginia Workplace Readiness Skills	\$308,655		\$308,655	
51	Assessment				
52	Math/Reading Instructional Specialists	\$1,834,538		\$1,834,538	

ITEM 136.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Initiative				
2	Early Reading Specialists Initiative	\$1,476,790		\$1,476,790	
3	Breakfast After the Bell Incentive	\$1,074,000		\$1,074,000	
4	Special Education - Regional Tuition	\$89,503,626		\$100,397,909	\$92,993,005
5					
6	Small School Division Enrollment Loss	\$6,112,706			\$0
7	Virginia Preschool Initiative - Develop	\$75,000			\$0
8	Assessment Plan				
9	Virginia Preschool Initiative Plus		\$0		\$6,139,559
10					\$2,458,384
11	Total	\$129,662,004		\$367,471,676	\$372,787,631
12					
13	Categorical Programs (17803)				
14	Adult Education	\$1,051,800		\$1,051,800	
15	Adult Literacy	\$2,480,000		\$2,480,000	
16	Virtual Virginia	\$5,025,808		\$5,175,808	
17	American Indian Treaty Commitment	\$37,219		\$38,954	
18	School Lunch Program	\$5,801,932		\$5,801,932	
19	Special Education - Homebound	\$4,844,198		\$4,867,702	\$4,888,196
20					
21	Special Education - Jails	\$3,507,385		\$3,507,385	\$3,380,544
22					
23	Special Education - State Operated	\$35,588,024		\$35,660,182	\$35,463,706
24	Programs				
25	Total	\$58,336,366		\$58,583,763	\$58,280,940
26					
27	Lottery Funded Programs (17805)				
28	At-Risk Add-On (split funded)	\$100,114,539		\$86,482,069	\$69,408,262
29					
30	Foster Care	\$9,615,192		\$10,387,961	\$10,152,360
31					
32	Virginia Preschool Initiative - Per Pupil	\$70,049,572		\$72,351,058	\$73,290,301
33	Amount				
34	Virginia Preschool Initiative -	\$304,088			\$306,100
35	Provisional Teacher Licensure				
36	Early Reading Intervention	\$23,578,891		\$23,571,284	\$27,670,562
37					
38	Mentor Teacher	\$1,000,000		\$1,000,000	
39	K-3 Primary Class Size Reduction	\$125,175,585		\$128,005,970	\$125,226,194
40					
41	School Breakfast Program	\$6,287,789		\$7,439,888	\$6,519,175
42					
43	SOL Algebra Readiness	\$13,099,389		\$13,061,697	\$13,633,162
44					
45	Supplemental Lottery Per Pupil	\$253,190,472		\$255,531,948	\$255,533,690
46	Allocation				
47	Regional Alternative Education	\$8,767,652		\$9,434,794	\$9,403,886
48					
49	Individualized Student Alternative	\$2,247,581			\$2,247,581
50	Education Program (ISAEP)				
51	Career and Technical Education –	\$12,400,829			\$12,400,829
52	Categorical				

ITEM 136.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Project Graduation		\$1,387,240		\$1,387,240
2	Race to GED (NCLB/EFAL)		\$2,410,988		\$2,410,988
3	Path to Industry Certification		\$1,831,464		\$1,831,464
4	(NCLB/EFAL)				
5	Supplemental Basic Aid		\$937,376		\$979,630
6					\$1,028,070
7	Total		\$632,398,647		\$628,830,501
8					\$613,449,864
9	Technology – VPSA		\$57,017,700		\$58,612,800
10					\$56,290,400
11	Security Equipment - VPSA		\$6,000,000		\$12,000,000
12	Payments out of the above amounts shall be subject to the following conditions:				
13	A. Definitions				
14	1. "March 31 Average Daily Membership," or "March 31 ADM" - The responsible school				
15	division's average daily membership for grades K-12 including (1) handicapped students ages				
16	5-21 and (2) students for whom English is a second language who entered school for the first				
17	time after reaching their twelfth birthday, and who have not reached twenty-two years of age				
18	on or before August 1 of the school year, for the first seven (7) months (or equivalent period)				
19	of the school year through March 31 in which state funds are distributed from this				
20	appropriation. Preschool and postgraduate students shall not be included in March 31 ADM.				
21	a. School divisions shall take a count of September 30 fall membership and report this				
22	information to the Department of Education no later than October 15 of each year.				
23	b. Except as otherwise provided herein, by statute, or by precedent, all appropriations to the				
24	Department of Education shall be calculated using March 31 ADM unadjusted for half-day				
25	kindergarten programs, estimated at 1,245,570.50 the first year and 1,248,165.55				
26	1,251,668.01 the second year. March 31 ADM for half-day kindergarten shall be adjusted at				
27	85 percent.				
28	c. Students who are either (i) enrolled in a nonpublic school or (ii) receiving home instruction				
29	pursuant to § 22.1-254.1 and who are enrolled in a public school on less than a full-time basis				
30	in any mathematics, science, English, history, social science, vocational education, health				
31	education or physical education, fine arts or foreign language course, or receiving special				
32	education services required by a student's individualized education plan, shall be counted in				
33	the funded fall membership and March 31 ADM of the responsible school division. Each				
34	course shall be counted as 0.25, up to a cap of 0.5 of a student.				
35	d. Students enrolled in an Individualized Student Alternative Education Program (ISAEP)				
36	pursuant to § 22.1-254 E shall be counted in the March 31 Average Daily Membership of the				
37	responsible school division. School divisions shall report these students separately in their				
38	March 31 reports of Average Daily Membership.				
39	2. "Standards of Quality" - Operations standards for grades kindergarten through 12 as				
40	prescribed by the Board of Education subject to revision by the General Assembly.				
41	3.a. "Basic Operation Cost" - The cost per pupil, including provision for the number of				
42	instructional personnel required by the Standards of Quality for each school division with a				
43	minimum ratio of 51 professional personnel for each 1,000 pupils or proportionate number				
44	thereof, in March 31 ADM for the same fiscal year for which the costs are computed, and				
45	including provision for driver, gifted, occupational-vocational, and special education, library				
46	materials and other teaching materials, teacher sick leave, general administration, division				
47	superintendents' salaries, free textbooks (including those for free and reduced price lunch				
48	pupils), school nurses, operation and maintenance of school plant, transportation of pupils,				
49	instructional television, professional and staff improvement, remedial work, fixed charges and				
50	other costs in programs not funded by other state and/or federal aid.				

ITEM 136.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	b. The state and local shares of funding resulting from the support cost calculation for			
2	school nurses shall be specifically identified as such and reported to school divisions			
3	annually. School divisions may spend these funds for licensed school nurse positions			
4	employed by the school division or for licensed nurses contracted by the local school			
5	division to provide school health services.			
6	4.a. "Composite Index of Local Ability-to-Pay" - An index figure computed for each			
7	locality. The composite index is the sum of 2/3 of the index of wealth per pupil in			
8	unadjusted March 31 ADM reported for the first seven (7) months of the 2015-2016			
9	school year and 1/3 of the index of wealth per capita (population estimates for 2015 as			
10	determined by the Weldon Cooper Center for Public Service of the University of Virginia)			
11	multiplied by the local nominal share of the costs of the Standards of Quality of 0.45 in			
12	each year. The indices of wealth are determined by combining the following constituent			
13	index elements with the indicated weighting: (1) true values of real estate and public			
14	service corporations as reported by the State Department of Taxation for the calendar year			
15	2015 - 50 percent; (2) adjusted gross income for the calendar year 2015 as reported by the			
16	State Department of Taxation - 40 percent; (3) the sales for the calendar year 2015 which			
17	are subject to the state general sales and use tax, as reported by the State Department of			
18	Taxation - 10 percent. Each constituent index element for a locality is its sum per March			
19	31 ADM, or per capita, expressed as a percentage of the state average per March 31 ADM,			
20	or per capita, for the same element. A locality whose composite index exceeds 0.8000			
21	shall be considered as having an index of 0.8000 for purposes of distributing all payments			
22	based on the composite index of local ability-to-pay. Each constituent index element for a			
23	locality used to determine the composite index of local ability-to-pay for the current			
24	biennium shall be the latest available data for the specified official base year provided to			
25	the Department of Education by the responsible source agencies no later than November			
26	15, 2017.			
27	b. For any locality whose total calendar year 2015 Virginia Adjusted Gross Income is			
28	comprised of at least 3 percent or more by nonresidents of Virginia, such nonresident			
29	income shall be excluded in computing the composite index of ability-to-pay. The			
30	Department of Education shall compute the composite index for such localities by using			
31	adjusted gross income data which exclude nonresident income, but shall not adjust the			
32	composite index of any other localities. The Department of Taxation shall furnish to the			
33	Department of Education such data as are necessary to implement this provision.			
34	c.1) Notwithstanding the funding provisions in § 22.1-25 D, Code of Virginia, additional			
35	state funding for future consolidations shall be as set forth in future Appropriation Acts.			
36	2) In the case of the consolidation of Clifton Forge and Alleghany County school			
37	divisions, the fifteen year period for the application of a new composite index shall apply			
38	beginning with the fiscal year that starts on July 1, 2004. The composite index established			
39	by the Board of Education shall equal the lowest composite index that was in effect prior			
40	to July 1, 2004, of any individual localities involved in such consolidation, and this index			
41	shall remain in effect for a period of fifteen years, unless a lower composite index is			
42	calculated for the combined division through the process for computing an index as set			
43	forth above.			
44	3) If the composite index of a consolidated school division is reduced during the course of			
45	the fifteen year period to a level that would entitle the school division to a lower interest			
46	rate for a Literary Fund loan than it received when the loan was originally released, the			
47	Board of Education shall reduce the interest rate of such loan for the remainder of the			
48	period of the loan. Such reduction shall be based on the interest rate that would apply at			
49	the time of such adjustment. This rate shall remain in effect for the duration of the loan			
50	and shall apply only to those years remaining to be paid.			
51	4) In the case of the consolidation of Bedford County and Bedford City school divisions,			
52	the fifteen year period for the application of a new composite shall apply beginning with			
53	the fiscal year that starts on July 1, 2013. The composite index established by the Board of			
54	Education shall equal the lowest composite index that was in effect prior to July 1, 2013,			
55	of any individual localities involved in such consolidation, and this index shall remain in			
56	effect for a period of fifteen years, unless a lower composite index is calculated for the			
57	combined division through the process for computing an index as set forth above.			

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1	d. When it is determined that a substantial error exists in a constituent index element, the			
2	Department of Education will make adjustments in funding for the current school year only in			
3	the division where the error occurred. The composite index of any other locality shall not be			
4	changed as a result of the adjustment. No adjustment during the biennium will be made as a			
5	result of updating of data used in a constituent index element.			
6	e. In the event that any school division consolidates two or more small schools, the division			
7	shall continue to receive Standards of Quality funding and provide for the required local			
8	expenditure for a period of five years as if the schools had not been consolidated. Small			
9	schools are defined as any elementary, middle, or high school with enrollment below 200, 300			
10	and 400 students, respectively.			
11	5. "Required Local Expenditure for the Standards of Quality" - The locality's share based on			
12	the composite index of local ability-to-pay of the cost required by all the Standards of Quality			
13	minus its estimated revenues from the state sales and use tax dedicated to public education			
14	and those sales tax revenues transferred to the general fund from the Public Education			
15	Standards of Quality/Local Real Estate Property Tax Relief Fund and appropriated in this			
16	Item, both of which are returned on the basis of the latest yearly estimate of school age			
17	population provided by the Weldon Cooper Center for Public Service, as specified in this			
18	Item, collected by the Department of Education and distributed to school divisions in the			
19	fiscal year in which the school year begins.			
20	6. "Required Local Match" - The locality's required share of program cost based on the			
21	composite index of local ability-to-pay for all Lottery and Incentive programs, where			
22	required, in which the school division has elected to participate in a fiscal year.			
23	7. "Planning District Eight" - The nine localities which comprise Planning District Eight are			
24	Arlington County, Fairfax County, Loudoun County, Prince William County, Alexandria			
25	City, Fairfax City, Falls Church City, Manassas City, and Manassas Park City.			
26	8. "State Share of the Standards of Quality" - The state share of the Standards of Quality			
27	(SOQ) shall be equal to the total funded SOQ cost for a school division less the school			
28	division's estimated revenues from the state sales and use tax dedicated to public education			
29	based on the latest yearly estimate of school age population provided by the Weldon Cooper			
30	Center for Public Service, adjusted for the state's share of the composite index of local ability			
31	to pay.			
32	9. Entitlements under this Item that use school-level or division-level Free Lunch eligibility			
33	percentages to determine the entitlement amounts are based on the most recent data available			
34	as of the biennial rebenchmarking calculations made for the current biennium. For schools			
35	that participate in the Community Eligibility Provision program, such entitlements are based			
36	on the most recent Free Lunch eligibility data available prior to that school's enrollment in the			
37	Community Eligibility Provision program.			
38	10. In the event that the general fund appropriations in this Item are not sufficient to meet the			
39	entitlements payable to school divisions pursuant to the provisions of this Item, the			
40	Department of Education is authorized to transfer any available general fund funds between			
41	these Items to address such insufficiencies. If the total general fund appropriations after such			
42	transfers remain insufficient to meet the entitlements of any program funded with general			
43	fund dollars, the Department of Education is authorized to prorate such shortfall			
44	proportionately across all of the school divisions participating in any program where such			
45	shortfall occurred. In addition, the Department of Education is authorized each year to			
46	temporarily suspend textbook payments made to school divisions from Lottery funds to			
47	ensure that any shortfall in Lottery revenue can be accounted for in the remaining textbook			
48	payments to be made for the year.			
49	11. The Department of Education is directed to apply a cap on inflation rates in the same			
50	manner prescribed in § 51.1-166.B, Code of Virginia, when updating funding to school			
51	divisions during the biennial rebenchmarking process.			
52	12. Notwithstanding any other provision in statute or in this Item, the Department of			
53	Education is directed to combine the end-of-year Average Daily Membership (ADM) for			
54	those school divisions who have partnered together as a fiscal agent division and a contractual			
55	division for the purposes of calculating prevailing costs included in the Standards of Quality			

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1	(SOQ).			
2	13. Notwithstanding any other provision in statute or in this Item, the Department of			
3	Education is directed to include zeroes in the linear weighted average calculation of			
4	support non-personal costs for the purpose of calculating prevailing costs included in the			
5	Standards of Quality (SOQ).			
6	14. Notwithstanding any other provision in statute or in this Item, the Department of			
7	Education is directed to eliminate the corresponding and appropriate object code(s) related			
8	to reported travel expenditures included the linear weighted average non-personal cost			
9	calculations for the purpose of calculating prevailing costs included in the Standards of			
10	Quality (SOQ).			
11	15. Notwithstanding any other provision in statute or in this Item, the Department of			
12	Education is directed to eliminate the corresponding and appropriate object code(s) related			
13	to reported leases and rental and facility expenditures included the linear weighted average			
14	non-personal cost calculations for the purpose of calculating prevailing costs included in			
15	the Standards of Quality (SOQ).			
16	16. Notwithstanding any other provision in statute or in this Item, the Department of			
17	Education is directed to fund transportation costs using a 15 year replacement schedule,			
18	which is the national standard guideline, for school bus replacement schedule for the			
19	purpose of calculating funded transportation costs included in the Standards of Quality			
20	(SOQ).			
21	17. To provide temporary flexibility, notwithstanding any other provision in statute or in			
22	this Item, school divisions may elect to increase the teacher to pupil staffing ratios in			
23	kindergarten through grade 7 and English classes for grades 6 through twelve by one			
24	additional student; the teacher to pupil staffing ratio requirements for Elementary			
25	Resource teachers, Prevention, Intervention and Remediation, English as a Second			
26	Language, Gifted and Talented, Career and Technical funded programs (other than on			
27	Career and Technical courses where school divisions will have to maintain a maximum			
28	class size based on federal Occupational Safety & Health Administration safety			
29	requirements) are waived; and the instructional and support technology positions,			
30	librarians and guidance counselors staffing ratios for new hires are waived.			
31	18. To provide additional flexibility, notwithstanding the provisions of § 22.1-79.1, Code			
32	of Virginia, any school division that was granted a waiver regarding the opening date of			
33	the school year for the 2011-2012 school year under the good cause requirements shall			
34	continue to be granted a waiver for the 2018-2019 school year and the 2019-2020 school			
35	year.			
36	B. General Conditions			
37	1. The Standards of Quality cost in this Item related to fringe benefits shall be limited for			
38	instructional staff members to the employer's cost for a number not exceeding the number			
39	of instructional positions required by the Standards of Quality for each school division and			
40	for their salaries at the statewide prevailing salary levels as printed below.			
41	Instructional Position	First Year Salary	Second Year Salary	
42	Elementary Teachers	\$48,298	\$48,298	
43	Elementary Assistant Principals	\$68,545	\$68,545	
44	Elementary Principals	\$85,115	\$85,115	
45	Secondary Teachers	\$51,167	\$51,167	
46	Secondary Assistant Principals	\$74,535	\$74,535	
47	Secondary Principals	\$93,695	\$93,695	
48	Instructional Aides	\$17,738	\$17,738	
49	a.1) Payment by the state to a local school division shall be based on the state share of			
50	fringe benefit costs of 55 percent of the employer's cost distributed on the basis of the			
51	composite index.			
52	2) A locality whose composite index exceeds 0.8000 shall be considered as having an			

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1	index of 0.8000 for purposes of distributing fringe benefit funds under this provision.			
2	3) The state payment to each school division for retirement, social security, and group life			
3	insurance costs for non-instructional personnel is included in and distributed through Basic			
4	Aid.			
5	b. Payments to school divisions from this Item shall be calculated using March 31 Average			
6	Daily Membership adjusted for half-day kindergarten programs.			
7	c. Payments for health insurance fringe benefits are included in and distributed through Basic			
8	Aid.			
9	2. Each locality shall offer a school program for all its eligible pupils which is acceptable to			
10	the Department of Education as conforming to the Standards of Quality program			
11	requirements.			
12	3. In the event the statewide number of pupils in March 31 ADM results in a state share of			
13	cost exceeding the general fund appropriation in this Item, the locality's state share of Basic			
14	Aid shall be reduced proportionately so that this general fund appropriation will not be			
15	exceeded. In addition, the required local share of Basic Aid shall also be reduced			
16	proportionately to the reduction in the state's share.			
17	4. The Department of Education shall make equitable adjustments in the computation of			
18	indices of wealth and in other state-funded accounts for localities affected by annexation,			
19	unless a court of competent jurisdiction makes such adjustments. However, only the indices of			
20	wealth and other state-funded accounts of localities party to the annexation will be adjusted.			
21	5. In the event that the actual revenues from the state sales and use tax dedicated to public			
22	education and those sales tax revenues transferred to the general fund from the Public			
23	Education Standards of Quality/Local Real Estate Property Tax Relief Fund and appropriated			
24	in this Item (both of which are returned on the basis of the latest yearly estimate of school age			
25	population provided by the Weldon Cooper Center for Public Service) for sales in the fiscal			
26	year in which the school year begins are different from the number estimated as the basis for			
27	this appropriation, the estimated state sales and use tax revenues shall not be adjusted.			
28	6. This appropriation shall be apportioned to the public schools with guidelines established by			
29	the Department of Education consistent with legislative intent as expressed in this act.			
30	7.a. Appropriations of state funds in this Item include the number of positions required by the			
31	Standards of Quality. This Item includes a minimum of 51 professional instructional positions			
32	and aide positions (C 5); Education of the Gifted, 1.0 professional instructional position (C 6);			
33	Occupational-Vocational Education Payments and Special Education Payments; a minimum			
34	of 6.0 professional instructional positions and aide positions (C 7 and C 8) for each 1,000			
35	pupils in March 31 ADM each year in support of the current Standards of Quality. Funding in			
36	support of one hour of additional instruction per day based on the percent of students eligible			
37	for the federal free lunch program with a pupil-teacher ratio range of 18:1 to 10:1, depending			
38	upon a school division's combined failure rate on the English and Math Standards of			
39	Learning, is included in Remedial Education Payments (C 9).			
40	b. No actions provided in this section signify any intent of the General Assembly to mandate			
41	an increase in the number of instructional personnel per 1,000 students above the numbers			
42	explicitly stated in the preceding paragraph.			
43	c. Appropriations in this Item include programs supported in part by transfers to the general			
44	fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief			
45	Fund pursuant to Part 3 of this Act. These transfers combined together with other			
46	appropriations from the general fund in this Item funds the state's share of the following			
47	revisions to the Standards of Quality pursuant to Chapters 939 & 955 of the Acts of Assembly			
48	of 2004: five elementary resource teachers per 1,000 students; one support technology			
49	position per 1,000 students; one instructional technology position per 1,000 students; and a			
50	full daily planning period for teachers at the middle and high school levels in order to relieve			
51	the financial pressure these education programs place on local real estate taxes.			
52	d. To provide flexibility, school divisions may use the state and local funds for instructional			
53	technology resource teachers required by the Standards of Quality to employ a data			

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1	coordinator position, an instructional technology resource teacher position, or a data			
2	coordinator/instructional resource teacher blended position. The data coordinator position			
3	is intended to serve as a resource to principals and classroom teachers in the area of data			
4	analysis and interpretation for instructional and school improvement purposes, as well as			
5	for overall data management and administration of state assessments. School divisions			
6	using these SOQ funds in this manner shall only employ instructional personnel licensed			
7	by the Board of Education.			
8	e. To provide flexibility in the provision of reading intervention services, school divisions			
9	may use the state Early Reading Intervention initiative funding provided from the Lottery			
10	Proceeds Fund and the required local matching funds to employ reading specialists to			
11	provide the required reading intervention services. School divisions using the Early			
12	Reading Intervention Initiative funds in this manner shall only employ instructional			
13	personnel licensed by the Board of Education.			
14	f. To provide flexibility in the provision of mathematics intervention services, school			
15	divisions may use the state Standards of Learning Algebra Readiness initiative funding			
16	provided from the Lottery Proceeds Fund and the required local matching funds to employ			
17	mathematics teacher specialists to provide the required mathematics intervention services.			
18	School divisions using the Standards of Learning Algebra Readiness initiative funding in			
19	this manner shall only employ instructional personnel licensed by the Board of Education.			
20	g. Notwithstanding the provisions of subsection H of § 22.1-253.13:2 of the Code of			
21	Virginia, as amended by the 2019 Session of the General Assembly, to the contrary, each			
22	school board shall employ the following full-time equivalent school counselor positions			
23	for any school that reports fall membership, according to the type of school and student			
24	enrollment: effective with the 2019-2020 school year, in elementary schools, one hour per			
25	day per 91 students, one full-time at 455 students, one hour per day additional time per 91			
26	students or major fraction thereof; school counselors in middle schools, one period per 74			
27	students, one full-time at 370 students, one additional period per 74 students or major			
28	fraction thereof; school counselors in high schools, one period per 65 students, one full-			
29	time at 325 students, one additional period per 65 students or major fraction thereof.			
30	8.a.1) Pursuant to § 22.1-97, Code of Virginia, the Department of Education is required to			
31	make calculations at the start of the school year to ensure that school divisions have			
32	appropriated adequate funds to support their estimated required local expenditure for the			
33	corresponding state fiscal year. In an effort to reduce the administrative burden on school			
34	divisions resulting from state data collections, such as the one needed to make the			
35	aforementioned calculations, the requirements of § 22.1-97, Code of Virginia, pertaining			
36	to the adequacy of estimated required local expenditures, shall be satisfied by signed			
37	certification by each division superintendent at the beginning of each school year that			
38	sufficient local funds have been budgeted to meet all state required local effort and			
39	required local match amounts. This provision shall only apply to calculations required of			
40	the Department of Education related to estimated required local expenditures and shall not			
41	pertain to the calculations associated with actual required local expenditures after the close			
42	of the school year.			
43	2) The Department of Education shall also make calculations after the close of the school			
44	year to verify that the required local effort level, based on actual March 31 Average Daily			
45	Membership, was met. Pursuant to § 22.1-97, Code of Virginia, the Department of			
46	Education shall report annually, no later than the first day of the General Assembly			
47	session, to the House Committees on Education and Appropriations and the Senate			
48	Committees on Finance and Education and Health, the results of such calculations made			
49	after the close of the school year and the degree to which each school division has met,			
50	failed to meet, or surpassed its required local expenditure. The Department of Education			
51	shall specify the calculations to determine if a school division has expended its required			
52	local expenditure for the Standards of Quality. This calculation may include but is not			
53	limited to the following calculations:			
54	b. The total expenditures for operation, defined as total expenditures less all capital			
55	outlays, expenditures for debt service, facilities, non-regular day school programs (such as			
56	adult education, preschool, and non-local education programs), and any transfers to			
57	regional programs will be calculated.			

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1	c. The following state funds will be deducted from the amount calculated in paragraph a.				
2	above: revenues from the state sales and use tax (returned on the basis of the latest yearly				
3	estimate of school age population provided by the Weldon Cooper Center for Public Service,				
4	as specified in this Item) for sales in the fiscal year in which the school year begins; total				
5	receipts from state funds (except state funds for non-regular day school programs and state				
6	funds used for capital or debt service purposes); and the state share of any balances carried				
7	forward from the previous fiscal year. Any qualifying state funds that remain unspent at the				
8	end of the fiscal year will be added to the amount calculated in paragraph a. above.				
9	d. Federal funds, and any federal funds carried forward from the previous fiscal year, will also				
10	be deducted from the amount calculated in paragraph a. above. Any federal funds that remain				
11	unspent at the end of the fiscal year and any capital expenditures paid from federal funds will				
12	be added to the amount calculated in paragraph a. above.				
13	e. Tuition receipts, receipts from payments from other cities or counties, and fund transfers				
14	will also be deducted from the amount calculated in paragraph a, then				
15	f. The final amount calculated as described above must be equal to or greater than the required				
16	local expenditure defined in paragraph A. 5.				
17	g. The Department of Education shall collect the data necessary to perform the calculations of				
18	required local expenditure as required by this section.				
19	h. A locality whose expenditure in fact exceeds the required amount from local funds may not				
20	reduce its expenditures unless it first complies with all of the Standards of Quality.				
21	9.a. Any required local matching funds which a locality, as of the end of a school year, has				
22	not expended, pursuant to this Item, for the Standards of Quality shall be paid by the locality				
23	into the general fund of the state treasury. Such payments shall be made not later than the end				
24	of the school year following that in which the under expenditure occurs.				
25	b. Whenever the Department of Education has recovered funds as defined in the preceding				
26	paragraph a., the Secretary of Education is authorized to repay to the locality affected by that				
27	action, seventy-five percent (75%) of those funds upon his determination that:				
28	1) The local school board agrees to include the funds in its June 30 ending balance for the				
29	year following that in which the under expenditure occurs;				
30	2) The local governing body agrees to reappropriate the funds as a supplemental appropriation				
31	to the approved budget for the second year following that in which the under expenditure				
32	occurs, in an appropriate category as requested by the local school board, for the direct benefit				
33	of the students;				
34	3) The local school board agrees to expend these funds, over and above the funds required to				
35	meet the required local expenditure for the second year following that in which the under				
36	expenditure occurs, for a special project, the details of which must be furnished to the				
37	Department of Education for review and approval;				
38	4) The local school board agrees to submit quarterly reports to the Department of Education				
39	on the use of funds provided through this project award; and				
40	5) The local governing body and the local school board agree that the project award will be				
41	cancelled and the funds withdrawn if the above conditions have not been met as of June 30 of				
42	the second year following that in which the under expenditure occurs.				
43	c. There is hereby appropriated, for the purposes of the foregoing repayment, a sum sufficient,				
44	not to exceed 75 percent of the funds deposited in the general fund pursuant to the preceding				
45	paragraph a.				
46	10. The Department of Education shall specify the manner for collecting the required				
47	information and the method for determining if a school division has expended the local funds				
48	required to support the actual local match based on all Lottery and Incentive programs in				
49	which the school division has elected to participate. Unless specifically stated otherwise in				
50	this Item, school divisions electing to participate in any Lottery or Incentive program that				
51	requires a local funding match in order to receive state funding, shall certify to the				

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1	Department of Education its intent to participate in each program by July 1 each fiscal			
2	year in a manner prescribed by the Department of Education. As part of this certification			
3	process, each division superintendent must also certify that adequate local funds have been			
4	appropriated, above the required local effort for the Standards of Quality, to support the			
5	projected required local match based on the Lottery and Incentive programs in which the			
6	school division has elected to participate. State funding for such program(s) shall not be			
7	made until such time that the school division can certify that sufficient local funding has			
8	been appropriated to meet required local match. The Department of Education shall make			
9	calculations after the close of the fiscal year to verify that the required local match was			
10	met based on the state funds that were received.			
11	11. Any sum of local matching funds for Lottery and Incentive program which a locality			
12	has not expended as of the end of a fiscal year in support of the required local match			
13	pursuant to this Item shall be paid by the locality into the general fund of the state treasury			
14	unless the carryover of those unspent funds is specifically permitted by other provisions of			
15	this act. Such payments shall be made no later than the end of the school year following			
16	that in which the under expenditure occurred.			
17	12. The Superintendent of Public Instruction shall provide a report annually, no later than			
18	the first day of the General Assembly session, on the status of teacher salaries, by local			
19	school division, to the Governor and the Chairmen of the Senate Finance and House			
20	Appropriations Committees. In addition to information on average salaries by school			
21	division and statewide comparisons with other states, the report shall also include			
22	information on starting salaries by school division and average teacher salaries by school.			
23	13. All state and local matching funds required by the programs in this Item shall be			
24	appropriated to the budget of the local school board.			
25	14. By November 15 of each year, the Department of Planning and Budget, in cooperation			
26	with the Department of Education, shall prepare and submit a preliminary forecast of			
27	Standards of Quality expenditures, based upon the most current data available, to the			
28	Chairmen of the House Appropriations and Senate Finance Committees. In odd-numbered			
29	years, the forecast for the current and subsequent two fiscal years shall be provided. In			
30	even-numbered years, the forecast for the current and subsequent fiscal year shall be			
31	provided. The forecast shall detail the projected March 31 Average Daily Membership and			
32	the resulting impact on the education budget.			
33	15. School divisions may choose to use state payments provided for Standards of Quality			
34	Prevention, Intervention, and Remediation in both years as a block grant for remediation			
35	purposes, without restrictions or reporting requirements, other than reporting necessary as			
36	a basis for determining funding for the program.			
37	16. Except as otherwise provided in this act, the Superintendent of Public Instruction shall			
38	provide guidelines for the distribution and expenditure of general fund appropriations and			
39	such additional federal, private and other funds as may be made available to aid in the			
40	establishment and maintenance of the public schools.			
41	17. At the Department of Education's option, fees for audio-visual services may be			
42	deducted from state Basic Aid payments for individual local school divisions.			
43	18. For distributions not otherwise specified, the Department of Education, at its option,			
44	may use prior year data to calculate actual disbursements to individual localities.			
45	19. Payments for accounts related to the Standards of Quality made to localities for public			
46	education from the general fund, as provided herein, shall be payable in twenty-four semi-			
47	monthly installments at the middle and end of each month.			
48	20. Notwithstanding § 58.1-638 D., Code of Virginia, and other language in this Item, the			
49	Department of Education shall, for purposes of calculating the state and local shares of the			
50	Standards of Quality, apportion state sales and use tax dedicated to public education and			
51	those sales tax revenues transferred to the general fund from the Public Education			
52	Standards of Quality/ Local Real Estate Property Tax Relief Fund in the first year based			
53	on the July 1, 2016, estimate of school age population provided by the Weldon Cooper			
54	Center for Public Service and, in the second year, based on the July 1, 2017, estimate of			

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1	school age population provided by the Weldon Cooper Center for Public Service.			
2	Notwithstanding § 58.1-638 D., Code of Virginia, and other language in this Item, the State			
3	Comptroller shall distribute the state sales and use tax revenues dedicated to public education			
4	and those sales tax revenues transferred to the general fund from the Public Education			
5	Standards of Quality/ Local Real Estate Property Tax Relief Fund in the first year based on			
6	the July 1, 2016, estimate of school age population provided by the Weldon Cooper Center for			
7	Public Service and, in the second year, based on the July 1, 2017, estimate of school age			
8	population provided by the Weldon Cooper Center for Public Service.			
9	21. The school divisions within the Tobacco Region, as defined by the Tobacco			
10	Indemnification and Community Revitalization Commission, shall jointly explore ways to			
11	maximize their collective expenditure reimbursement totals for all eligible E-Rate funding.			
12	22. This Item includes appropriations totaling an estimated \$632,398,647 the first year and			
13	\$628,830,501 \$613,449,864 the second year from the revenues deposited to the Lottery			
14	Proceeds Fund. These amounts are appropriated for distribution to counties, cities, and towns			
15	to support public education programs pursuant to Article X, Section 7-A Constitution of			
16	Virginia. Any county, city, or town which accepts a distribution from this fund shall provide			
17	its portion of the cost of maintaining an educational program meeting the Standards of Quality			
18	pursuant to Section 2 of Article VIII of the Constitution without the use of distributions from			
19	the fund.			
20	23. For reporting purposes, the Department of Education shall include Lottery Proceeds Funds			
21	as state funds.			
22	24.a. Any locality that has met its required local effort for the Standards of Quality accounts			
23	for FY 2019 and that has met its required local match for incentive or Lottery-funded			
24	programs in which the locality elected to participate in FY 2019 may carry over into FY 2020			
25	any remaining state Direct Aid to Public Education fund balances available to help minimize			
26	any FY 2020 revenue adjustments that may occur in state funding to that locality. Localities			
27	electing to carry forward such unspent state funds must appropriate the funds to the school			
28	division for expenditure in FY 2020.			
29	b. Any locality that has met its required local effort for the Standards of Quality accounts for			
30	FY 2020 and that has met its required local match for incentive or Lottery-funded programs in			
31	which the locality elected to participate in FY 2020 may carry over into FY 2021 any			
32	remaining state Direct Aid to Public Education fund balances available to help minimize any			
33	FY 2021 revenue adjustments that may occur in state funding to that locality. Localities			
34	electing to carry forward such unspent state funds must appropriate the funds to the school			
35	division for expenditure in FY 2021.			
36	25. Localities are encouraged to allow school boards to carry over any unspent local			
37	allocations into the next fiscal year. Localities are also encouraged to provide increased			
38	flexibility to school boards by appropriating state and local funds for public education in a			
39	lump sum.			
40	26. The Department of Education shall include in the annual School Performance Report Card			
41	for school divisions the percentage of each division's annual operating budget allocated to			
42	instructional costs. For this report, the Department of Education shall establish a methodology			
43	for allocating each school division's expenditures to instructional and non-instructional costs			
44	in a manner that is consistent with the funding of the Standards of Quality as approved by the			
45	General Assembly.			
46	27. It is the intent of the General Assembly that all school divisions annually provide their			
47	employees, upon request, with a user-friendly statement of total compensation, including			
48	contract duration if less than 12 months.			
49	28. The Department of Education, in collaboration with the Virginia Community College			
50	System, will ensure that the same policies regarding the cost for dual enrollment courses held			
51	at a community college, are consistently applied to public school students and home-schooled			
52	students alike. These policies will clearly address the school division contributions and any			
53	student charges for dual enrollment courses, and will ensure that public school students and			
54	home-school students are treated in the same manner.			

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1	C. Apportionment			
2	1. Subject to the conditions stated in this paragraph and in paragraph B of this Item, each			
3	locality shall receive sums as listed above within this program for the basic operation cost			
4	and payments in addition to that cost. The apportionment herein directed shall be inclusive			
5	of, and without further payment by reason of, state funds for library and other teaching			
6	materials.			
7	2. School Employee Retirement Contributions			
8	a. This Item provides funds to each local school board for the state share of the employer's			
9	retirement cost incurred by it, on behalf of instructional personnel, for subsequent transfer			
10	to the retirement allowance account as provided by Title 51.1, Chapter 1, Code of			
11	Virginia.			
12	b. Notwithstanding § 51.1-1401, Code of Virginia, the Commonwealth shall provide			
13	payments for only the state share of the Standards of Quality fringe benefit cost of the			
14	retiree health care credit. This Item includes payments in both years based on the state			
15	share of fringe benefit costs of 55 percent of the employer's cost on funded Standards of			
16	Quality instructional positions, distributed based on the composite index of the local			
17	ability-to-pay.			
18	3. School Employee Social Security Contributions			
19	a. This Item provides funds to each local school board for the state share of the employer's			
20	Social Security cost incurred by it, on behalf of the instructional personnel for subsequent			
21	transfer to the Contribution Fund pursuant to Title 51.1, Chapter 7, Code of Virginia.			
22	b. Appropriations for contributions in paragraphs 2 and 3 above include payments from			
23	funds derived from the principal of the Literary Fund in accordance with Article VIII,			
24	Section 8, of the Constitution of Virginia. The amounts set aside from the Literary Fund			
25	for these purposes shall not exceed \$111,349,570 the first year and \$136,349,570 the			
26	second year.			
27	4. School Employee Insurance Contributions			
28	This Item provides funds to each local school board for the state share of the employer's			
29	Group Life Insurance cost incurred by it on behalf of instructional personnel who			
30	participate in group insurance under the provisions of Title 51.1, Chapter 5, Code of			
31	Virginia.			
32	5. Basic Aid Payments			
33	a.1) A state share of the Basic Operation Cost, which cost per pupil in March 31 ADM is			
34	established individually for each local school division based on the number of			
35	instructional personnel required by the Standards of Quality and the statewide prevailing			
36	salary levels (adjusted in Planning District Eight for the cost of competing) as well as			
37	recognized support costs calculated on a prevailing basis for an estimated March 31 ADM.			
38	2) This appropriation includes funding to recognize the common labor market in the			
39	Washington-Baltimore-Northern Virginia, DC-MD-VA-WV Combined Statistical Area.			
40	Standards of Quality salary payments for instructional and support positions in school			
41	divisions of the localities set out below have been adjusted for the equivalent portion of			
42	the Cost of Competing Adjustment (COCA) rates that are paid to local school divisions in			
43	Planning District Eight. For the counties of Stafford, Fauquier, Spotsylvania, Clarke,			
44	Warren, Frederick, and Culpeper and the Cities of Fredericksburg and Winchester, the			
45	SOQ payments for instructional and support positions have been increased by 25 percent			
46	each year of the COCA rates paid to school divisions in Planning District Eight.			
47	The support COCA rate is 10.6 percent.			
48	b. The state share for a locality shall be equal to the Basic Operation Cost for that locality			
49	less the locality's estimated revenues from the state sales and use tax (returned on the basis			
50	of the latest yearly estimate of school age population provided by the Weldon Cooper			
51	Center for Public Service, as specified in this Item), in the fiscal year in which the school			

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1	year begins and less the required local expenditure.			
2	c. For the purpose of this paragraph, the Department of Taxation's fiscal year sales and use tax			
3	estimates are as cited in this Item.			
4	d. 1) In accordance with the provisions of § 37.2-713, Code of Virginia, the Department of			
5	Education shall deduct the locality's share for the education of handicapped pupils residing in			
6	institutions within the Department of Behavioral Health and Developmental Services from the			
7	locality's Basic Aid payments.			
8	2) The amounts deducted from Basic Aid for the education of intellectually disabled persons			
9	shall be transferred to the Department of Behavioral Health and Developmental Services in			
10	support of the cost of educating such persons; the amount deducted from Basic Aid for the			
11	education of emotionally disturbed persons shall be used to cover extraordinary expenses			
12	incurred in the education of such persons. The Department of Education shall establish			
13	guidelines to implement these provisions and shall provide for the periodic transfer of sums			
14	due from each local school division to the Department of Behavioral Health and			
15	Developmental Services and for Special Education categorical payments. The amount of the			
16	actual transfers will be based on data accumulated during the prior school year.			
17	e. 1) The apportionment to localities of all driver education revenues received during the			
18	school year shall be made as an undesignated component of the state share of Basic Aid in			
19	accordance with the provisions of this Item. Only school divisions complying with the			
20	standardized program established by the Board of Education shall be entitled to participate in			
21	the distribution of state funds appropriated for driver education. The Department of Education			
22	will deduct a designated amount per pupil from a school division's Basic Aid payment when			
23	the school division is not in compliance with § 22.1-205 C, Code of Virginia. Such amount			
24	will be computed by dividing the current appropriation for the Driver Education Fund by			
25	actual March 31 ADM.			
26	2) Local school boards may charge a per pupil fee for behind-the-wheel driver education			
27	provided, however, that the fee charged plus the per pupil basic aid reimbursement for driver			
28	education shall not exceed the actual average per pupil cost. Such fees shall not be cause for a			
29	pro rata reduction in Basic Aid payments to school divisions.			
30	f. Textbooks			
31	1) The appropriation in this Item includes \$70,008,927 the first year and \$70,023,715			
32	\$70,297,768 the second year from the general fund as the state's share of the cost of textbooks			
33	based on a per pupil amount of \$100.69 the first year and \$100.69 the second year. A school			
34	division shall appropriate these funds for textbooks or any other public education instructional			
35	expenditure by the school division. The state's distributions for textbooks shall be based on			
36	adjusted March 31 ADM. These funds shall be matched by the local government, based on the			
37	composite index of local ability-to-pay.			
38	2) School divisions shall provide free textbooks to all students.			
39	3) School divisions may use a portion of this funding to purchase Standards of Learning			
40	instructional materials. School divisions may also use these funds to purchase electronic			
41	textbooks or other electronic media resources integral to the curriculum and classroom			
42	instruction and the technical equipment required to read and access the electronic textbooks			
43	and electronic curriculum materials.			
44	4) Any funds provided to school divisions for textbook costs that are unexpended as of June			
45	30, 2019, or June 30, 2020, shall be carried on the books of the locality to be appropriated to			
46	the school division the following year to be used for same purpose. School divisions are			
47	permitted to carry forward any remaining balance of textbook funds until the funds are			
48	expensed for a qualifying purpose.			
49	g. The one-cent state sales and use tax earmarked for education and the sales tax revenues			
50	transferred to the general fund from the Public Education Standards of Quality/Local Real			
51	Estate Property Tax Relief Fund and appropriated in this Item which are distributed to			
52	localities on the basis of the latest yearly estimate of school age population provided by the			
53	Weldon Cooper Center for Public Service as specified in this Item shall be reflected in each			
54	locality's annual budget for educational purposes as a separate revenue source for the current			

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1	fiscal year.				
2	h. The appropriation for the Standards of Quality for Public Education (SOQ) includes				
3	amounts estimated at \$389,900,000 the first year and \$409,300,000 \$416,100,000 the				
4	second year from the amounts transferred to the general fund from the Public Education				
5	Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to Part 3 of this				
6	act which are derived from the 0.375 cent increase in the state sales and use tax levied				
7	pursuant to § 58.1-638, Code of Virginia. These additional funds are provided to local				
8	school divisions and local governments in order to relieve the financial pressure education				
9	programs place on local real estate taxes.				
10	i. From the total amounts in paragraph h. above, an amount estimated at \$259,900,000 the				
11	first year and \$272,900,000 \$277,400,000 the second year (approximately 1/4 cent of sales				
12	and use tax) is appropriated to support a portion of the cost of the state's share of the				
13	following revisions to the Standards of Quality pursuant to Chapters 939 & 955 of the				
14	Acts of Assembly of 2004: five elementary resource teachers per 1,000 students; one				
15	support and one instructional technology position per 1,000 students; a full daily planning				
16	period for teachers at the middle and high school levels in order to relieve the pressure on				
17	local real estate taxes and shall be taken into account by the governing body of the county,				
18	city, or town in setting real estate tax rates.				
19	j. From the total amounts in paragraph h. above, an amount estimated at \$130,000,000 the				
20	first year and \$136,400,000 \$138,700,000 the second year (approximately 1/8 cent of sales				
21	and use tax) is appropriated in this Item to distribute the remainder of the revenues				
22	collected and deposited into the Public Education Standards of Quality/Local Real Estate				
23	Property Tax Relief Fund on the basis of the latest yearly estimate of school age				
24	population provided by the Weldon Cooper Center for Public Service as specified in this				
25	Item.				
26	k. For the purposes of funding certain support positions in Basic Aid, a funding ratio				
27	methodology is used based upon the prevailing ratio of actual support positions, consistent				
28	with those recognized for SOQ funding, to actual instructional positions, consistent with				
29	those recognized for SOQ funding, as established in Chapter 781, 2009 Acts of Assembly.				
30	For the purposes of making the required spending adjustments, the appropriation and				
31	distribution of Basic Aid shall reflect this methodology. Local school divisions shall have				
32	the discretion as to where the adjustment may be made, consistent with the Standards of				
33	Quality funded in this Act.				
34	6. Education of the Gifted Payments				
35	a. An additional payment shall be disbursed by the Department of Education to local				
36	school divisions to support the state share of one full-time equivalent instructional position				
37	per 1,000 students in adjusted March 31 ADM.				
38	b. Local school divisions are required to spend, as part of the required local expenditure				
39	for the Standards of Quality the established per pupil cost for gifted education (state and				
40	local share) on approved programs for the gifted.				
41	7. Occupational-Vocational Education Payments				
42	a. An additional payment shall be disbursed by the Department of Education to the local				
43	school divisions to support the state share of the number of Vocational Education				
44	instructors required by the Standards of Quality. These funds shall be disbursed on the				
45	same basis as the payment is calculated.				
46	b. An amount estimated at \$120,281,318 the first year and \$120,355,978 the second year				
47	from the general fund included in Basic Aid Payments relates to vocational education				
48	programs in support of the Standards of Quality.				
49	8. Special Education Payments				
50	a. An additional payment shall be disbursed by the Department of Education to the local				
51	school divisions to support the state share of the number of Special Education instructors				
52	required by the Standards of Quality. These funds shall be disbursed on the same basis as				
53	the payment is calculated.				

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1	b. Out of the amounts for special education payments, general fund support is provided to				
2	fund the caseload standards for speech pathologists at 68 students for each year of the				
3	biennium.				
4	9. Remedial Education Payments				
5	a. An additional payment estimated at \$112,645,717 the first year and \$112,320,130				
6	\$112,916,008 the second year from the general fund shall be disbursed by the Department of				
7	Education to support the Board of Education's Standards of Quality Prevention, Intervention,				
8	and Remediation program adopted in June 2003.				
9	b. The payment shall be calculated based on one hour of additional instruction per day for				
10	identified students, using the three year average percent of students eligible for the federal				
11	Free Lunch program as a proxy for students needing such services. Fall membership shall be				
12	multiplied by the three year average division-level Free Lunch eligibility percentage to				
13	determine the estimated number of students eligible for services. Pupil-teacher ratios shall be				
14	applied to the estimated number of eligible students to determine the number of instructional				
15	positions needed for each school division. The pupil-teacher ratio applied for each school				
16	division shall range from 10:1 for those divisions with the most severe combined three year				
17	average failure rates for English and math Standards of Learning test scores to 18:1 for those				
18	divisions with the lowest combined three year average failure rates for English and math				
19	Standards of Learning test scores.				
20	c. Funding shall be matched by the local government based on the composite index of local				
21	ability-to-pay.				
22	d. To provide flexibility in the instruction of English Language Learners who have limited				
23	English proficiency and who are at risk of not meeting state accountability standards, school				
24	divisions may use state and local funds from the SOQ Prevention, Intervention, and				
25	Remediation account to employ additional English Language Learner teachers to provide				
26	instruction to identified limited English proficiency students. Using these funds in this manner				
27	is intended to supplement the instructional services provided through the SOQ staffing				
28	standard of 17 instructional positions per 1,000 limited English proficiency students. School				
29	divisions using the SOQ Prevention, Intervention, and Remediation funds in this manner shall				
30	only employ instructional personnel licensed by the Board of Education.				
31	e. An additional state payment estimated at \$10,468,261 the first year and \$34,468,409				
32	\$52,247,254 the second year from the general fund and \$100,114,539 the first year and				
33	\$86,482,069 \$69,408,262 the second year from the Lottery Proceeds Fund shall be disbursed				
34	based on the estimated number of federal Free Lunch participants, in support of programs for				
35	students who are educationally at risk. The additional payment shall be based on the state				
36	share of:				
37	1) A minimum 1.0 percent Add-On, as a percent of the per pupil basic aid cost, for each child				
38	who qualifies for the federal Free Lunch Program; and				
39	2) An addition to the Add-On, based on the concentration of children qualifying for the				
40	federal Free Lunch Program. Based on its percentage of Free Lunch participants, each school				
41	division will receive a total between 1.0 and 14.5 percent in the first year and between 1.0 and				
42	16.0 percent in the second year in additional basic aid per Free Lunch participant. These funds				
43	shall be matched by the local government, based on the composite index of local ability-to-				
44	pay.				
45	3a) Local school divisions are required to spend the established At-Risk Add-On payment				
46	(state and local share) on approved programs for students who are educationally at risk.				
47	b) To receive these funds, each school division shall certify to the Department of Education				
48	that the state and local share of the At-Risk Add-On payment will be used to support				
49	approved programs for students who are educationally at risk. These programs may include:				
50	teacher recruitment programs and incentives, Dropout Prevention, community and school-				
51	based truancy officer programs, Advancement Via Individual Determination (AVID), Project				
52	Discovery, Reading Recovery, programs for students who speak English as a Second				
53	Language, hiring additional school guidance counselors, testing coordinators, and licensed				
54	behavior analysts, or programs related to increasing the success of disadvantaged students in				

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1 completing a high school degree and providing opportunities to encourage further
2 education and training. Further, each school division shall report each year by August 1 to
3 the Department the individual uses of these funds. The Department shall compile the
4 responses and provide them to the Chairmen of House Appropriations and Senate Finance
5 Committees no later than the first day of each Regular General Assembly Session.

6 4) If the Board of Education has required a local school board to submit a corrective
7 action plan pursuant to § 22.1-253.13:3, Code of Virginia, either for the school division
8 pursuant to a division level review, or for any schools within its division that have been
9 designated as not meeting the standards as approved by the Board of Education, the
10 Superintendent of Public Instruction shall determine and report to the Board of Education
11 whether each such local school board has met its obligation to develop and submit such
12 corrective action plan(s) and is making adequate and timely progress in implementing the
13 plan(s). Additionally, if an academic or other review process undertaken pursuant to §
14 22.1-253.13:3, Code of Virginia, has identified actions for a local school board to
15 implement, the Superintendent of Public Instruction shall determine and report to the
16 Board of Education whether the local school board has implemented required actions. If
17 the Superintendent certifies that a local school board has failed or refused to meet any of
18 those obligations as referenced in a memorandum of understanding between the local
19 school board and the Board of Education, the Board of Education shall withhold payment
20 of some or all At-Risk Add-On funds otherwise allocated to the affected division pursuant
21 to this allocation for the pending fiscal year. In determining the amount of At-Risk Add-
22 On funds to be withheld, the Board of Education shall take into consideration the extent to
23 which such funds have already been expended or contractually obligated. The local school
24 board shall be given an opportunity to correct its failure and, if successful in a timely
25 manner, may have some or all of its At-Risk Add-On funds restored at the Board of
26 Education's discretion.

27 f. Regional Alternative Education Programs

28 1) An additional state payment of \$8,767,652 the first year and ~~\$9,434,794~~ \$9,403,886 the
29 second year from the Lottery Proceeds Fund shall be disbursed for Regional Alternative
30 Education programs. Such programs shall be for the purpose of educating certain expelled
31 students and, as appropriate, students who have received suspensions from public schools
32 and students returned to the community from the Department of Juvenile Justice.

33 2) Each regional program shall have a small student/staff ratio. Such staff shall include,
34 but not be limited to education, mental health, health, and law enforcement professionals,
35 who will collaborate to provide for the academic, psychological, and social needs of the
36 students. Each program shall be designed to ensure that students make the transition back
37 into the "mainstream" within their local school division.

38 3) a) Regional alternative education programs are funded through this Item based on the
39 state's share of the incremental per pupil cost for providing such programs. This
40 incremental per pupil payment shall be adjusted for the composite index of local ability-
41 to-pay of the school division that counts such students attending such program in its
42 March 31 Average Daily Membership. It is the intent of the General Assembly that this
43 incremental per pupil amount be in addition to the basic aid per pupil funding provided to
44 the affected school division for such students. Therefore, local school divisions are
45 encouraged to provide the appropriate portion of the basic aid per pupil funding to the
46 regional programs for students attending these programs, adjusted for costs incurred by the
47 school division for transportation, administration, and any portion of the school day or
48 school year that the student does not attend such program.

49 b) In the event a school division does not use all of the student slots it is allocated under
50 this program, the unused slots may be reallocated or transferred to another school division.

51 1. A school division must request from the Department of Education the availability and
52 possible use of any unused student slots. If any unused slots are available and if the
53 requesting school division chooses to utilize any of the unused slots, the requesting school
54 division shall only receive the state's share of tuition for the unused slot that was allocated
55 in this Item for the originally designated school division.

56 2. However, no requesting school division shall receive more tuition funding from the

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1	state for any requested unused slot than what would have been the calculated amount for the			
2	requesting school division had the unused slot been allocated to the requesting school division			
3	in the original budget. Furthermore, the requesting school division shall pay for any remaining			
4	tuition payment necessary for using a previously unused slot.			
5	3. The Department of Education shall provide assistance for the state share of the incremental			
6	cost of Regional Alternative Education program operations based on the composite index of			
7	local ability-to-pay.			
8	4) Out of this appropriation, \$673,213 \$671,339 the second year from the Lottery Proceeds			
9	Fund is provided for a compensation supplement payment equal to 3.0 percent of base pay on			
10	July 1, 2019, and for a compensation supplement payment of up to 2.0 percent of base pay on			
11	September 1, 2019, for Regional Alternative Education Program instructional and support			
12	positions, as referenced in paragraph C. 39. of this Item.			
13	g. Remedial Summer School			
14	1) This appropriation includes \$24,658,157 the first year and \$24,976,867 \$22,175,764 the			
15	second year from the general fund for the state's share of Remedial Summer School Programs.			
16	These funds are available to school divisions for the operation of programs designed to			
17	remediate students who are required to attend such programs during a summer school session			
18	or during an intersession in the case of year-round schools. These funds may be used in			
19	conjunction with other sources of state funding for remediation or intervention. School			
20	divisions shall have maximum flexibility with respect to the use of these funds and the types			
21	of remediation programs offered; however, in exercising this flexibility, students attending			
22	these programs shall not be charged tuition and no high school credit may be awarded to			
23	students who participate in this program.			
24	2) For school divisions charging students tuition for summer high school credit courses,			
25	consideration shall be given to students from households with extenuating financial			
26	circumstances who are repeating a class in order to graduate.			
27	3) From the amounts provided for Remedial Summer School, there is hereby appropriated			
28	\$550,000 the first year and \$550,000 the second year from the general fund to support pilot			
29	public-private partnerships between local school divisions and the Greater Richmond and			
30	Central Virginia affiliates of the Virginia Alliance of YMCAs to expand student participation			
31	opportunities in existing summer Power Scholars Academies in such partnered school			
32	divisions. The Virginia Alliance of YMCAs shall prepare and submit an evaluation report for			
33	such pilot partnerships between the school divisions and the Greater Richmond and Central			
34	Virginia YMCA affiliates to the Chairmen of House Appropriations and Senate Finance			
35	Committees no later than October 31, 2018.			
36	10. K-3 Primary Class Size Reduction Payments			
37	a. An additional payment estimated at \$125,175,585 the first year and \$128,005,970			
38	\$125,226,194 the second year from the Lottery Proceeds Fund shall be disbursed by the			
39	Department of Education as an incentive for reducing class sizes in the primary grades.			
40	b. The Department of Education shall calculate the payment based on the incremental cost of			
41	providing the lower class sizes based on the lower of the division average per pupil cost of all			
42	divisions or the actual division per pupil cost.			
43	c. Localities are required to provide a match for these funds based on the composite index of			
44	local ability-to-pay.			
45	d. By October 15 of each year school divisions must provide data to the Department of			
46	Education that each participating school has a September 30 pupil/teacher ratio in grades K			
47	through 3 that meet the following criteria:			
48	Qualifying School Percentage of	Grades K-3	Maximum Individual	
49	Students Approved			
50	Eligible for Free Lunch, Three-Year	School Ratio	K-3 Class Size	
51	Average			
52	30% but less than 45%	19 to 1	24	

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1	45% but less than 55%	18 to 1		23	
2	55% but less than 65%	17 to 1		22	
3	65% but less than 70%	16 to 1		21	
4	70% but less than 75%	15 to 1		20	
5	75% or more	14 to 1		19	
6	e. School divisions may elect to have eligible schools participate at a higher ratio, or only				
7	in a portion of grades kindergarten through three, with a commensurate reduction of state				
8	and required local funds, if local conditions do not permit participation at the established				
9	ratio and/or maximum individual class size. In the event that a school division requires				
10	additional actions to ensure participation at the established ratio and/or maximum				
11	individual class size, such actions must be completed by December 1 of the impacted				
12	school year. Special education teachers and instructional aides shall not be counted				
13	towards meeting these required pupil/teacher ratios in grades kindergarten through three.				
14	f. The Superintendent of Public Instruction may grant waivers to school divisions for the				
15	class size requirement in eligible schools that have only one class in an affected grade				
16	level in the school.				
17	11. Literary Fund Subsidy Program Payments				
18	a. The Department of Education and the Virginia Public School Authority (VPSA) shall				
19	provide a program of funding for school construction and renovation through the Literary				
20	Fund and through VPSA bond sales. The program shall be used to provide funds, through				
21	Literary Fund loans and subsidies, and through VPSA bond sales, to fund a portion of the				
22	projects on the First or Second Literary Fund Waiting List, or other critical projects which				
23	may receive priority placement on the First or Second Literary Fund Waiting List by the				
24	Department of Education. Interest rate subsidies will provide school divisions with the				
25	present value difference in debt service between a Literary Fund loan and a borrowing				
26	through the VPSA. To qualify for an interest rate subsidy, the school division's project				
27	must be eligible for a Literary Fund loan and shall be subject to the same restrictions. The				
28	VPSA shall work with the Department of Education in selecting those projects to be				
29	funded through the interest rate subsidy/bond financing program, so as to ensure the				
30	maximum leverage of Literary Fund moneys and a minimum impact on the VPSA Bond				
31	Pool.				
32	b. The Virginia Public School Authority shall provide an interest rate subsidy program in				
33	fiscal year 2020 for projects that are on the Board of Education's First Priority Waiting				
34	List, and which shall only use the subsidy funding and associated VPSA borrowing as				
35	original financing for the project and not to refinance any prior debt on the project.				
36	Projects on the Literary Fund Second Priority Waiting List may participate in the Interest				
37	Rate Subsidy Program if unused subsidy appropriation remains once the participation of				
38	projects on the First Priority Waiting List is confirmed and subject to the same restrictions.				
39	However, the total cost of the subsidy program shall not exceed \$5.0 million in the second				
40	year including the subsidy payments and related issuance costs based on the parameters in				
41	Senate Bill 1093, as passed during 2019 Session. In addition, \$30.0 million in Literary				
42	Fund revenues shall be used to provide school construction loans for projects that are on				
43	the Board of Education's First Priority Waiting List.				
44	c. The Department of Education may offer Literary Fund loans from the uncommitted				
45	balances of the Literary Fund after meeting the obligations of the interest rate subsidy				
46	sales and the amounts set aside from the Literary Fund for Debt Service Payments for				
47	Education Technology and Security Equipment in this Item.				
48	d. 1) In the event that on any scheduled payment date of bonds of the Virginia Public				
49	School Authority (VPSA) authorized under the provisions of a bond resolution adopted				
50	subsequent to June 30, 1997, issued subsequent to June 30, 1997, and not benefiting from				
51	the provisions of either § 22.1-168 (iii), (iv), and (v), Code of Virginia, or § 22.1-168.1,				
52	Code of Virginia, the sum of (i) the payments on general obligation school bonds of cities,				
53	counties, and towns (localities) paid to the VPSA and (ii) the proceeds derived from the				
54	application of the provisions of § 15.2-2659, Code of Virginia, to such bonds of localities,				
55	is less than the debt service due on such bonds of the VPSA on such date, there is hereby				
56	appropriated to the VPSA, first, from available moneys of the Literary Fund and, second,				

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1 from the general fund a sum equal to such deficiency.

2 2) The Commonwealth shall be subrogated to the VPSA to the extent of any such
3 appropriation paid to the VPSA and shall be entitled to enforce the VPSA's remedies with
4 respect to the defaulting locality and to full recovery of the amount of such deficiency,
5 together with interest at the rate of the defaulting locality's bonds.

6 e. The chairman of the Board of Commissioners of the VPSA shall, on or before November 1
7 of each year, make and deliver to the Governor and the Secretary of Finance a certificate
8 setting forth his estimate of total debt service during each fiscal year of the biennium on
9 bonds of the VPSA issued and projected to be issued during such biennium pursuant to the
10 bond resolution referred to in paragraph a above. The Governor's budget submission each year
11 shall include provisions for the payment of debt service pursuant to paragraph 1) above.

12 12. Educational Technology Payments

13 a. Any unobligated amounts transferred to the educational technology fund shall be disbursed
14 on a pro rata basis to localities. The additional funds shall be used for technology needs
15 identified in the division's technology plan approved by the Department of Education.

16 b. The Department of Education shall authorize estimated amounts as indicated in Table 1
17 from the Literary Fund to provide debt service payments for the education technology grant
18 program conducted through the Virginia Public School Authority in the referenced years.

19 Table 1

	Grant Year	FY 2019		FY 2020
20				
21	2014	\$13,240,500		
22	2015	\$13,808,750	\$13,807,500	
23	2016	\$13,758,000	\$13,753,750	
24	2017	\$13,953,750	\$13,949,750	
25	2018	\$12,474,388	\$12,471,250	
26	2019		\$12,434,267	
27			\$11,975,475	

28 c. It is the intent of the General Assembly to authorize sufficient Literary Fund revenues to
29 pay debt service on the Virginia Public School Authority bonds or notes authorized for
30 education technology grant programs. In developing the proposed 2020-2022, 2022-2024, and
31 2024-2026 biennial budgets for public education, the Department of Education shall include a
32 recommendation to the Governor to authorize sufficient Literary Fund revenues to make debt
33 service payments for these programs in fiscal years 2021, 2022, 2023, 2024, 2025, and 2026.

34 d. 1) An education technology grant program shall be conducted through the Virginia Public
35 School Authority, through the issuance of equipment notes in an amount estimated at
36 \$57,017,700 in fiscal year 2019 and ~~\$58,612,800~~ \$56,290,400 in fiscal year 2020. Proceeds of
37 the notes will be used to establish a computer-based instructional and testing system for the
38 Standards of Learning (SOL) and to develop the capability for high speed Internet
39 connectivity at high schools followed by middle schools followed by elementary schools.
40 School divisions shall use these funds first to develop and maintain the capability to support
41 the administration of online SOL testing for all students with the exception of students with a
42 documented need for a paper SOL test.

43 2) Grant funds from the issuance of \$57,017,700 in fiscal year 2019 and ~~\$58,612,800~~
44 \$56,290,400 in fiscal year 2020 in equipment notes are based on a grant of \$26,000 per school
45 and \$50,000 per school division. For purposes of this grant program, eligible schools shall
46 include schools that are subject to state accreditation and reporting membership in grades K
47 through 12 as of September 30, 2018, for the fiscal year 2019 issuance, and September 30,
48 2019, for the fiscal year 2020 issuance, as well as regional vocational centers, special
49 education centers, alternative education centers, regular school year Governor's Schools,
50 CodeRVA Regional High School, and the School for the Deaf and the Blind. Schools that
51 serve only pre-kindergarten students shall not be eligible for this grant.

52 3. a.) Supplemental grants shall be allocated to eligible divisions to support schools that are

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	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	not fully accredited in accordance with this paragraph. Schools that include a ninth grade			
2	that administer SOL tests in Spring 2018 and that are not fully accredited for the second			
3	consecutive year, based on school accreditation ratings in effect for fiscal year 2018 and			
4	fiscal year 2019 will qualify to participate in the Virginia e-Learning Backpack Initiative			
5	in fiscal year 2019 and receive: (1) a supplemental grant of \$400 per student reported in			
6	ninth grade fall membership in a qualifying school for the purchase of a laptop or tablet			
7	for that student and (2) a supplemental grant of \$2,400 per qualifying school to purchase			
8	two content creation packages for teachers. Schools eligible to receive this supplemental			
9	grant in fiscal year 2019 shall continue to receive the grant for the number of subsequent			
10	years equaling the number of grades 9 through 12 in the qualifying school up to a			
11	maximum of four years. Schools that administer SOL tests in Spring 2019 and that are not			
12	fully accredited for the second consecutive year based on school accreditation ratings in			
13	effect for fiscal year 2019 and fiscal year 2020 will qualify to participate in the initiative			
14	in fiscal year 2020. Schools eligible for the supplemental grants in previous fiscal years			
15	shall continue to be eligible for the remaining years of their grant award. Schools eligible			
16	to receive this supplemental grant in fiscal year 2020 shall continue to receive the grant for			
17	the number of subsequent years equaling the number of grades 9 through 12 in the			
18	qualifying school up to a maximum of four years. Grants awarded to qualifying schools			
19	that do not have grades 10, 11, or 12 may transition with the students to the primary			
20	receiving school for all years subsequent to grade 9. Schools are eligible to receive these			
21	grants for a period of up to four years beginning in fiscal year 2014 and shall not be			
22	eligible to receive a separate award in the future once the original award period has			
23	concluded. Schools that are fully accredited or that are new schools with conditional			
24	accreditation in their first year shall not be eligible to receive this supplemental grant.			
25	b.) Supplemental grants allocated to school divisions for participation in the Virginia e-			
26	Learning Backpack Initiative prior to fiscal year 2017 shall be used in eligible schools for			
27	(1) the purchase of a laptop or tablet for a student reported in ninth grade fall membership,			
28	and (2) the purchase of two content creation packages for teachers per grant. The amounts			
29	for such grants shall remain unchanged.			
30	4) Required local match:			
31	a) Localities are required to provide a match for these funds equal to 20 percent of the			
32	grant amount, including the supplemental grants provided pursuant to paragraph g. 5). At			
33	least 25 percent of the local match, including the match for supplemental grants, shall be			
34	used for teacher training in the use of instructional technology, with the remainder spent			
35	on other required uses. The Superintendent of Public Instruction is authorized to reduce			
36	the required local match for school divisions with a composite index of local ability-to-pay			
37	below 0.2000. The Virginia School for the Deaf and the Blind is exempt from the match			
38	requirement.			
39	b) School divisions that administer 100 percent of SOL tests online in all elementary,			
40	middle, and high schools may use up to 75 percent of their required local match to			
41	purchase targeted technology-based interventions. Such interventions may include the			
42	necessary technology and software to support online learning, technology-based content			
43	systems, content management systems, technology equipment systems, information and			
44	data management systems, and other appropriate technologies that support the individual			
45	needs of learners. School divisions that receive supplemental grants pursuant to paragraph			
46	g.5) above shall use the funds in qualifying schools to purchase laptops and tablets for			
47	ninth grade students reported in fall membership and content creation packages for			
48	teachers.			
49	5) The goal of the education technology grant program is to improve the instructional,			
50	remedial, and testing capabilities of the Standards of Learning for local school divisions			
51	and to increase the number of schools achieving full accreditation.			
52	6) Funds shall be used in the following manner:			
53	a) Each division shall use funds to reach a goal, in each high school, of: (1) a 5-to-1			
54	student to computer ratio; (2) an Internet-ready local area network (LAN) capability; and			
55	(3) high speed access to the Internet. School connectivity (computers, LANs and network			
56	access) shall include sufficient download/upload capability to ensure that each student will			
57	have adequate access to Internet-based instructional, remedial and assessment programs.			

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1	b) When each high school in a division meets the goals established in paragraph a) above, the				
2	remaining funds shall be used to develop similar capability in first the middle schools and				
3	then the elementary schools.				
4	c) For purposes of establishing or enhancing a computer-based instructional program				
5	supporting the Standards of Learning pursuant to paragraph g. 1) above, these grant funds				
6	may be used to purchase handheld multifunctional computing devices that support a broad				
7	range of applications and that are controlled by operating systems providing full multimedia				
8	support and mobile Internet connectivity. School divisions that elect to use these grant funds				
9	to purchase such qualifying handheld devices must continue to meet the on-line testing				
10	requirements stated in paragraph g. 1) above.				
11	d) School divisions shall be eligible to receive supplemental grants pursuant to paragraph g.5)				
12	above. These supplemental grants shall be used in qualifying schools for the purchase of				
13	laptops and tablets for ninth grade students reported in fall membership and content creation				
14	packages for teachers. Participating school divisions will be required to select a core set of				
15	electronic textbooks, applications and online services for productivity, learning management,				
16	collaboration, practice, and assessment to be included on all devices. In addition, participating				
17	school divisions will assume recurring costs for electronic textbook purchases and				
18	maintenance.				
19	e) Pursuant to § 15.2-1302, Code of Virginia, and in the event that two or more school				
20	divisions became one school division, whether by consolidation of only the school divisions				
21	or by consolidation of the local governments, such resulting division shall be provided				
22	funding through this program on the basis of having the same number of school divisions as				
23	existed prior to September 30, 2000.				
24	7) Local school divisions shall maximize the use of available federal funds, including E-Rate				
25	Funds, and to the extent possible, use such funds to supplement the program and meet the				
26	goals of this program.				
27	e. The Department of Education shall maintain criteria to determine if high schools, middle				
28	schools, or elementary schools have the capacity to meet the goals of this initiative. The				
29	Department of Education shall be responsible for the project management of this program.				
30	f. 1) In the event that, on any scheduled payment date of bonds or notes of the Virginia Public				
31	School Authority (VPSA) issued for the purpose described in § 22.1-166.2, Code of Virginia,				
32	and not benefiting from the provisions of either § 22.1-168 (iii), (iv) and (v), Code of				
33	Virginia, or § 22.1-168.1, Code of Virginia, the available moneys in the Literary Fund are less				
34	than the amounts authorized for debt service due on such bonds or notes of the VPSA on such				
35	date, there is hereby appropriated to the VPSA from the general fund a sum equal to such				
36	deficiency.				
37	2) The Chairman of the Board of Commissioners of the VPSA shall, on or before November 1				
38	of each year, make and deliver to the Governor and the Secretary of Finance a certificate				
39	setting forth his estimate of total debt service during each fiscal year of the biennium on				
40	bonds and notes of the VPSA issued and projected to be issued during such biennium				
41	pursuant to the resolution referred to in paragraph 1) above. The Governor's budget				
42	submission each year shall include provisions for the payment of debt service pursuant to				
43	paragraph 1) above.				
44	g. Unobligated proceeds of the notes, including investment income derived from the proceeds				
45	of the notes may be used to pay interest on, or to decrease principal of the notes or to fund a				
46	portion of such other educational technology grants as authorized by the General Assembly.				
47	h. 1) For the purposes of § 56-232, Code of Virginia, "Contracts of Telephone Companies				
48	with State Government" and for the purposes of § 56-234 "Contracts for Service Rendered by				
49	a Telephone Company for the State Government" shall be deemed to include communications				
50	lines into public schools which are used for educational technology. The rate structure for				
51	such lines shall be negotiated by the Superintendent of Public Instruction and the Chief				
52	Information Officer of the Virginia Information Technologies Agency. Further, the				
53	Superintendent and Director are authorized to encourage the development of "by-pass"				
54	infrastructure in localities where it fails to obtain competitive prices or prices consistent with				
55	the best rates obtained in other parts of the state.				

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	FY2019	FY2020	FY2019	FY2020

1) 2) The State Corporation Commission, in its consideration of the discount for services provided to elementary schools, secondary schools, and libraries and the universal service funding mechanisms as provided under § 254 of the Telecommunications Act of 1996, is hereby encouraged to make the discounts for intrastate services provided to elementary schools, secondary schools, and libraries for educational purposes as large as is prudently possible and to fund such discounts through the universal fund as provided in § 254 of the Telecommunications Act of 1996. The commission shall proceed as expeditiously as possible in implementing these discounts and the funding mechanism for intrastate services, consistent with the rules of the Federal Communications Commission aimed at the preservation and advancement of universal service.

13. Security Equipment Payments

1) A security equipment grant program shall be conducted through the Virginia Public School Authority, through the issuance of equipment notes in an amount estimated at up to \$6,000,000 in fiscal year 2019 and \$12,000,000 in fiscal year 2020 in conjunction with the Virginia Public School Authority technology notes program authorized in C.12. of this Item. Proceeds of the notes will be used to help offset the related costs associated with the purchase of appropriate security equipment that will improve and help ensure the safety of students attending public schools in Virginia.

2) The Department of Education shall authorize estimated amounts as indicated in Table 1 from the Literary Fund to provide debt service payments for the security equipment grant programs conducted through the Virginia Public School Authority in the referenced years.

Table 1

	Grant Year	FY 2019	FY 2020
	2014	\$1,239,000	
	2015	\$1,245,750	\$1,244,250
	2016	\$1,233,000	\$1,234,750
	2017	\$1,246,250	\$1,250,000
	2018	\$1,273,531	\$1,270,750
	2019		\$1,310,127
			<i>\$1,260,301</i>

3) It is the intent of the General Assembly to authorize sufficient Literary Fund revenues to pay debt service on the Virginia Public School Authority bonds or notes authorized for this program. In developing the proposed 2020-2022, 2022-2024, and 2024-2026 biennial budgets for public education, the Department of Education shall include a recommendation to the Governor to authorize sufficient Literary Fund revenues to make debt service payments for these programs in fiscal years 2021, 2022, 2023, 2024, 2025, and 2026.

4) In the event that, on any scheduled payment date of bonds or notes of the Virginia Public School Authority issued for the purpose described in § 22.1-166.2, Code of Virginia, and not benefiting from the provisions of either § 22.1-168 (iii), (iv) and (v), Code of Virginia, or § 22.1-168.1, Code of Virginia, the available moneys in the Literary Fund are less than the amounts authorized for debt service due on such bonds or notes on such date, there is hereby appropriated to the Virginia Public School Authority from the general fund a sum equal to such deficiency.

5) The Chairman of the Board of Commissioners of the Virginia Public School Authority shall, on or before November 1 of each year, deliver to the Governor and the Secretary of Finance a certificate setting forth his estimate of total debt service during each fiscal year of the biennium on bonds and notes issued and projected to be issued during such biennium. The Governor's budget submission each year shall include provisions for the payment of debt service pursuant to paragraph 1) above.

6) Grant award funds from the issuance of up to \$6,000,000 in fiscal year 2019 and \$12,000,000 in fiscal year 2020 in equipment notes shall be distributed to eligible school divisions. The grant awards will be based on a competitive grant basis of up to \$250,000

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1	per school division. School divisions will be permitted to apply annually for grant funding.			
2	For purposes of this program, eligible schools shall include schools that are subject to state			
3	accreditation and reporting membership in grades K through 12 as of September 30, 2018, for			
4	the fiscal year 2019 issuance, and September 30, 2019, for the fiscal year 2020 issuance, as			
5	well as regional vocational centers, special education centers, alternative education centers,			
6	regular school year Governor's Schools, and the Virginia School for the Deaf and the Blind.			
7	7) School divisions would submit their application to Department of Education by August 1			
8	of each year based on the criteria developed by the Department of Education in collaboration			
9	with the Department of Criminal Justice Services who will provide requested technical			
10	support. Furthermore, the Department of Education will have the authority to make such grant			
11	awards to such school divisions.			
12	8) It is also the intent of the General Assembly that, beginning with fiscal year 2020, the total			
13	amount of the grant awards shall not exceed \$60,000,000 over any ongoing revolving five			
14	year period.			
15	9) Required local match:			
16	a) Localities are required to provide a match for these funds equal to 25 percent of the grant			
17	amount. The Superintendent of Public Instruction is authorized to reduce the required local			
18	match for school divisions with a composite index of local ability-to-pay below 0.2000. The			
19	Virginia School for the Deaf and the Blind is exempt from the match requirement.			
20	b) Pursuant to § 15.2-1302, Code of Virginia, and in the event that two or more school			
21	divisions became one school division, whether by consolidation of only the school divisions			
22	or by consolidation of the local governments, such resulting division shall be provided			
23	funding through this program on the basis of having the same number of school divisions as			
24	existed prior to September 30, 2000.			
25	c) Local school divisions shall maximize the use of available federal funds, including E-Rate			
26	Funds, and to the extent possible, use such funds to supplement the program and meet the			
27	goals of this program.			
28	14. Virginia Preschool Initiative Payments			
29	a.1) It is the intent of the General Assembly that a payment estimated at \$70,049,572 the first			
30	year and \$72,351,058 \$73,290,301 the second year from the Lottery Proceeds Fund shall be			
31	disbursed by the Department of Education to schools and community-based organizations to			
32	provide quality preschool programs for at-risk four-year-olds who are residents of Virginia			
33	and unserved by Head Start program funding and for at-risk five-year-olds who are not			
34	eligible to attend kindergarten. In no event shall distributions from the Lottery Proceeds Fund			
35	be made directly to community-based or private providers.			
36	2) These state funds and required local matching funds shall be used to provide programs for			
37	at-risk four-year-old children, which include quality preschool education, health services,			
38	social services, parental involvement and transportation. It shall be the policy of the			
39	Commonwealth that state funds and required local matching funds for the Virginia Preschool			
40	Initiative not be used for capital outlay. Programs must provide full-day or half-day and, at			
41	least, school-year services.			
42	3) The Department of Education shall establish academic standards that are in accordance			
43	with appropriate preparation for students to be ready to successfully enter kindergarten. These			
44	standards shall be established in such a manner as to be measurable for student achievement			
45	and success. Students shall be required to be evaluated in the fall and in the spring by each			
46	participating school division and the school divisions must certify that the Virginia Preschool			
47	Initiative program follows the established standards in order to receive the funding for quality			
48	preschool education and criteria for the service components. Such standards shall align with			
49	the Virginia Standards of Learning for Kindergarten.			
50	4) a) Grants shall be distributed based on an allocation formula providing the state share of a			
51	\$6,326 grant for 100 percent of the unserved at-risk four-year-olds in each locality for a full-			
52	day program. The number of unserved at-risk four-year-olds in each locality shall be based on			
53	the projected number of kindergarten students, updated once each biennium for the			
54	Governor's introduced biennial budget. Half-day programs shall operate for a minimum of			

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1	three hours of classroom instructional time per day, excluding breaks for lunch , and				
2	grants to half-day programs shall be funded based on the state share of \$3,163 per				
3	unserved at-risk four-year-old in each locality. Full-day programs shall operate for a				
4	minimum of five and one-half instructional hours, excluding breaks for meals . Virginia				
5	Preschool Initiative programs may include unstructured recreational time that is intended				
6	to develop teamwork, social skills, and overall physical fitness in any calculation of total				
7	instructional time, provided that such unstructured recreational time does not exceed 15				
8	percent of total instructional time or teaching hours. No additional state funding is				
9	provided for programs operating greater than three hours per day but less than five and				
10	one-half hours per day. In determining the state and local shares of funding, the composite				
11	index of local ability-to-pay is capped at 0.5000.				
12	b) For new programs in the first year of implementation only, programs operating less				
13	than a full school year shall receive state funds on a fractional basis determined by the				
14	pro-rata portion of a school year program provided. In determining the prorated state				
15	funds to be received, a school year shall be 180 days or 990 teaching hours.				
16	b.1) Any locality which desires to participate in this grant program must submit a proposal				
17	through its chief administrator (county administrator or city manager) by May 15 of each				
18	year. The chief administrator, in conjunction with the school superintendent, shall identify				
19	a lead agency for this program within the locality. The lead agency shall be responsible for				
20	developing a local plan for the delivery of quality preschool services to at-risk children				
21	which demonstrates the coordination of resources and the combination of funding streams				
22	in an effort to serve the greatest number of at-risk four-year-old children.				
23	2) The proposal must demonstrate coordination with all parties necessary for the				
24	successful delivery of comprehensive services, including the schools, child care providers,				
25	local social services agency, Head Start, local health department, and other groups				
26	identified by the lead agency.				
27	3) A local match, based on the composite index of local ability-to-pay, shall be required.				
28	For purposes of meeting the local match, localities may use local expenditures for existing				
29	qualifying programs, however, at least seventy-five percent of the local match will be cash				
30	and no more than twenty-five percent will be in-kind. In-kind contributions are defined as				
31	cash outlays that are made by the locality that benefit the program but are not directly				
32	charged to the program. The value of fixed assets cannot be considered as an in-kind				
33	contribution. Philanthropic or other private funds may be contributed to the locality to be				
34	appropriated in their local budget and then utilized as local match. Localities shall also				
35	continue to pursue and coordinate other funding sources, including child care subsidies.				
36	Funds received through this program must be used to supplement, not supplant, any funds				
37	currently provided for programs within the locality. However, in the event a locality is				
38	unable to continue the previous level of support to programs for at-risk four-year-olds				
39	from Title I of the federal Elementary and Secondary Education Act (ESEA), the state and				
40	local funds provided in this grants program may be used to continue services to these Title				
41	I students. Such inability may occur due to adjustments to the allocation formula in the				
42	reauthorization of ESEA as the Every Student Succeeds Act of 2015, or due to a				
43	percentage reduction in a locality's Title I allocation in a particular year. Any locality so				
44	affected shall provide written evidence to the Superintendent of Public Instruction and				
45	request his approval to continue the services to Title I students.				
46	c. Local plans must provide clear methods of service coordination for the purpose of				
47	reducing the per child cost for the service, increasing the number of at-risk children served				
48	and/or extending services for the entire year. Examples of these include:				
49	1) "Wraparound Services" -- methods for combining funds such as child care subsidy				
50	dollars administered by local social service agencies with dollars for quality preschool				
51	education programs.				
52	2) "Wrap-out Services" - methods for using grant funds to purchase quality preschool				
53	services to at-risk four-year-old children through an existing child care setting by				
54	purchasing comprehensive services within a setting which currently provides quality				
55	preschool education.				
56	3) "Expansion of Service" - methods for using grant funds to purchase slots within				

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1	existing programs, such as Head Start, which provide comprehensive services to at-risk four-			
2	year-old children.			
3	d.1) Local plans must indicate the number of at-risk four-year-old children to be served, and			
4	the eligibility criteria for participation in this program shall be consistent with the economic			
5	and educational risk factors stated in the 2015-2016 programs guidelines that are specific to:			
6	(i) family income at or below 200 percent of federal poverty guidelines, (ii) homelessness,			
7	(iii) student's parents or guardians are school dropouts, or (iv) family income is above 200			
8	percent but at or below 350 percent of federal poverty guidelines in the case of students with			
9	special needs or disabilities. Up to 15 percent of a division's slots may be filled based on			
10	locally established eligibility criteria so as to meet the unique needs of at-risk children in the			
11	community.			
12	2) The Department of Education is directed to compile from each school division the			
13	aggregated information as to the number of enrolled students whose families are (i) at or			
14	below 130 percent of poverty, (ii) above 130 percent but at or below 200 percent of poverty,			
15	(iii) above 200 percent but at or below 350 percent of poverty, and (iv) above 350 percent of			
16	poverty. The Department shall report this information annually, after the application and fall			
17	participation reports are submitted to the Department from the school divisions, to the			
18	Chairmen of House Appropriations and Senate Finance Committees. In addition, the			
19	Department will post and maintain the summary information by division on the Department's			
20	website in keeping with current student privacy policies.			
21	e.1) The Department of Education shall provide technical assistance for the administration of			
22	this grant program to provide assistance to localities in developing a comprehensive,			
23	coordinated, quality preschool program for serving at-risk four-year-old children.			
24	2) The Department shall provide interested localities with information on models for service			
25	delivery, methods of coordinating funding streams, such as funds to match federal IV-A child			
26	care dollars, to maximize funding without supplanting existing sources of funding for the			
27	provision of services to at-risk four-year-old children. A priority for technical assistance in the			
28	design of programs shall be given to localities where the majority of the at-risk four-year-old			
29	population is currently unserved.			
30	f. The Department of Education shall include in the program's application package specific			
31	information regarding the potential availability of funding for supplemental grants that may			
32	be used for one-time expenses, other than capital, related to start-up or expansion of			
33	programs, with priority given to proposals for expanding the use of partnerships with either			
34	nonprofit or for-profit providers. Furthermore, the Department is mandated to communicate to			
35	all eligible school divisions the remaining available balances in the program's adopted budget,			
36	after the fall participation reports have been submitted and finalized for such grants.			
37	g. Beginning in school year 2019-2020, one-time waiting list slots may, subject to available			
38	funds, be provided to school divisions that have utilized 100 percent of their calculated slots			
39	in the previous school year and had a waiting list for unserved eligible children as certified by			
40	such school divisions on the Virginia Preschool Initiative Fall Verification Report submitted			
41	to the Department of Education in the previous school year. Further, eligible school divisions			
42	that may request and receive a one-time allocation of such slots in the subsequent school year,			
43	shall offer such slots to at-risk four-year old children that (i) family income at or below 200			
44	percent of federal poverty guidelines, (ii) family income is above 200 percent but at or below			
45	350 percent of federal poverty guidelines in the case of students with special needs or			
46	disabilities, (iii) homelessness, or (iv) student's parents or guardians are school dropouts. The			
47	amount of funding available to provide any waiting list slots to eligible school divisions shall			
48	be determined by the previous fiscal year year-end balance of the allocations in paragraph C.			
49	14. a. 1) of this item. Further, the Department of Education shall ensure that supplemental			
50	grants for one-time expenses, other than capital, related to start-up or expansion of Virginia			
51	Preschool Initiative program in paragraph C. 14. f. of this item, are awarded and allocated first			
52	from any available balances in the program's adopted budget, after the fall participation			
53	reports have been submitted and finalized before any remaining balances are considered for			
54	waiting list slots. Any such remaining balances not awarded and allocated in the current fiscal			
55	year for start-up or expansion grants shall be carried forward to the next fiscal year to support			
56	waiting list slots. Available funding shall be provided only to eligible school divisions that			
57	report using 100 percent of the upcoming school year slot allocation in the May 15 grant			

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1	proposal and report using 100 percent of the school year slot allocation on the Virginia			
2	Preschool Initiative Fall Verification Report submitted to the Department of Education for			
3	the school year that waiting list slots are provided. If a school division's Virginia			
4	Preschool Initiative Fall Verification Report submitted to the Department of Education			
5	does not certify that 100 percent of the school year calculated slot allocation is used, then			
6	the Department of Education shall withdraw enough of the granted waiting list slots and			
7	associated funding provided such that the net difference between the withdrawn waiting			
8	list slots make up the percentage deficient from the school year calculated slot allocation			
9	not used. The Department of Education shall submit a comprehensive report, detailing, but			
10	not limited to, the number of calculated slots and funding allocated to each school			
11	division, the number of calculated slots filled by each school division, supplemental grants			
12	requested and awarded by each school division, the number of waiting list slots requested			
13	by each school division, the number of waiting list slots offered to each school division,			
14	the number of waiting list slots filled by each school division and the funding allocated for			
15	the filled waiting list slots by each school division, to the Chairmen of House			
16	Appropriations and Senate Finance Committees no later than December 31, 2019, and			
17	annually thereafter.			
18	h. Out of the appropriation in this Item, \$304,088 the first year and \$306,100 the second			
19	year from the general fund <i>Lottery Proceeds Fund</i> is allocated for the Department of			
20	Education to provide grants of no more than \$30,000 each for local school divisions that			
21	have applied for such funds for the sole purpose of providing financial incentives to			
22	provisionally licensed teachers teaching students enrolled in the Virginia Preschool			
23	Initiative and who are actively engaged in coursework and professional development,			
24	toward achieving the required degree and license that satisfy the licensure requirements			
25	reflected in § 22.1-299, Code of Virginia. School divisions must submit applications to the			
26	Department of Education by December 1 of each year. Priority for awarding grants shall			
27	be given to hard-to-staff schools and schools with the highest number of provisionally			
28	licensed teachers teaching students enrolled in the Virginia Preschool Initiative. The			
29	Department of Education shall develop the application process to be provided to school			
30	divisions that have provisionally licensed teachers employed and are teaching students			
31	enrolled in the Virginia Preschool Initiative. Any funds not awarded from this grant			
32	program in fiscal year 2019 may be awarded for supplemental grants for one-time			
33	expenses, other than capital, related to start-up or expansion of Virginia Preschool			
34	Initiative programs in paragraph C.14.f. of this Item. Any such remaining balances not			
35	awarded and allocated in fiscal year 2019 for start-up or expansion grants shall be carried			
36	forward to fiscal year 2020 to support waiting list slots.			
37	j. Out of the appropriation in this Item, \$75,000 the first year from the general fund is			
38	provided such that, beginning July 1, 2018, the Department of Education shall develop a			
39	plan to ensure that high quality instruction is provided in the Virginia Preschool Initiative			
40	program's individual preschool classrooms. The plan shall detail how the Department will			
41	(i) monitor and assess the quality of teacher-child interactions within each preschool			
42	classroom at least once every two years, (ii) ensure the use of evidence-based curricula is			
43	implemented in each preschool classroom and take necessary corrective action if			
44	evidence-based curriculum is not used or effective by the following school year, and, (iii)			
45	facilitate and provide individualized professional development for Virginia Preschool			
46	Initiative classroom teachers to ensure the necessary teaching skills are aligned for the			
47	pedagogy of high quality preschool classroom experiences and (iv) provide informative			
48	and complete information about how Virginia Preschool Initiative funding, from all			
49	sources, supports quality preschool experiences for children enrolled in the local public			
50	school divisions in Virginia. The plan shall also include details on the number of staff,			
51	tasks and duties, and possible funding needed to carry out these responsibilities. The			
52	Department shall submit its complete detailed plan to the Chairmen of House			
53	Appropriations and Senate Finance Committees by November 1, 2018.			
54	15. Early Reading Intervention Payments			
55	a. An additional payment of \$23,578,891 the first year and \$23,571,284 \$27,670,562 the			
56	second year from the Lottery Proceeds Fund shall be disbursed by the Department of			
57	Education to local school divisions for the purposes of providing early reading			
58	intervention services to students in grades kindergarten through 3 who demonstrate			
59	deficiencies based on their individual performance on diagnostic tests which have been			

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1 approved by the Department of Education. The Department of Education shall review the
 2 tests of any local school board which requests authority to use a test other than the state-
 3 provided test to ensure that such local test uses criteria for the early diagnosis of reading
 4 deficiencies which are similar to those criteria used in the state-provided test. The Department
 5 of Education shall make the state-provided diagnostic test used in this program available to
 6 local school divisions. School divisions shall report the results of the diagnostic tests to the
 7 Department of Education on an annual basis at a time to be determined by the Superintendent
 8 of Public Instruction.

9 b. These payments shall be based on the state's share of the cost of providing two and one-half
 10 hours of additional instruction each week for an estimated number of students in each school
 11 division at a student to teacher ratio of five to one. The estimated number of students in each
 12 school division in each year shall be determined by multiplying the projected number of
 13 students reported in each school division's fall membership in grades kindergarten, 1, 2, and 3
 14 by the percent of students who are determined to need services based on diagnostic tests
 15 administered in the previous year in that school division and adjusted in the following
 16 manner:

	Year 1	Year 2
17 Kindergarten	100%	100%
18 Grade 1	100%	100%
19 Grade 2	100%	100%
20 Grade 3	100%	100%

22 c. These payments are available to any school division that certifies to the Department of
 23 Education that an intervention program will be offered to such students and that each student
 24 who receives an intervention will be assessed again at the end of that school year. At the
 25 beginning of the school year, local school divisions shall partner with the parents of those
 26 third grade students in the division who demonstrate reading deficiencies, discussing with
 27 them a developed plan for remediation and retesting. Such intervention programs, at the
 28 discretion of the local school division, may include, but not be limited to, the use of: special
 29 reading teachers; trained aides; full-time early literacy tutors; volunteer tutors under the
 30 supervision of a certified teacher; computer-based reading tutorial programs; aides to instruct
 31 in-class groups while the teacher provides direct instruction to the students who need extra
 32 assistance; or extended instructional time in the school day or year for these students.
 33 Localities receiving these payments are required to match these funds based on the composite
 34 index of local ability-to-pay.

35 d. In the event that a school division does not use the diagnostic test provided by the
 36 Department of Education in the year that serves as the basis for updating the funding formula
 37 for this program but has used it in past years, the Department of Education shall use the most
 38 recent data available for the division for the state-provided diagnostic test.

39 e. The results of all reading diagnostic tests and reading remediation shall be discussed with
 40 the student and the student's parent prior to the student being promoted to grade four.

41 f. Funds appropriated for Standards of Quality Prevention, Intervention, and Remediation,
 42 Remedial Summer School, or At-Risk Add-On may also be used to meet the requirements of
 43 this program.

44 16. Standards of Learning Algebra Readiness Payments

45 a. An additional payment of \$13,099,389 the first year and ~~\$13,061,697~~ \$13,633,162 the
 46 second year from the Lottery Proceeds Fund shall be disbursed by the Department of
 47 Education to local school divisions for the purposes of providing math intervention services to
 48 students in grades 6, 7, 8 and 9 who are at-risk of failing the Algebra I end-of-course test, as
 49 demonstrated by their individual performance on diagnostic tests which have been approved
 50 by the Department of Education. These amounts reflect \$200,000 the first year and \$200,000
 51 the second year apportioned to each school division to account for the cost of the diagnostic
 52 test. The Department of Education shall review the tests to ensure that such local test uses
 53 state-provided criteria for diagnosis of math deficiencies which are similar to those criteria
 54 used in the state-provided test. The Department of Education shall make the state-provided
 55 diagnostic test used in this program available to local school divisions. School divisions shall

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1	report the results of the diagnostic tests to the Department of Education on an annual basis			
2	at a time to be determined by the Superintendent of Public Instruction.			
3	b. These payments shall be based on the state's share of the cost of providing two and one-			
4	half hours of additional instruction each week for an estimated number of students in each			
5	school division at a student to teacher ratio of ten to one. The estimate number of students			
6	in each school division shall be determined by multiplying the projected number of			
7	students reported in each school division's fall membership by the percent of students that			
8	qualify for the federal Free Lunch Program.			
9	c. These payments are available to any school division that certifies to the Department of			
10	Education that an intervention program will be offered to such students and that each			
11	student who receives an intervention will be assessed again at the end of that school year.			
12	Localities receiving these payments are required to match these funds based on the			
13	composite index of local ability-to-pay.			
14	17. School Construction Grants Program Escrow			
15	Notwithstanding the requirements of § 22.1-175.5, Code of Virginia, school divisions are			
16	permitted to withdraw funds from local escrow accounts established pursuant to § 22.1-			
17	175.5 to pay for recurring operational expenses incurred by the school division. Localities			
18	are not required to provide a local match of the withdrawn funds.			
19	18. English as a Second Language Payments			
20	A payment of \$59,957,366 the first year and \$62,519,408 \$65,356,159 the second year			
21	from the general fund shall be disbursed by the Department of Education to local school			
22	divisions to support the state share of 17 professional instructional positions per 1,000			
23	students for whom English is a second language. Local school divisions shall provide a			
24	local match based on the composite index of local ability-to-pay.			
25	19. Special Education Instruction Payments			
26	a. The Department of Education shall establish rates for all elements of Special Education			
27	Instruction Payments.			
28	b. Out of the appropriations in this Item, the Department of Education shall make			
29	available, subject to implementation by the Superintendent of Public Instruction, an			
30	amount estimated at \$89,503,626 the first year and \$100,397,909 \$92,993,005 the second			
31	year from the general fund for the purpose of the state's share of the tuition rates for			
32	approved public Special Education Regional Tuition school programs. Notwithstanding			
33	any contrary provision of law, the state's share of the tuition rates shall be based on the			
34	composite index of local ability-to-pay.			
35	c. Out of the amounts for Financial Assistance for Categorical Programs, \$35,588,024 the			
36	first year and \$35,660,182 \$35,463,706 the second year from the general fund is			
37	appropriated to permit the Department of Education to enter into agreements with selected			
38	local school boards for the provision of educational services to children residing in certain			
39	hospitals, clinics, and detention homes by employees of the local school boards. The			
40	portion of these funds provided for educational services to children residing in local or			
41	regional detention homes shall only be determined on the basis of children detained in			
42	such facilities through a court order issued by a court of the Commonwealth. The selection			
43	and employment of instructional and administrative personnel under such agreements will			
44	be the responsibility of the local school board in accordance with procedures as prescribed			
45	by the local school board. State payments for the first year to the local school boards			
46	operating these programs will be based on certified expenditures from the fourth quarter of			
47	FY 2018 and the first three quarters of FY 2019. State payments for the second year to the			
48	local school boards operating these programs will be based on certified expenditures from			
49	the fourth quarter of FY 2019 and the first three quarters of FY 2020.			
50	20. Vocational Education Instruction Payments			
51	a. It is the intention of the General Assembly that the Department of Education explore			
52	initiatives that will encourage greater cooperation between jurisdictions and the Virginia			
53	Community College System in meeting the needs of public school systems.			

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1	b. This appropriation includes \$1,800,000 the first year and \$1,800,000 the second year from			
2	the Lottery Proceeds Fund for secondary vocational-technical equipment. A base allocation of			
3	\$2,000 each year shall be available for all divisions, with the remainder of the funding			
4	distributed on the basis of student enrollment in secondary vocational-technical courses. State			
5	funds received for secondary vocational-technical equipment must be used to supplement, not			
6	supplant, any funds currently provided for secondary vocational-technical equipment within			
7	the locality. Local school divisions are not required to provide a local match in order to			
8	receive these state funds.			
9	c.1) This appropriation includes an additional \$2,000,000 the first year and \$2,000,000 the			
10	second year from the Lottery Proceeds Fund to update vocational-technical equipment to			
11	industry standards providing students with classroom experience that translates to the			
12	workforce.			
13	2) Of this amount, \$1,400,000 the first year and \$1,400,000 the second year is provided for			
14	vocational-technical equipment in high-demand, high-skill, and fast-growth industry sectors			
15	as identified by the Virginia Board of Workforce Development and based on data from the			
16	Bureau of Labor Statistics and the Virginia Employment Commission.			
17	3) Of this amount, \$600,000 the first year and \$600,000 the second year will be awarded			
18	based on competitive innovative program grants for high-demand and fast-growth industry			
19	sectors with priority given to state-identified challenged schools, the Governor's Science			
20	Technology, Engineering, and Mathematics (STEM) academies, and the Governor's Health			
21	Science Academies.			
22	d. This appropriation includes \$500,000 the first year and \$500,000 the second year from the			
23	Lottery Proceeds Fund to support credentialing testing materials for students and professional			
24	development for instructors in science, technology, engineering, and mathematics-health			
25	sciences (STEM-H) career and technical education programs.			
26	21. Adult Education Payments			
27	State funds shall be used to reimburse general adult education programs on a fixed cost per			
28	pupil or cost per class basis. No state funds shall be used to support vocational noncredit			
29	courses.			
30	22. General Education Payments			
31	a. This appropriation includes \$2,410,988 the first year and \$2,410,988 the second year from			
32	the Lottery Proceeds Fund to support Race to GED. Out of this appropriation, \$465,375 the			
33	first year and \$465,375 the second year shall be used for PluggedIn VA.			
34	b. This appropriation includes \$1,387,240 the first year and \$1,387,240 the second year from			
35	the Lottery Proceeds Fund to support Project Graduation and any associated administrative			
36	and contractual service expenditures related to this initiative.			
37	23. Virtual Virginia Payments			
38	a. From appropriations in this Item, the Department of Education shall provide assistance for			
39	the Virtual Virginia program.			
40	b. This appropriation includes \$498,000 the first year and \$498,000 the second year from the			
41	general fund to support the Virtual Virginia full-time program for 200 students in grades nine			
42	through 12.			
43	c. This appropriation includes \$330,000 the first year and \$330,000 the second year from the			
44	general fund to support the virtual mathematics outreach program.			
45	d. The local share of costs associated with the operation of the Virtual Virginia program shall			
46	be computed using the composite index of local ability-to-pay.			
47	e. The Department of Education shall develop a plan to establish a per-student, per-course fee			
48	schedule for local school divisions to participate in Virtual Virginia (VVA) coursework for			
49	elementary, middle, and high school students. Such fee schedule plan shall provide (i) an			
50	allotment of slots, determined by the Department, per course to a school division free of			

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1	charge, and (ii) for any slots a school division wishes to use beyond the free slots, a per-			
2	course, per-student fee that may include discounts for school divisions based upon the			
3	composite index of local ability to pay. The department shall also include in its plan the			
4	current student participation enrollment by grade level in each VVA course, the number of			
5	students enrolled in VVA courses that a fee of any kind is charged and how such fee is			
6	currently paid for in each participating school division. The department shall submit its			
7	Virtual Virginia Plan to the Chairmen of House Appropriations and Senate Finance			
8	Committee upon completion of developing such plan.			
9	24. Individual Student Alternative Education Program (ISAEP) Payments			
10	Out of this appropriation, \$2,247,581 the first year and \$2,247,581 in the second year from			
11	the Lottery Proceeds Fund shall be provided for the secondary schools' Individual Student			
12	Alternative Education Program (ISAEP), pursuant to Chapter 488 and Chapter 552 of the			
13	1999 Session of the General Assembly.			
14	25. Foster Children Education Payments			
15	a. An additional state payment is provided from the Lottery Proceeds Fund for the prior			
16	year's local operations costs, as determined by the Department of Education, for each pupil			
17	of school age as defined in § 22.1-1, Code of Virginia, not a resident of the school division			
18	providing his education (a) who has been placed in foster care or other custodial care			
19	within the geographical boundaries of such school division by a Virginia agency, whether			
20	state or local, which is authorized under the laws of this Commonwealth to place children;			
21	(b) who has been placed in an orphanage or children's home which exercises legal			
22	guardianship rights; or (c) who is a resident of Virginia and has been placed, not solely for			
23	school purposes, in a child-caring institution or group home.			
24	b. This appropriation provides \$9,615,192 the first year and \$10,387,961 \$10,152,360 the			
25	second year from the Lottery Proceeds Fund to support children attending public school			
26	who have been placed in foster care or other such custodial care across jurisdictional lines,			
27	as provided by subsections A and B of § 22.1-101.1, Code of Virginia. To the extent these			
28	funds are not adequate to cover the full costs specified therein, the Department is			
29	authorized to expend unobligated balances in this Item for this support.			
30	26. Sales Tax Payments			
31	a. This is a sum-sufficient appropriation for distribution to counties, cities and towns a			
32	portion of net revenue from the state sales and use tax, in support of the Standards of			
33	Quality (Title 22.1, Chapter 13.2, Code of Virginia) (See the Attorney General's opinion			
34	of August 3, 1982).			
35	b. Certification of payments and distribution of this appropriation shall be made by the			
36	State Comptroller.			
37	c. The distribution of state sales tax funds shall be made in equal bimonthly payments at			
38	the middle and end of each month.			
39	d. Included in this appropriation are the accelerated sales tax revenues attributable to			
40	§58.1-638 B., D., and F.1., Code of Virginia, and collected pursuant to §3-5.06 of this act.			
41	27. Adult Literacy Payments			
42	a. Appropriations in this Item include \$125,000 the first year and \$125,000 the second			
43	year from the general fund for the ongoing literacy programs conducted by Mountain			
44	Empire Community College.			
45	b. Out of this appropriation, the Department of Education shall provide \$100,000 the first			
46	year and \$100,000 the second year from the general fund for the Virginia Literacy			
47	Foundation grants to support programs for adult literacy including those delivered by			
48	community-based organizations and school divisions providing services for adults with 0-			
49	9th grade reading skills.			
50	28. Governor's School Payments			
51	a. Out of the amounts for Governor's School Payments, the Department of Education shall			

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1	provide assistance for the state share of the incremental cost of regular school year Governor's			
2	Schools based on each participating locality's composite index of local ability-to-pay.			
3	Participating school divisions must certify that no tuition is assessed to students for			
4	participation in this program.			
5	b.1) Out of the amounts for Governor's School Payments, the Department of Education shall			
6	provide assistance for the state share of the incremental cost of summer residential Governor's			
7	Schools and Foreign Language Academies to be based on the greater of the state's share of the			
8	composite index of local ability-to-pay or 50 percent. Participating school divisions must			
9	certify that no tuition is assessed to students for participation in this program if they are			
10	enrolled in a public school.			
11	2) Out of the amounts for Governor's School Payments, \$41,000 the first year and \$41,000 the			
12	second year is provided to support the Hanover Regional Summer Governor's School for			
13	Career and Technical Advancement, which was established pursuant to Chapter 425, 2014			
14	Acts of Assembly, and Chapter 665, 2015 Acts of Assembly.			
15	c. For the Summer Governor's Schools and Foreign Language Academies programs, the			
16	Superintendent of Public Instruction is authorized to adjust the tuition rates, types of programs			
17	offered, length of programs, and the number of students enrolled in order to maintain costs			
18	within the available state and local funds for these programs.			
19	d. It shall be the policy of the Commonwealth that state general fund appropriations not be			
20	used for capital outlay, structural improvements, renovations, or fixed equipment costs			
21	associated with initiation of existing or proposed Governor's schools. State general fund			
22	appropriations may be used for the purchase of instructional equipment for such schools,			
23	subject to certification by the Superintendent of Public Instruction that at least an equal			
24	amount of funds has been committed by participating school divisions to such purchases.			
25	e. The Board of Education shall not take any action that would increase the state's share of			
26	costs associated with the Governor's Schools as set forth in this Item. This provision shall not			
27	prohibit the Department of Education from submitting requests for the increased costs of			
28	existing programs resulting from updates to student enrollment for school divisions currently			
29	participating in existing programs or for school divisions that begin participation in existing			
30	programs.			
31	f.1) Regular school year Governor's Schools are funded through this Item based on the state's			
32	share of the incremental per pupil cost for providing such programs for each student attending			
33	a Governor's School up to a cap of 1,800 students per Governor's School in the first year and a			
34	cap of 1,800 students per Governor's School in the second year. This incremental per pupil			
35	payment shall be adjusted for the composite index of the school division that counts such			
36	students attending an academic year Governor's School in their March 31 Average Daily			
37	Membership. It is the intent of the General Assembly that this incremental per pupil amount			
38	be in addition to the basic aid per pupil funding provided to the affected school division for			
39	such students. Therefore, local school divisions are encouraged to provide the appropriate			
40	portion of the basic aid per pupil funding to the Governor's Schools for students attending			
41	these programs, adjusted for costs incurred by the school division for transportation,			
42	administration, and any portion of the day that the student does not attend a Governor's			
43	School.			
44	2) Students attending a revolving Academic Year Governor's School program for only one			
45	semester shall be counted as 0.50 of a full-time equivalent student and will be funded for only			
46	fifty percent of the full-year funded per pupil amount. Funding for students attending a			
47	revolving Academic Year program will be adjusted based upon actual September 30th and			
48	January 30th enrollment each fiscal year. For purposes of this Item, revolving programs shall			
49	mean Academic Year Governor's School programs that admit students on a semester basis.			
50	3) Students attending a continuous, non-revolving Academic Year Governor's School			
51	program shall be counted as a full-time equivalent student and will be funded for the full-year			
52	funded per pupil amount. Funding for students attending a continuous, non-revolving			
53	Academic Year Governor's School program will be adjusted based upon actual September			
54	30th student enrollment each fiscal year. For purposes of this Item, continuous, non-revolving			
55	programs shall mean Academic Year Governor's School programs that only admit students at			
56	the beginning of the school year. Fairfax County Public Schools shall not reduce local per			

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1	pupil funding for the Thomas Jefferson Governor's School below the amounts			
2	appropriated for the 2003-2004 school year.			
3	g. All regional Governor's Schools are encouraged to provide full-day grades 9 through 12			
4	programs.			
5	h. Out of the appropriation included in paragraph C. 39. of this Item, \$866,870 \$857,382			
6	the second year from the general fund is provided in the Academic Year Governor's			
7	School funding allocation to increase the per pupil amount the second year as an add-on			
8	for a compensation supplement payment equal to 3.0 percent of base pay on July 1, 2019,			
9	and for a compensation supplement payment of up to 2.0 percent of base pay on			
10	September 1, 2019, for Academic Year Governor's School instructional and support			
11	positions.			
12	29. School Nutrition Payments			
13	It is provided that, subject to implementation by the Superintendent of Public Instruction,			
14	no disbursement shall be made out of the appropriation for school nutrition to any locality			
15	in which the schools permit the sale of competitive foods in food service facilities or areas			
16	during the time of service of food funded pursuant to this Item.			
17	30. School Breakfast Payments			
18	a. Out of this appropriation, \$6,287,789 the first year and \$7,439,888 \$6,519,175 the			
19	second year from the Lottery Proceeds Fund is included to continue a state funded			
20	incentive program to maximize federal school nutrition revenues and increase student			
21	participation in the school breakfast program. These funds are available to any school			
22	division as a reimbursement for breakfast meals served that are in excess of the baseline			
23	established by the Department of Education. The per meal reimbursement shall be \$0.22;			
24	however, the department is authorized, but not required to reduce this amount			
25	proportionately in the event that the actual number of meals to be reimbursed exceeds the			
26	number on which this appropriation is based so that this appropriation is not exceeded.			
27	b. In order to receive these funds, school divisions must certify that these funds will be			
28	used to supplement existing funds provided by the local governing body and that local			
29	funds derived from sources that are not generated by the school nutrition programs have			
30	not been reduced or eliminated. The funds shall be used to improve student participation			
31	in the school breakfast program. These efforts may include, but are not limited to,			
32	reducing the per meal price paid by students, reducing competitive food sales in order to			
33	improve the quality of nutritional offerings in schools, increasing access to the school			
34	breakfast program, or providing programs to increase parent and student knowledge of			
35	good nutritional practices. In no event shall these funds be used to reduce local tax			
36	revenues below the level appropriated to school nutrition programs in the prior year.			
37	Further, these funds must be provided to the school nutrition programs and may not be			
38	used for any other school purpose.			
39	c.1) Out of this appropriation, \$1,074,000 the first year and \$1,074,000 the second year			
40	from the general fund is provided to fund an After-the-Bell Model breakfast program			
41	available on a voluntary basis to elementary, middle, and high schools where student			
42	eligibility for free or reduced lunch exceeds 45.0 percent for the participating eligible			
43	school, and to provide additional reimbursement for eligible meals served in the current			
44	traditional school breakfast program at all grade levels in any participating school. The			
45	Department of Education is directed to ensure that only eligible schools receive			
46	reimbursement funding for participating in the After-the-Bell school breakfast model. The			
47	schools participating in the program shall evaluate the educational impact of the models			
48	implemented that provide school breakfasts to students after the first bell of the school			
49	day, based on the guidelines developed by the Department of Education and submit the			
50	required report to the Department of Education no later than August 31, 2019 for the			
51	2018-2019 school year and no later than August 31, 2020 for the 2019-2020 school year.			
52	2) The Department of Education shall communicate, through Superintendent's Memo, to			
53	school divisions the types of breakfast serving models and the criteria that will meet the			
54	requirements for this State reimbursement, which may include, but are not limited to,			
55	breakfast in the classroom, grab and go breakfast, or a breakfast after first period. School			

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1	divisions may determine the breakfast serving model that best applies to its students, so long			
2	as it occurs after the instructional day has begun. For the 2018-2019 and 2019-2020 school			
3	years, the Department of Education shall monthly transfer to each school division a			
4	reimbursement rate of \$0.05 per breakfast meal that meets either of the established criteria in			
5	elementary schools and a reimbursement rate of \$0.10 per breakfast meal that meets either of			
6	the established criteria in middle or high schools.			
7	3) No later than July 1, 2018 for the 2018-2019 school year and no later than July 1, 2019 for			
8	the 2019-2020 school year, the Department of Education shall provide for a breakfast			
9	program application process for school divisions with eligible schools, including guidelines			
10	regarding specified required data to be compiled from the prior school year or years and for			
11	the upcoming school year program. The number of approved applications shall be based on			
12	the estimated number of sites that can be accommodated within the approved funding level.			
13	The Department of Education shall set criteria for establishing priority should the number of			
14	applications from eligible schools exceed the approved funding level. The reporting			
15	requirements must include: chronic absenteeism rates, student attendance and tardy arrivals,			
16	office discipline referrals, student achievement measures, teachers' and administrators'			
17	responses to the impact of the program on student hunger, student attentiveness, and overall			
18	classroom learning environment before and after implementation, and the financial impact on			
19	the division's school food program. Funded schools that do not provide data by August 31 are			
20	subject to exclusion from funding in the following year. The Department of Education shall			
21	collect and compile the results of the breakfast program and shall submit the report to the			
22	Governor and the Chairmen of the House Appropriations and Senate Finance Committees no			
23	later than November 1 following each school year.			
24	31. Clinical Faculty and Mentor Teacher Program Payments			
25	This appropriation includes \$1,000,000 the first year and \$1,000,000 the second year from the			
26	Lottery Proceeds Fund to be paid to local school divisions for statewide Mentor Teacher			
27	Programs to assist pre-service teachers and beginning teachers to make a successful transition			
28	into full-time teaching. This appropriation also includes \$318,750 the first year and \$318,750			
29	the second year from the general fund for Clinical Faculty programs to assist pre-service			
30	teachers and beginning teachers to make a successful transition into full-time teaching. Such			
31	programs shall include elements which are consistent with the following:			
32	a. An application process for localities and school/higher education partnerships that wish to			
33	participate in the programs;			
34	b. For Clinical Faculty programs only, provisions for a local funding or institutional			
35	commitment of 50 percent, to match state grants of 50 percent;			
36	c. Program plans which include a description of the criteria for selection of clinical faculty			
37	and mentor teachers, training, support, and compensation for clinical faculty and mentor			
38	teachers, collaboration between the school division and institutions of higher education, the			
39	clinical faculty and mentor teacher assignment process, and a process for evaluation of the			
40	programs;			
41	d. The Department of Education shall allow flexibility to local school divisions and higher			
42	education institutions regarding compensation for clinical faculty and mentor teachers			
43	consistent with these elements of the programs; and			
44	e. It is the intent of the General Assembly that no preference between pre-service or beginning			
45	teacher programs be construed by the language in this Item. School divisions operating			
46	beginning teacher mentor programs shall receive equal consideration for funding.			
47	32. Career Switcher/Alternative Licensure Payments			
48	Appropriations in this Item include \$279,983 the first year and \$279,983 the second year from			
49	the general fund to provide grants to school divisions that employ mentor teachers for new			
50	teachers entering the profession through the alternative route to licensure as prescribed by the			
51	Board of Education.			
52	33. Virginia Workplace Readiness Skills Assessment			
53	Appropriations in this Item include \$308,655 the first year and \$308,655 the second year from			

ITEM 136.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	the general fund to provide support grants to school divisions for standard diploma			
2	graduates. To provide flexibility, school divisions may use the state grants for the actual			
3	assessment or for other industry certification preparation and testing.			
4	34. Early Reading Specialists Initiative			
5	a. An additional payment of \$1,476,790 the first year and \$1,476,790 the second year from			
6	the general fund shall be disbursed by the Department of Education to qualifying local			
7	school divisions for the purpose of providing a reading specialist for schools with a third			
8	grade that rank lowest statewide on the reading Standards of Learning (SOL) assessments.			
9	b. These payments shall be based on the state's share of the cost of providing one reading			
10	specialist per qualifying school.			
11	c. These payments are available to any school division with a qualifying school that (1)			
12	certifies to the Department of Education that the division has hired a reading specialist to			
13	provide direct services to children reading below grade level in the school to improve			
14	reading achievement and (2) applies and receives a waiver for up to two years from the			
15	Board of Education for the administration of third grade SOL assessments in science or			
16	history and social science or both for the purpose of creating additional instructional time			
17	for reading specialists to work with students reading below grade level to improve reading			
18	achievement.			
19	d. These payments also are available to any school division with a qualifying school that			
20	certifies to the Department of Education that the division is supporting tuition for			
21	collegiate programs and instruction for currently employed instructional school personnel			
22	to earn the credentials necessary to meet licensure requirements to be endorsed as a			
23	reading specialist.			
24	e. School divisions receiving these payments are required to match these funds based on			
25	the composite index of local ability-to-pay.			
26	f. Within the fiscal year, any funds not awarded from this program may be awarded to			
27	eligible schools under the Math/Reading Instructional Specialist Initiative.			
28	35. Math/Reading Instructional Specialist Initiative			
29	a. Included in this appropriation is \$1,834,538 the first year and \$1,834,538 the second			
30	year from the general fund in additional payments for reading or math instructional			
31	specialists at underperforming schools. From this amount, the state share of one reading or			
32	math specialist shall be provided to local school divisions with schools which rank lowest			
33	statewide on the Spring Standards of Learning (SOL) math or reading assessment.			
34	Funding for one math or reading specialist during the 2018-2020 biennium shall be based			
35	on the results of the Spring 2017 SOL assessments. Such schools shall be eligible to			
36	receive the state share of funding for both years of the biennium. If, following certification			
37	from a school division that it will not participate in the program, the Department is			
38	authorized to identify additional eligible schools based upon the list of schools that rank			
39	lowest on the Spring SOL math or reading assessment.			
40	b. These payments are available to any school division with a qualifying school that			
41	certifies to the Department of Education that the division has (1) hired a math or reading			
42	instructional specialist, or (2) is supporting tuition for collegiate programs and instruction			
43	for currently employed instructional school personnel to earn the credentials necessary to			
44	meet licensure requirements to be endorsed as a math specialist or a reading specialist.			
45	Localities receiving these payments are required to match these funds based on the			
46	composite index of local ability-to-pay.			
47	c. The Department of Education is authorized to utilize available funding appropriated to			
48	the Early Reading Specialist Initiative contained in this Item to pay for instructional			
49	specialists at additional eligible schools, or to support tuition for collegiate programs and			
50	instruction for currently employed instructional school personnel at additional eligible			
51	schools to earn the credentials necessary to meet licensure requirements to be endorsed as			
52	an instructional specialist.			
53	d. Within the fiscal year, any funds not awarded from this program may be awarded to			

ITEM 136.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	eligible schools under the Early Reading Specialists Initiative.			
2	36. Broadband Connectivity Capabilities			
3	By November 1 each year, school divisions shall report to the Department of Education the			
4	status of broadband connectivity capability of schools in the division on a form to be provided			
5	by the Department. Such report shall include school-level information on the method of			
6	Internet service delivery, the level of bandwidth capacity and the degree such capacity is			
7	sufficient for delivery of school-wide digital resources and instruction, degree of internet			
8	connectivity via Wi-Fi, cost information related to Internet connectivity, data security, and			
9	such other pertinent information as determined by the Department of Education. The			
10	Department shall provide a summary of the division responses in a report to be made			
11	available on its agency Web site.			
12	37. Supplemental Lottery Per Pupil Allocation Payments			
13	a. Out of this appropriation, an amount estimated at \$253,190,472 the first year and			
14	\$255,531,948 \$255,533,690 the second year from the Lottery Proceeds Fund shall be			
15	disbursed by the Department of Education to local school divisions to support the state share			
16	of an estimated \$364.15 per pupil the first year and \$367.44 \$366.01 per pupil the second year			
17	in adjusted March 31 average daily membership. These per pupil amounts are subject to			
18	change for the purpose of payment to school divisions based on the actual March 31 ADM			
19	collected each year. No locality shall be required to maintain a per pupil expenditure each			
20	year from local funds which is greater than the per pupil amount expended by the locality for			
21	such purposes in the year upon which the 2016-18 biennial Standards of Quality expenditure			
22	data were based.			
23	b. Of the amounts listed above, school divisions are permitted to spend such funds on both			
24	recurring and nonrecurring expenses in a manner that best supports the needs of the schools			
25	divisions. No local match is required.			
26	c. Any lottery funds provided to school divisions from this item that are unexpended as of			
27	June 30, 2019, and June 30, 2020, shall be carried on the books of the locality to be			
28	appropriated to the school division in the following year.			
29	38. Special Education Endorsement Program			
30	a. Notwithstanding § 22.1-290.02, Code of Virginia, out of this appropriation, \$437,186 the			
31	first year and \$437,186 the second year from the general fund is provided for traineeships and			
32	program operation grants that shall be awarded to public Virginia institutions of higher			
33	education to prepare persons who are employed in the public schools of Virginia, state			
34	operated programs, or regional special education centers as special educators with a			
35	provisional license and enrolled either part-time or full-time in programs for the education of			
36	children with disabilities. Applicants shall be graduates of a regionally accredited college or			
37	university.			
38	b. The award of such grants shall be made by the Department of Education, and the number of			
39	awards during any one year shall depend upon the amounts appropriated by the General			
40	Assembly for this purpose. The amount awarded for each traineeship shall be \$600 for a			
41	minimum of three semester hours of course work in areas required for the special education			
42	endorsement to be taken by the applicant during a single semester or summer session. Only			
43	one traineeship shall be awarded to a single applicant in a single semester or summer session.			
44	39. Compensation Supplement			
45	a.1) Out of this appropriation, \$130,305,448 \$130,856,474 the second year from the general			
46	fund and \$432,516 \$431,314 the second year from the Lottery Proceeds Fund is provided for			
47	the state share of a payment equivalent to a 3.0 percent salary incentive increase, effective			
48	July 1, 2019, for funded SOQ instructional and support positions. Funded SOQ instructional			
49	positions shall include the teacher, guidance counselor, librarian, instructional aide, principal,			
50	and assistant principal positions funded through the SOQ staffing standards for each school			
51	division in the biennium. This amount includes \$556,869 \$550,799 the second year from the			
52	general fund referenced in paragraph C. 28. h. for the Academic Year Governor's Schools for			
53	a 3.0 percent salary incentive increase, effective July 1, 2019, for instructional and support			
54	positions, and this amount includes \$432,516 \$431,314 the second year from the Lottery			

ITEM 136.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Proceeds Fund referenced in paragraph C. 9. f. 4) for Regional Alternative Education			
2	Programs for a 3.0 percent salary incentive increase, effective July 1, 2019, for			
3	instructional and support positions.			
4	2) It is the intent that the instructional and support position salaries be increased in school			
5	divisions throughout the state by at least an average of 3.0 percent during the 2018-2020			
6	biennium. Sufficient funds are appropriated in this act to finance, on a statewide basis, the			
7	state share of a 3.0 percent salary increase for funded SOQ instructional and support			
8	positions, effective July 1, 2019, to school divisions which certify to the Department of			
9	Education, by June 1, 2019, that salary increases of a minimum average of 3.0 percent			
10	have been or will have been provided during the 2018-2020 biennium, either in the first			
11	year or in the second year or through a combination of the two years, to instructional and			
12	support personnel.			
13	b.1) In addition to the compensation provisions in paragraphs C. 39. a.1) and 2), the			
14	appropriation in this item includes \$72,536,713 \$70,677,789 the second year from the			
15	general fund and \$240,697 \$240,025 the second year from the Lottery Proceeds Fund for			
16	the state share of a payment equivalent to a separate 2.0 percent salary incentive increase,			
17	effective September 1, 2019, for funded SOQ instructional and support positions. Funded			
18	SOQ instructional positions shall include the teacher, guidance counselor, librarian,			
19	instructional aide, principal, and assistant principal positions funded through the SOQ			
20	staffing standards for each school division in the biennium. This amount includes			
21	\$310,001 \$306,583 the second year from the general fund referenced in paragraph C. 28.			
22	h. for the Academic Year Governor's Schools for a separate 2.0 percent salary incentive			
23	increase, effective September 1, 2019, for instructional and support positions, and this			
24	amount includes the \$240,697 \$240,025 second year from the Lottery Proceeds Fund			
25	referenced in paragraph C. 9. f. 4) for Regional Alternative Education Programs for a			
26	separate 2.0 percent salary incentive increase, effective September 1, 2019, for			
27	instructional and support positions.			
28	2) It is the intent that the instructional and support position salaries be increased in school			
29	divisions throughout the state by at least an average of 2.0 percent during the second year,			
30	on or before September 1, 2019. Sufficient funds are appropriated in this act to finance, on			
31	a statewide basis, the state share of a 2.0 percent salary increase for funded SOQ			
32	instructional and support positions, effective September 1, 2019, to school divisions which			
33	certify to the Department of Education, by June 1, 2019, that separate salary increases of a			
34	minimum average of 2.0 percent will have been provided in the second year to			
35	instructional and support personnel on or before September 1, 2019. For any school			
36	division that meets the qualifications for the 3.0 percent Compensation Supplement			
37	pursuant to paragraph C.39.a.1) and 2), the separate 2.0 percent salary increase required in			
38	the second year by September 1, 2019, must be in addition to the salary increases that			
39	made them eligible for the 3.0 percent Compensation Supplement effective July 1, 2019.			
40	3) In order to be eligible to receive the state's share of up to a separate 2.0 percent salary			
41	increase in the second year, school divisions must provide up to a 2.0 percent salary			
42	increase in the second year effective by September 1, 2019, to instructional and support			
43	personnel. School divisions that provide a salary increase in the second year by September			
44	1, 2019, that is less than 2.0 percent shall have the state share of the 2.0 percent			
45	Compensation Supplement payment reduced to the same percentage of the actual local			
46	salary increase provided. Any salary increase provided by a school division in the first			
47	year that was in excess of 3.0 percent prescribed in paragraphs C. 39. a.1) and 2), shall not			
48	count toward or be applied toward the local requirements for any portion of the separate			
49	2.0 percent salary increase provided for in the second year. For any school division that is			
50	not able to provide a 3.0 percent salary increase over the biennium, such school division			
51	would be eligible to receive the state share of funding for up to a 2.0 percent salary			
52	increase in the second year for local salary increases provided in the second year by			
53	September 1, 2019.			
54	c. In the second year, school divisions are eligible to receive the state's share of funding			
55	for up to a total of 5.0 percent salary increase for SOQ-funded instructional and support			
56	positions. First, school divisions are eligible to receive the state's share of funding for a 3.0			
57	percent Compensation Supplement, effective July 1, 2019, to school divisions which			
58	certify to the Department of Education, by June 1, 2019, that salary increases of a			

ITEM 136.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	minimum average of 3.0 percent have been or will have been provided during the 2018-2020			
2	biennium, either in the first year or in the second year or through a combination of the two			
3	years, to instructional and support personnel. Second, school divisions are eligible to receive			
4	the state's share of funding for up to a separate 2.0 percent Compensation Supplement,			
5	effective September 1, 2019, to school divisions which certify to the Department of			
6	Education, by June 1, 2019, that salary increases of up to 2.0 percent will be provided in the			
7	second year by September 1, 2019, to instructional and support personnel. The 2.0 percent			
8	Compensation Supplement may be in addition to or in lieu of the 3.0 percent Compensation			
9	Supplement.			
10	d. This funding is not intended as a mandate to increase salaries.			
11	40. Small School Division Enrollment Loss Payments			
12	Out of this appropriation, \$6,112,706 the first year from the general fund is allocated to			
13	eligible school divisions that have realized and reported to the Department of Education a			
14	total of a five percent or more decline in average daily membership from March 31, 2013, to			
15	March 31, 2018, with a minimum dollar amount for such eligible school divisions of \$75,000.			
16	Such eligible school divisions shall receive an apportioned allocation as specified below:			
17	DIVISION NAME		FY 2019	
18	ALLEGHANY		\$277,068	
19	AMHERST		\$159,179	
20	BATH		\$75,000	
21	BEDFORD		\$343,221	
22	BLAND		\$93,254	
23	BOTETOURT		\$147,129	
24	BRUNSWICK		\$155,111	
25	BUCHANAN		\$209,987	
26	CARROLL		\$288,674	
27	CHARLES CITY		\$75,000	
28	CHARLOTTE		\$91,755	
29	CLARKE		\$75,000	
30	CRAIG		\$75,000	
31	CUMBERLAND		\$75,000	
32	DICKENSON		\$157,259	
33	DINWIDDIE		\$119,359	
34	ESSEX		\$80,965	
35	GRAYSON		\$142,166	
36	GREENSVILLE		\$86,726	
37	HALIFAX		\$299,314	
38	KING & QUEEN		\$75,000	
39	LANCASTER		\$75,000	
40	MADISON		\$75,000	
41	MATHEWS		\$75,000	
42	MECKLENBURG		\$183,246	
43	NELSON		\$75,000	
44	NORTHUMBERLAND		\$75,000	
45	NOTTOWAY		\$114,243	
46	PRINCE EDWARD		\$98,625	
47	PULASKI		\$168,097	
48	RAPPAHANNOCK		\$75,000	
49	RUSSELL		\$256,057	
50	SCOTT		\$136,340	
51	SMYTH		\$241,110	
52	SURRY		\$75,000	

ITEM 136.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	SUSSEX				\$75,000
2	TAZEWELL				\$342,700
3	WYTHE				\$108,477
4	BUENA VISTA				\$75,000
5	DANVILLE				\$260,493
6	MARTINSVILLE				\$131,417
7	NORTON				\$75,000
8	PETERSBURG				\$145,734
9	FRANKLIN CITY				\$75,000
10	TOTAL				\$6,112,706
11	41. Virginia Preschool Initiative Plus				
12	Out of this appropriation, \$6,139,559 \$2,458,384 the second year from the general fund is				
13	provided to sustain approximately 1,530 student slots of high quality preschool for at risk				
14	four year olds within the 13 divisions that participate in the federally-funded Preschool				
15	Development Grant program known as Virginia Preschool Initiative Plus. These school				
16	divisions shall be responsible for ensuring that all such slots meet expectations set forth in				
17	the Department of Education's November 2018 Plan to Ensure High-Quality Instruction in				
18	All Virginia Preschool Initiative Classrooms, submitted to the General Assembly pursuant				
19	to paragraph C.14.j. of this Item. In fiscal year 2020, a local match based on a local				
20	composite index match of 0.4000, or a local match based on the division's actual				
21	composite index of local ability-to-pay if that is lower than 0.4000, is required. Beginning				
22	in fiscal year 2021, a local match based on a local composite index match of 0.5000, or a				
23	local match based on the division's actual composite index of local ability-to-pay if that is				
24	lower than 0.5000, is required.				
25	137. Not set out.				
26	Total for Direct Aid to Public Education.....			\$8,071,986,332	\$8,351,607,378
27					\$8,367,026,465
28	Fund Sources: General.....	\$6,258,717,882	\$6,516,907,074		
29			\$6,547,706,798		
30	Special.....	\$895,000	\$895,000		
31	Commonwealth Transportation.....	\$2,100,000	\$2,100,000		
32	Trust and Agency.....	\$743,748,217	\$765,180,071		
33			\$749,799,434		
34	Federal Trust.....	\$1,066,525,233	\$1,066,525,233		
35	Grand Total for Department of Education, Central			\$8,180,651,500	\$8,472,745,909
36	Office Operations.....				\$8,488,164,996
37					
38	General Fund Positions.....	144.00	149.00		
39	Nongeneral Fund Positions.....	185.50	185.50		
40	Position Level.....	329.50	334.50		
41	Fund Sources: General.....	\$6,320,665,069	\$6,581,426,676		
42			\$6,612,226,400		
43	Special.....	\$6,054,353	\$6,054,353		
44	Commonwealth Transportation.....	\$2,370,419	\$2,370,419		
45	Trust and Agency.....	\$744,427,780	\$765,859,634		
46			\$750,478,997		
47	Federal Trust.....	\$1,107,133,879	\$1,117,034,827		
48	138. Not set out.				
49	139. Not set out.				
50	140. Not set out.				

ITEM 141.			Item Details(\$)		Appropriations(\$)	
			First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	141.	Not set out.				
2	142.	Not set out.				
3	143.	Not set out.				
4	144.	Not set out.				
5	145.	Not set out.				
6	146.	Not set out.				
7	147.	Not set out.				
8	148.	Not set out.				
9	149.	Not set out.				
10	150.	Not set out.				
11	151.	Not set out.				
12	152.	Not set out.				
13	153.	Not set out.				
14	154.	Not set out.				
15	155.	Not set out.				
16	156.	Not set out.				
17	157.	Not set out.				
18	158.	Not set out.				
19	159.	Not set out.				
20	160.	Not set out.				
21	161.	Not set out.				
22	162.	Not set out.				
23	163.	Not set out.				
24	164.	Not set out.				
25	165.	Not set out.				
26	166.	Not set out.				
27	167.	Not set out.				
28	168.	Not set out.				

ITEM 168.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	169.	Not set out.		
2	170.	Not set out.		
3	171.	Not set out.		
4	172.	Not set out.		
5	173.	Not set out.		
6	174.	Not set out.		
7	175.	Not set out.		
8	176.	Not set out.		
9	177.	Not set out.		
10	178.	Not set out.		
11	179.	Not set out.		
12	180.	Not set out.		
13	181.	Not set out.		
14	182.	Not set out.		
15	183.	Not set out.		
16	184.	Not set out.		
17	184.10	Not set out.		
18	185.	Not set out.		
19	186.	Not set out.		
20	187.	Not set out.		
21	188.	Not set out.		
22	189.	Not set out.		
23	190.	Not set out.		
24	191.	Not set out.		
25	192.	Not set out.		
26				
27	193.	Not set out.		

§ 1-7. UNIVERSITY OF VIRGINIA (207)

ITEM 194.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	194.	Not set out.			
2	195.	Financial Assistance For Educational and General			
3		Services (11000).....			
4				\$537,856,736	\$537,356,736
5					\$577,028,122
6		Sponsored Programs (11004).....	\$537,856,736	\$537,356,736	
7					\$577,028,122
8		Fund Sources: General.....	\$10,469,379	\$9,969,379	
9		Higher Education Operating.....	\$504,577,357	\$504,577,357	
10		Debt Service.....	\$22,810,000	\$22,810,000	
11		Authority: Title 23.1, Chapter22, Code of Virginia.			
12		A. Out of this appropriation, \$1,744,245 the first year and \$1,744,245 the second year from			
13		the general fund and \$14,350,000 the first year and \$14,350,000 the second year from			
14		nongeneral funds are designated to build research capacity in the areas of bioengineering and			
15		biosciences.			
16		B. Out of this appropriation, \$4,162,634 the first year and \$4,162,634 the second year from			
17		the general fund is designated for the support of cancer research.			
18		C. Out of this appropriation, \$3,612,500 the first year and \$3,112,500 the second year from			
19		the general fund is designated for support of the Focused Ultrasound Center to support core			
20		programs and research activities.			
21		D. Out of this appropriation, \$950,000 the first year and \$950,000 the second year from the			
22		general fund is designated to support the creation of the UVA Economic Development			
23		Accelerator.			
24		E. The Higher Education Operating fund source listed in this Item is considered to be a sum			
25		sufficient appropriation, which is an estimate of funding required by the university to cover			
26		sponsored program operations.			
27	196.	Not set out.			
28		Total for University of Virginia.....		\$1,634,907,864	\$1,637,828,557
29					\$1,677,499,943
30		General Fund Positions.....	1,084.63	1,084.63	
31		Nongeneral Fund Positions.....	5,951.17	5,951.17	
32		Position Level.....	7,035.80	7,035.80	
33		Fund Sources: General.....	\$150,498,551	\$153,419,244	
34		Higher Education Operating.....	\$1,436,861,313	\$1,436,861,313	
35		Debt Service.....	\$47,548,000	\$47,548,000	
36					\$1,476,532,699
37	197.	Not set out.			
38	198.	Not set out.			
39	199.	Not set out.			
40	200.	Not set out.			
41	201.	Not set out.			
42	202.	Not set out.			
43	203.	Not set out.			

ITEM 203.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Grand Total for University of Virginia.....		\$3,556,225,826	\$3,676,029,490
2				\$3,715,700,876
3	General Fund Positions.....	1,249.89	1,256.09	
4	Nongeneral Fund Positions.....	13,281.83	13,600.63	
5	Position Level.....	14,531.72	14,856.72	
6	Fund Sources: General.....	\$169,833,620	\$176,941,809	
7	Higher Education Operating.....	\$3,318,207,741	\$3,430,903,216	
8			\$3,470,574,602	
9	Debt Service.....	\$68,184,465	\$68,184,465	
10	204.	Not set out.		
11	205.	Not set out.		
12	206.	Not set out.		
13	207.	Not set out.		
14	208.	Not set out.		
15	209.	Not set out.		
16	210.	Not set out.		
17	211.	Not set out.		
18	212.	Not set out.		
19	213.	Not set out.		
20	214.	Not set out.		
21	215.	Not set out.		
22	216.	Not set out.		
23	217.	Not set out.		
24	218.	Not set out.		
25	219.	Not set out.		
26	220.	Not set out.		
27	221.	Not set out.		
28	222.	Not set out.		
29	223.	Not set out.		
30	224.	Not set out.		
31	225.	Not set out.		
32	226.	Not set out.		

ITEM 227.			Item Details(\$)		Appropriations(\$)	
			First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	227.	Not set out.				
2	228.	Not set out.				
3	229.	Not set out.				
4	230.	Not set out.				
5	231.	Not set out.				
6	232.	Not set out.				
7	233.	Not set out.				
8	234.	Not set out.				
9	235.	Not set out.				
10	236.	Not set out.				
11	237.	Not set out.				
12	238.	Not set out.				
13	239.	Not set out.				
14	240.	Not set out.				
15		§ 1-8. VIRGINIA COMMISSION FOR THE ARTS (148)				
16	241.	Not set out.				
17	242.	Museum and Cultural Services (14500).....			\$639,358	\$639,358
18						\$657,358
19		Operational and Support Services (14507).....	\$639,358	\$639,358		
20				\$657,358		
21		Fund Sources: General.....	\$551,901	\$551,901		
22				\$569,901		
23		Federal Trust.....	\$87,457	\$87,457		
24		Authority: Title 2.2, Chapter 25, Article 4, Code of Virginia.				
25		Total for Virginia Commission for the Arts.....			\$4,520,270	\$4,645,270
26						\$4,663,270
27		General Fund Positions.....	5.00	5.00		
28		Position Level.....	5.00	5.00		
29		Fund Sources: General.....	\$3,712,138	\$3,837,138		
30				\$3,855,138		
31		Federal Trust.....	\$808,132	\$808,132		
32	243.	Not set out.				
33	244.	Not set out.				
34	245.	Not set out.				
35	246.	Not set out.				

ITEM 246.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	247.	Not set out.		
2	248.	Not set out.		
3	249.	Not set out.		
4	250.	Not set out.		
5	251.	Not set out.		
6	252.	Not set out.		
7	253.	Not set out.		
8	253.50	Not set out.		
9	254.	Not set out.		
10	TOTAL FOR OFFICE OF EDUCATION.....		\$19,694,441,528	\$20,311,401,671
11				\$20,366,510,144
12	General Fund Positions.....	18,611.91	18,689.43	
13	Nongeneral Fund Positions.....	41,434.61	41,932.54	
14	Position Level.....	60,046.52	60,621.97	
15	Fund Sources: General.....	\$8,429,422,630	\$8,855,436,148	
16			\$8,886,253,872	
17	Special.....	\$47,520,936	\$47,627,394	
18	Higher Education Operating.....	\$8,980,315,840	\$9,139,823,205	
19			\$9,179,494,591	
20	Commonwealth Transportation.....	\$2,370,419	\$2,370,419	
21	Enterprise.....	\$7,479,910	\$7,479,910	
22	Trust and Agency.....	\$744,617,780	\$766,049,634	
23			\$750,668,997	
24	Debt Service.....	\$344,923,009	\$344,923,009	
25	Dedicated Special Revenue.....	\$17,927,512	\$17,927,512	
26	Federal Trust.....	\$1,119,863,492	\$1,129,764,440	

ITEM 255.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020

OFFICE OF FINANCE

255. Not set out.

§ 1-9. DEPARTMENT OF ACCOUNTS (151)

256. Not set out.

257. Not set out.

258. Not set out.

259.	Information Systems Management and Direction (71100).....			\$24,428,730	\$25,105,962
	Financial Oversight for Performance Budgeting System (71107).....	\$2,660,587	\$2,684,775		
	Financial Oversight for Cardinal System (71108).....	\$21,768,143	\$22,421,187		
	Fund Sources: Internal Service.....	\$24,428,730	\$25,105,962		

Authority: Title 2.2 Chapter 8, Code of Virginia

A. The appropriation for Financial Oversight for Performance Budgeting System and Financial Oversight for Cardinal System is sum sufficient and amounts shown are estimates from internal service funds for the Commonwealth's enterprise applications which shall be paid solely from revenues derived from charges for services. All users of the Commonwealth's enterprise applications shall be assessed a surcharge based on licenses, transactions, or other meaningful methodology as determined by the Secretary of Finance and the owner of the enterprise application, which shall be deposited in the fund. Additionally, the State Comptroller shall recover the cost of services provided for the administration of the fund through interagency transactions as determined by the State Comptroller.

1. Out of this appropriation, the Performance Budgeting System is appropriated \$2,660,587 the first year and \$2,684,775 the second year from internal service fund revenues.

2. Out of this appropriation, the Cardinal Financial System is appropriated \$21,768,143 the first year and \$22,421,187 the second year from internal service fund revenues.

4. The State Comptroller shall submit revised projections of revenues and expenditures for the internal service funds for the Commonwealth's enterprise applications and estimates of any anticipated changes to fee schedules in accordance with § 4-5.03 of this act.

5. In the event that expenses of the enterprise applications become due before costs have been fully recovered in the department's internal service fund, a treasury loan shall be provided to the department to finance these costs. This treasury loan shall be repaid from the proceeds collected in the funds.

B.1.a. The Department of Accounts, in coordination with the Department of Human Resource Management shall replace the Commonwealth Integrated Payroll/Personnel System (CIPPS) and the Personnel Management Information System and the Benefits Eligibility System (PMIS & BES) with an integrated Human Capital Management (HCM) system. In order to maximize the efficiencies and benefits of the current Commonwealth Enterprise Resource Planning system, Cardinal, along with establishing a single source of personnel and payroll information and to achieve greater security of sensitive personally identifiable information, such system shall be based on the HCM modules within the Cardinal Enterprise Resource Planning application currently serving as the Commonwealth's financial system.

b. A working capital advance of up to ~~\$82,400,000~~ \$131,820,000 shall be provided to the Department of Accounts to pay the ~~initial~~ costs of replacing CIPPS and PMIS & BES. ~~Initial costs~~ This may include any costs necessary for the planning, development, configuration, and roll-out of the new HCM application. ~~Initial~~ These costs do not include costs necessary to ensure agencies are prepared for the implementation of the new application and the

ITEM 259.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	decommissioning of CIPPS and PMIS & BES such as interfaces from agency based			
2	systems. The State Comptroller shall provide the Governor and the Chairmen of the House			
3	Appropriations and Senate Finance Committees with the total projected project			
4	implementation cost by September 1, 2019.			
5	c. The Department of Accounts and the Department of Human Resource Management			
6	shall recommend to the Governor a permanent system of governance over the new HCM			
7	application, which shall designate specifically which agencies have the responsibility for			
8	authority and control of the data in the new HCM application as well as responsibility for			
9	systems support and maintenance.			
10	2. The Secretary of Finance and Secretary of Administration shall approve the drawdowns			
11	from this working capital advance prior to the expenditure of funds. The State Comptroller			
12	shall notify the Governor and the Chairmen of the House Appropriations and Senate			
13	Finance Committees of any approved drawdowns.			
14	3. Repayment of the working capital advance and ongoing systems operation, maintenance			
15	and support costs for the statewide Human Capital Management system shall be funded			
16	through an internal service fund for the enterprise application pursuant to paragraph A. of			
17	this Item.			
18	260.	Not set out.		
19	261.	Not set out.		
20	262.	Not set out.		
21	263.	Not set out.		
22				\$41,597,149
				\$42,354,357
23		General Fund Positions.....	115.00	115.00
24		Nongeneral Fund Positions.....	54.00	54.00
25		Position Level.....	169.00	169.00
26		Fund Sources: General.....	\$13,493,096	\$13,493,096
27		Special.....	\$992,820	\$992,820
28		Internal Service.....	\$27,111,233	\$27,868,441
29		Department of Accounts Transfer Payments (162)		
30	264.	Not set out.		
31	265.	Revenue Stabilization Fund (73500).....		\$0
32				\$360,458,731
33		Payments to the Revenue Stabilization Fund		\$262,941,731
34		(73501).....	\$0	\$360,458,731
35				\$262,941,731
36		Fund Sources: General.....	\$0	\$360,458,731
37				\$262,941,731
38		Authority: Title 2.2, Chapter 18, Article 4, Code of Virginia.		
39		A. On or before November 1 of each year, the Auditor of Public Accounts shall report to		
40		the General Assembly the certified tax revenues collected in the most recently ended fiscal		
41		year. The auditor shall, at the same time, provide his report on the 15 percent limitation		
42		and the amount that could be paid into the fund in order to satisfy the mandatory deposit		
43		requirement of Article X, Section 8 of the Constitution of Virginia as well as the		
44		additional deposit requirement of § 2.2-1829, Code of Virginia.		
45		B. Out of this appropriation, \$262,941,731 the second year from the general fund		
46		attributable to actual tax collections for fiscal year 2018 shall be paid by the State		
47		Comptroller on or before June 30, 2020, into the Revenue Stabilization Fund pursuant to §		

ITEM 265.	Item Details(\$)		Appropriations(\$)		
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020	
1	2.2-1829, Code of Virginia. This amount is based on the certification of the Auditor of Public				
2	Accounts of actual tax revenues for fiscal year 2018. This appropriation meets the mandatory				
3	deposit requirement of Article X, Section 8 of the Constitution of Virginia.				
4	C. Out of this appropriation, \$97,517,000 the second year from the general fund shall be paid				
5	by the State Comptroller on or before June 30, 2020, into the Revenue Stabilization Fund				
6	pursuant to § 2.2-1829, Code of Virginia. This amount represents an estimate of the required				
7	deposit to the Revenue Stabilization Fund attributable to tax collections for fiscal year 2020,				
8	which the Auditor of Public Accounts shall determine for the year ending June 30, 2020:				
9	266.	Revenue Cash Reserve (23700).....		\$342,727,895	\$222,783,000
10					\$493,603,374
11		Appropriated Revenue Reserve (23701).....	\$342,727,895	\$222,783,000	
12				\$493,603,374	
13		Fund Sources: General.....	\$342,727,895	\$222,783,000	
14				\$493,603,374	
15	Authority: Title 2.2, Chapter 18, Article 4.1, Code of Virginia.				
16	A. 4. Notwithstanding any contrary provision of law, there is hereby appropriated in this item				
17	\$342,727,895 from the general fund the first year and \$222,783,000 \$493,603,374 from the				
18	general fund the second year to the Revenue Reserve established pursuant to § 2.2-1831.2,				
19	Code of Virginia, to mitigate any potential revenue or transfer shortfalls that may arise during				
20	the biennium.				
21	2: The Department of Taxation shall certify the revenues generated pursuant to subdivision				
22	B.5. of § 58.1-301, Code of Virginia. An amount equal to any revenues in excess of those				
23	included in this act and appropriated in this item; estimated at \$107,500,000; shall be				
24	deposited into the Revenue Reserve Fund and; notwithstanding the provisions of § 2.2-				
25	1831.4, Code of Virginia, if appropriated, may be used to effectuate future tax reform options				
26	for the citizens of the Commonwealth in accordance with the fifth enactment of Chapters 17				
27	and 18, 2019 Session of the General Assembly. Nothing in this item shall be construed to				
28	require the appropriation of such funds prior to the use of other funds in the Revenue Reserve				
29	Fund pursuant to § 2.2-1831.4, Code of Virginia."				
30	B.1. Notwithstanding any contrary provision of law, the Governor shall appropriate to the				
31	Revenue Reserve any sums that are committed by the Comptroller for that purpose on his				
32	June 30, 2018 balance sheet and that are reported by the Governor to the General Assembly as				
33	part of the preliminary annual balance sheet and that are reported by the Governor to the				
34	General Assembly as part of the preliminary annual report.				
35	2. Any calculation made pursuant to the provisions of § 2.2-1831.2, Code of Virginia, by the				
36	Auditor of Public Accounts based on general fund resources collected in fiscal year 2019 shall				
37	be committed for deposit into the Fund established pursuant to § 2.2-1831.2, Code of				
38	Virginia, in fiscal year 2021.				
39	C. Any amounts appropriated in this item that are unexpended on June 30, 2019, or June 30,				
40	2020, shall be reappropriated in the next fiscal year to this reserve to be used for the same				
41	purposes identified in this item.				
42	267.	Not set out.			
43	268.	Not set out.			
44	269.	Not set out.			
45	270.	Not set out.			
46	Total for Department of Accounts Transfer Payments			\$1,899,553,820	\$2,168,098,691
47					\$2,341,402,065
48					
49		Nongeneral Fund Positions.....	1.00	1.00	
50		Position Level.....	1.00	1.00	

ITEM 270.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Fund Sources: General.....	\$1,341,622,895	\$1,582,136,731		
2			\$1,755,440,105		
3	Trust and Agency.....	\$79,381,054	\$79,381,054		
4	Dedicated Special Revenue.....	\$478,549,871	\$506,580,906		
5	Grand Total for Department of Accounts.....			\$1,941,150,969	\$2,210,453,048
6					\$2,383,756,422
7	General Fund Positions.....	115.00	115.00		
8	Nongeneral Fund Positions.....	55.00	55.00		
9	Position Level.....	170.00	170.00		
10	Fund Sources: General.....	\$1,355,115,991	\$1,595,629,827		
11			\$1,768,933,201		
12	Special.....	\$992,820	\$992,820		
13	Internal Service.....	\$27,111,233	\$27,868,441		
14	Trust and Agency.....	\$79,381,054	\$79,381,054		
15	Dedicated Special Revenue.....	\$478,549,871	\$506,580,906		
16	271. Not set out.				
17	272. Not set out.				
18	273. Not set out.				
19	274. Not set out.				
20	275. Not set out.				
21	276. Not set out.				
22	277. Not set out.				
23	278. Not set out.				
24	§ 1-10. TREASURY BOARD (155)				
25	279. Bond and Loan Retirement and Redemption				
26	(74300).....			\$782,931,935	\$824,795,771
27					\$811,851,461
28	Debt Service Payments on General Obligation				
29	Bonds (74301).....	\$67,029,003	\$64,791,313		
30			\$61,518,389		
31	Capital Lease Payments (74302).....	\$5,490,800	\$5,497,550		
32	Debt Service Payments on Public Building				
33	Authority Bonds (74303).....	\$262,613,033	\$280,424,780		
34			\$277,050,650		
35	Debt Service Payments on College Building				
36	Authority Bonds (74304).....	\$447,799,099	\$474,082,128		
37			\$467,784,872		
38	Fund Sources: General.....	\$735,190,499	\$776,432,307		
39			\$764,913,338		
40	Higher Education Operating.....	\$30,011,174	\$31,526,576		
41	Dedicated Special Revenue.....	\$645,000	\$645,000		
42	Federal Trust.....	\$17,085,262	\$16,191,888		
43			\$14,766,547		
44	Authority: Title 2.2, Chapter 18, Code of Virginia; Article X, Section 9, Constitution of				
45	Virginia.				
46	A. The Director, Department of Planning and Budget is authorized to transfer				

		Item Details(\$)		Appropriations(\$)	
ITEM 279.		First Year	Second Year	First Year	Second Year
		FY2019	FY2020	FY2019	FY2020

1 appropriations between Items in the Treasury Board to address legislation affecting the
2 Treasury Board passed by the General Assembly.

3 B.1. Out of the amounts for Debt Service Payments on General Obligation Bonds, the
4 following amounts are hereby appropriated from the general fund for debt service on general
5 obligation bonds issued pursuant to Article X, Section 9 (b), of the Constitution of Virginia:

	Series	FY 2019		FY 2020	
		General Fund	Federal Funds	General Fund	Federal Funds
6					
7					
8	2009A	\$4,063,500	\$0	\$0	\$0
9	2009B	\$3,128,651	\$411,196	\$3,074,467	\$379,328
10				\$0	\$0
11	2009D Refunding	\$23,824,751	\$0	\$22,811,750	\$0
12				\$0	
13	2012 Refunding	\$4,322,450	\$0	\$4,229,200	\$0
14	2013 Refunding	\$15,388,750	\$0	\$14,977,250	\$0
15	2015B Refunding	\$13,977,350	\$0	\$13,549,350	\$0
16	2016B Refunding	\$1,821,450	\$0	\$5,681,450	\$0
17	2019B Refunding			\$21,453,981	\$0
18	2019C Refunding			\$1,547,158	\$0
19	Projected debt service &	\$90,905	\$0	\$88,518	\$0
20	expenses			\$80,000	
21	Total Service Area	\$66,617,807	\$411,196	\$64,411,985	\$379,328
22				\$61,518,389	\$0

23 2. Out of the amounts for Debt Service Payments on General Obligation Bonds, sums needed
24 to fund issuance costs and other expenses are hereby appropriated.

25 C. Out of the amounts for Capital Lease Payments, the following amounts are hereby
26 appropriated for capital lease payments:

		FY 2019	FY 2020
27			
28	Norfolk RHA (VCCS-TCC), Series 1995	\$738,300	\$739,800
29	Virginia Biotech Research Park, 2009	\$4,752,500	\$4,757,750
30	Total Capital Lease Payments	\$5,490,800	\$5,497,550

31 D.1. Out of the amounts for Debt Service Payments on Virginia Public Building Authority
32 Bonds shall be paid to the Virginia Public Building Authority the following amounts for use
33 by the authority for its various bond issues:

	Series	FY 2019		FY 2020	
		General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
34					
35					
36	2005D	\$2,000,000	\$0	\$2,000,000	\$0
37	2008B	\$7,119,950	\$0	\$0	\$0
38	2009A	\$4,683,024	\$0	\$4,682,412	\$0
39	2009B	\$10,204,500	\$0	\$10,203,875	\$0
40	2009B STARS	\$6,584,000	\$0	\$6,585,625	\$0
41	2009C	\$1,089,190	\$0	\$1,087,554	\$0
42	2009D	\$6,248,100	\$0	\$6,241,975	\$0
43	2010A	\$21,877,801	\$4,026,508	\$21,861,364	\$3,799,581
44					\$3,799,580
45	2010B	\$30,091,167	\$3,401,511	\$30,320,659	\$3,310,439
46					\$3,310,440
47	2011A STARS	\$631,000	\$0	\$628,875	\$0
48	2011A	\$12,909,500	\$0	\$12,908,625	\$0
49	2011B	\$1,298,749	\$0	\$1,299,224	\$0

ITEM 279.			Item Details(\$)		Appropriations(\$)	
			First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	2012A Refunding	\$6,559,225	\$0	\$6,556,225	\$0	
2	2013A	\$8,823,275	\$0	\$8,821,650	\$0	
3	2013B	\$3,478,000	\$0	\$17,247,000	\$0	
4	2014A	\$8,482,025	\$645,000	\$8,479,775	\$645,000	
5	2014B	\$2,012,760	\$0	\$2,011,353	\$0	
6	2014C Refunding	\$39,593,775	\$0	\$25,880,150	\$0	
7	2015A	\$17,344,496	\$0	\$17,339,996	\$0	
8				\$17,339,995		
9	2015B Refunding	\$14,845,275	\$0	\$16,603,650	\$0	
10	2016A	\$14,385,550	\$0	\$14,385,300	\$0	
11	2016B Refunding	\$8,773,400	\$0	\$8,773,400	\$0	
12	2016C	\$11,659,375	\$0	\$11,657,250	\$0	
13	2016D	\$906,902	\$0	\$903,732	\$0	
14	2017A	\$6,722,850	\$0	\$6,722,850	\$0	
15	2018A	\$5,097,794	\$0	\$11,745,719	\$0	
16	2018B	\$475,366	\$0	\$1,233,790	\$0	
17	2019A			\$6,801,005	\$0	
18	2019B			\$5,174,279	\$0	
19	2019C			\$532,845	\$0	
20	Projected debt service	\$642,965	\$0	\$16,487,732	\$0	
21	and expenses			\$605,474		
22	Total Service Area	\$254,540,014	\$8,073,019	\$272,669,760	\$7,755,020	
23				\$269,295,630		

24 2.a. Funding is included in this Item for the Commonwealth's reimbursement of a portion
 25 of the approved capital costs as determined by the Board of Corrections and other interest
 26 costs as provided in §§ 53.1-80 through 53.1-82.2 of the Code of Virginia, for the
 27 following:

28		Commonwealth Share of
29	Project	Approved Capital Costs
30	Prince William – Manassas Regional Jail	\$21,032,421
31	Henry County Jail	\$18,759,878
32	Chesapeake City Jail	\$6,860,886
33	Piedmont Regional Jail	\$2,139,464
34	Rockbridge Regional Jail	\$103,693
35	Prince William - Manassas Adult Detention Center	\$49,643
36	Northwestern Regional Jail Authority	\$1,198,915
37	Southside Regional Jail Authority	\$138,465
38	Total Approved Capital Costs	\$50,283,365

39 b. The Commonwealth's share of the total construction cost of the projects listed in the
 40 table in paragraph D.2.a. shall not exceed the amount listed for each project.
 41 Reimbursement of the Commonwealth's portion of the construction costs of these projects
 42 shall be subject to the approval of the Department of Corrections of the final expenditures.

43 c. This paragraph shall constitute the authority for the Virginia Public Building Authority
 44 to issue bonds for the foregoing projects pursuant to § 2.2-2261 of the Code of Virginia.

45 E.1. Out of the amounts for Debt Service Payments on Virginia College Building
 46 Authority Bonds shall be paid to the Virginia College Building Authority the following
 47 amounts for use by the Authority for payments on obligations issued for financing
 48 authorized projects under the 21st Century College Program:

49	Series	FY 2019	FY 2020
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ITEM 279.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	2008A		\$4,966,500		\$0
2	2009A&B		\$14,459,700		\$0
3	2009E Refunding		\$26,975,050		\$26,976,000
4	2009F		\$37,693,761		\$37,353,111
5					\$30,276,058
6	2010B		\$27,673,519		\$27,471,289
7	2011 A		\$10,727,000		\$10,727,750
8	2012A		\$16,248,450		\$16,247,950
9	2012B		\$21,481,850		\$21,478,850
10	2013 A		\$16,815,919		\$15,872,969
11					\$16,818,419
12	2014A		\$16,972,150		\$16,974,150
13	2014B		\$1,328,400		\$1,387,150
14	2015A		\$16,398,550		\$25,175,700
15	2015B Refunding		\$7,285,433		\$12,255,054
16	2015C		\$1,479,354		\$1,484,260
17	2015D		\$22,496,035		\$13,711,535
18	2016A		\$19,476,600		\$19,469,100
19	2016B Refunding		\$1,972,000		\$1,972,000
20	2016C		\$4,428,839		\$4,433,139
21	2017B		\$21,184,500		\$19,851,250
22	2017C		\$31,464,500		\$31,466,500
23	2017D		\$11,318,714		\$11,316,514
24	2017E		\$31,960,000		\$41,448,500
25	2019A				\$31,123,368
26	2019B				\$843,190
27	2019C				\$6,347,165
28	Projected 21st Century debt service &		\$717,501		\$38,328,915
29	expenses				\$592,477
30	Subtotal 21st Century		\$365,524,325		\$395,401,686
31					\$389,847,369
32	2. Out of the amounts for Debt Service Payments on Virginia College Building Authority				
33	Bonds shall be paid to the Virginia College Building Authority the following amounts for the				
34	payment of debt service on authorized bond issues to finance equipment:				
35	Series		FY 2019		FY 2020
36	2011A		\$8,536,500		\$0
37	2012A		\$8,363,250		\$0
38	2013A		\$9,451,750		\$9,448,500
39	2014A		\$9,660,250		\$9,658,000
40	2015A		\$10,483,250		\$10,482,000
41	2016A		\$11,065,500		\$11,067,000
42	2017A		\$11,849,000		\$11,853,750
43	2018		\$12,865,274		\$12,864,500
44	2019A				\$12,563,753
45	Projected debt service & expenses		\$0		\$13,306,692
46					\$0
47	Subtotal Equipment		\$82,274,774		\$78,680,442
48					\$77,937,503
49	Total Service Area		\$447,799,099		\$474,082,128
50					\$467,784,872
51	3. Beginning with the FY 2008 allocation of the higher education equipment trust fund, the				

ITEM 279.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Treasury Board shall amortize equipment purchases at seven years, which is consistent			
2	with the useful life of the equipment.			
3	4. Out of the amounts for Debt Service Payments on Virginia College Building Authority			
4	Bonds, the following nongeneral fund amounts from a capital fee charged to out-of-state			
5	students at institutions of higher education shall be paid to the Virginia College Building			
6	Authority in each year for debt service on bonds issued under the 21st Century Program:			
7	Institution	FY 2019		FY 2020
8	George Mason University	\$2,644,092		\$2,804,490
9	Old Dominion University	\$1,047,123		\$1,108,899
10	University of Virginia	\$4,721,706		\$5,006,754
11	Virginia Polytechnic Institute and State	\$4,867,731		\$5,192,295
12	University			
13	Virginia Commonwealth University	\$2,224,530		\$2,359,266
14	College of William and Mary	\$1,549,053		\$1,639,845
15	Christopher Newport University	\$122,562		\$131,508
16	University of Virginia's College at Wise	\$45,540		\$48,330
17	James Madison University	\$2,675,079		\$2,843,787
18	Norfolk State University	\$402,831		\$420,789
19	Longwood University	\$97,911		\$106,149
20	University of Mary Washington	\$222,750		\$234,834
21	Radford University	\$281,556		\$300,486
22	Virginia Military Institute	\$377,190		\$400,470
23	Virginia State University	\$739,233		\$773,577
24	Richard Bland College	\$9,900		\$10,830
25	Virginia Community College System	\$3,139,785		\$3,301,665
26	TOTAL	\$25,168,572		\$26,683,974
27	5. Out of the amounts for Debt Service Payments of College Building Authority Bonds,			
28	the following is the estimated general and nongeneral fund breakdown of each institution's			
29	share of the debt service on the Virginia College Building Authority bond issues to			
30	finance equipment. The nongeneral fund amounts shall be paid to the Virginia College			
31	Building Authority in each year for debt service on bonds issued under the equipment			
32	program:			
33		FY 2019		FY 2020
34	Institution	General Fund	Nongeneral Fund	General Fund
35	College of William &	\$2,726,776	\$259,307	\$2,542,753
36	Mary			\$259,307
37	University of Virginia	\$14,768,704	\$1,088,024	\$14,069,323
38				\$13,619,323
39	Virginia Polytechnic	\$14,850,856	\$992,321	\$14,157,712
40	Institute and State			\$14,282,712
41	University			
42	Virginia Military	\$844,441	\$88,844	\$766,641
43	Institute			\$88,844
44	Virginia State	\$1,304,801	\$108,886	\$1,186,954
45	University			\$108,886
46	Norfolk State	\$1,155,483	\$108,554	\$1,050,111
47	University			\$108,554
48	Longwood University	\$728,290	\$54,746	\$663,015
49	University of Mary	\$760,811	\$97,063	\$872,100
50	Washington			\$97,063
51	James Madison	\$2,178,176	\$254,504	\$1,975,385
52	University			\$254,504

ITEM 279.			Item Details(\$)		Appropriations(\$)	
			First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Radford University	\$1,535,517	\$135,235	\$1,213,438	\$135,235	
2	Old Dominion	\$5,250,439	\$374,473	\$4,670,293	\$374,473	
3	University			\$4,800,749		
4	Virginia Commonwealth	\$9,627,321	\$401,647	\$9,153,973	\$401,647	
5	University			\$8,903,973		
6	Richard Bland College	\$166,653	\$2,027	\$152,592	\$2,027	
7	Christopher Newport	\$776,754	\$17,899	\$710,511	\$17,899	
8	University					
9	University of Virginia's	\$244,285	\$19,750	\$222,275	\$19,750	
10	College at Wise					
11	George Mason	\$4,474,164	\$205,665	\$4,516,681	\$205,665	
12	University			\$4,771,644		
13	Virginia Community	\$14,722,898	\$633,657	\$14,614,134	\$633,657	
14	College System			\$14,060,730		
15	Virginia Institute of	\$568,209	\$0	\$520,534	\$0	
16	Marine Science					
17	Roanoke Higher	\$81,758	\$0	\$74,943	\$0	
18	Education Authority					
19	Southwest Virginia	\$84,378	\$0	\$77,344	\$0	
20	Higher Education Center					
21	Institute for Advanced	\$288,907	\$0	\$264,704	\$0	
22	Learning and Research					
23	Southern Virginia	\$86,674	\$0	\$92,482	\$0	
24	Higher Education Center					
25	New College Institute	\$50,542	\$0	\$33,246	\$0	
26				\$33,296		
27	Eastern Virginia Medical	\$155,335	\$0	\$236,697	\$0	
28	School					
29	TOTAL	\$77,432,173	\$4,842,602	\$73,837,840	\$4,842,602	
30				\$73,094,905		
31	F. Pursuant to various Payment Agreements between the Treasury Board and the Commonwealth Transportation Board, funds required to pay the debt service due on Commonwealth Transportation Board bonds shall be paid to the Trustee for the bondholders by the Treasury Board after transfer of these funds to the Treasury Board from the Commonwealth Transportation Board pursuant to Item 457, paragraph E of this act and §§ 33.2-2300, 33.2-2400, and 58.1-816.1, Code of Virginia.					
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33						
34						
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36						
37	G. Under the authority of this act, an agency may transfer funds to the Treasury Board for use as lease, rental, or debt service payments to be used for any type of financing where the proceeds are used to acquire equipment and to finance associated costs, including but not limited to issuance and other financing costs. In the event such transfers occur, the transfers shall be deemed an appropriation to the Treasury Board for the purpose of making the lease, rental, or debt service payments described herein.					
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39						
40						
41						
42						
43	H. Notwithstanding the provisions of 2.2-11.56, Code of Virginia, if tax-exempt bonds were used by the Commonwealth or its authorities, boards, or institutions to finance the acquisition, construction, improvement or equipping of real property, proceeds from the subsequent sale or disposition of such property and any improvements may first be applied toward remediation options available under federal law in order to maintain the tax-exempt status of such bonds.					
44						
45						
46						
47						
48						
49	280.	Not set out.				
50		Total for Treasury Board.....			\$782,931,935	\$824,795,771
51						\$811,851,461
52		Fund Sources: General.....	\$735,190,499	\$776,432,307		
53				\$764,913,338		
54		Higher Education Operating.....	\$30,011,174	\$31,526,576		

ITEM 280.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Dedicated Special Revenue.....	\$645,000	\$645,000		
2	Federal Trust.....	\$17,085,262	\$16,191,888		
3			\$14,766,547		
4	TOTAL FOR OFFICE OF FINANCE.....			\$2,896,859,677	\$3,205,595,239
5					\$3,365,954,303
6	General Fund Positions.....	1,111.20	1,114.20		
7	Nongeneral Fund Positions.....	205.80	205.80		
8	Position Level.....	1,317.00	1,320.00		
9	Fund Sources: General.....	\$2,212,319,093	\$2,491,683,380		
10			\$2,653,467,785		
11	Special.....	\$13,074,635	\$13,034,585		
12	Higher Education Operating.....	\$30,011,174	\$31,526,576		
13	Commonwealth Transportation.....	\$185,187	\$185,187		
14	Internal Service.....	\$27,111,233	\$27,868,441		
15	Trust and Agency.....	\$116,468,716	\$116,472,035		
16	Dedicated Special Revenue.....	\$480,604,377	\$508,633,147		
17	Federal Trust.....	\$17,085,262	\$16,191,888		
18			\$14,766,547		

ITEM 281.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020

1 **OFFICE OF HEALTH AND HUMAN RESOURCES**

2 **§ 1-11. SECRETARY OF HEALTH AND HUMAN RESOURCES (188)**

3	281.	Administrative and Support Services (79900).....			\$830,743	\$830,743
4		General Management and Direction (79901).....	\$830,743	\$830,743		
5		Fund Sources: General.....	\$830,743	\$830,743		

6 Authority: Title 2.2, Chapter 2; Article 6, and § 2.2-200, Code of Virginia.

7 A.1. The Secretary of Health and Human Resources, in collaboration with the Office of the
 8 Attorney General and the Secretary of Public Safety and Homeland Security, shall present a
 9 six-year forecast of the adult offender population presently incarcerated in the Department of
 10 Corrections and approaching release who meet the criteria set forth in Chapter 863 and
 11 Chapter 914 of the 2006 Acts of Assembly, and who may be eligible for evaluation as
 12 sexually violent predators (SVPs) for each fiscal year within the six-year forecasting period.
 13 As part of the forecast, the secretary shall report on: (i) the number of Commitment Review
 14 Committee (CRC) evaluations to be completed; (ii) the number of eligible inmates
 15 recommended by the CRC for civil commitment, conditional release, and full release; (iii) the
 16 number of civilly committed residents of the Virginia Center for Behavioral Rehabilitation
 17 who are eligible for annual review; and (iv) the number of individuals civilly committed to the
 18 Virginia Center for Behavioral Rehabilitation and granted conditional release from civil
 19 commitment in a state SVP facility. The secretary shall complete a summary report of current
 20 SVP cases and a forecast of SVP eligibility, civil commitments, and SVP conditional releases,
 21 including projected bed space requirements, to the Governor and Senate Finance and House
 22 Appropriations Committees by November 15 of each year.

23 2. As part of the forecast process, the Department of Corrections shall administer a STATIC-
 24 99 screening to all potential Sexually Violent Predators eligible for civil commitment
 25 pursuant to § 37.2-900 et seq., Code of Virginia, within six months of admission to the
 26 Department of Corrections. The results of such screenings shall be provided to the
 27 commissioner of the Department of Behavioral Health and Developmental Services (DBHDS)
 28 on a monthly basis and used for the SVP population forecast process.

29 3. The Office of the Attorney General shall also provide to the commissioner of DBHDS, on a
 30 monthly basis, the status of all SVP cases pending before their office for purposes of
 31 forecasting the SVP population.

32 B. The Secretary of Health and Human Resources shall create a trauma-informed care
 33 workgroup to develop a shared vision and definition of trauma-informed care for agencies
 34 within the Health and Human Resources Secretariat. The workgroup shall include
 35 representatives from the Departments of Social Services, Behavioral Health and
 36 Developmental Services, Medical Assistance Services, and Health, as well as stakeholders,
 37 researchers, community organizations and representatives from impacted communities. The
 38 workgroup shall also (i) examine Virginia's applicable child and family-serving programs and
 39 data; (ii) develop strategies to build a trauma-informed system of care for children, using best
 40 practices for families who are impacted by the human service delivery system; (iii) identify
 41 indicators to measure progress in developing such a system of care; (iv) identify needed
 42 professional development/training in trauma-informed practices for all child-serving
 43 professionals and (v) identify data sharing issues that need to be addressed to facilitate such a
 44 system. In addition, the workgroup shall explore opportunities to expand trauma-informed
 45 care throughout the Commonwealth. The Secretary of Health and Human Resources shall
 46 report on the workgroup's activities to the Chairmen of the House Appropriations and Senate
 47 Finance Committees and the Virginia Commission on Youth by December 15 of each year.

48 C.1. The Secretary of Health and Human Resources, in collaboration with the Secretary of
 49 Administration and the Secretary of Public Safety and Homeland Security, shall convene an
 50 interagency workgroup to oversee the development of a statewide integrated electronic health
 51 record (EHR) system. The workgroup shall include the Department of Behavioral Health and
 52 Developmental Services (DBHDS), the Virginia Department of Health, the Department of
 53 Corrections, the Department of Planning and Budget, staff of the House Appropriations and

ITEM 281.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Senate Finance Committees, and other agencies as deemed appropriate by the respective			
2	Secretaries. The purpose of the workgroup shall be to evaluate common business			
3	requirements for electronic health records to ensure consistency and interoperability with			
4	other partner state and local agencies and public and private health care entities to the			
5	extent allowed by federal and state law and regulations. The goal of the workgroup is to			
6	develop an integrated EHR which may be shared as appropriate with other partner state			
7	and local agencies and public and private health care entities. The workgroup shall			
8	evaluate the DBHDS statement of work developed for its EHR system and the DBHDS			
9	platform for potential adaption and/or use by state agencies in order to develop an			
10	integrated statewide EHR.			
11	2. The workgroup may consider and evaluate other EHR systems that may be more			
12	appropriate to meet specific agency needs and evaluate the cost-effectiveness of pursuing a			
13	separate EHR system as compared to a statewide integrated EHR. However, the			
14	workgroup shall ensure that standards are developed to ensure that EHRs can be shared as			
15	appropriate with public and private partner agencies and health care entities.			
16	3. The workgroup shall also develop an implementation timeline, cost estimates, and			
17	assess other issues that may need to be addressed in order to implement an integrated			
18	statewide EHR system. The timeline and cost estimates shall be used by the respective			
19	agencies to coordinate implementation. The workgroup shall report on its activities and			
20	any recommendations to the Joint Subcommittee on Health and Human Resources			
21	Oversight by October 15, 2018.			
22	4. The workgroup shall produce a robust analysis of the costs and benefits of using the			
23	platform provided through Contract Number VA-121107-SMU managed by the Virginia			
24	Information Technologies Agency on behalf of the Commonwealth of Virginia in			
25	developing and implementing electronic health records for use by the Virginia Department			
26	of Health. The analysis shall consider the need for a separate domain from any other			
27	procured through the Contract. The workgroup shall report on the findings of the analysis			
28	and any recommendations to the Joint Subcommittee on Health and Human Resources			
29	Oversight by November 1, 2019.			
30	D. The Secretary of Health and Human Resources shall convene a work group to examine			
31	recent trends in the individual insurance market and state options for stabilizing that			
32	market. The examination shall include, but not be limited to, a review of association and			
33	catastrophic health plans as well as innovative solutions that reduce individual insurance			
34	premiums and out-of-pocket costs while preserving access to comprehensive health			
35	insurance. The examination shall also consider the resources necessary to fund any			
36	proposed options. The work group shall include the Commissioner of Insurance or his			
37	designee, the Virginia Association of Health Plans, chambers of commerce, and other			
38	relevant stakeholders at the discretion of the Secretary. The Secretary shall report his			
39	findings and recommendations to the Governor and the Chairmen of the House			
40	Appropriations and Senate Finance Committees by November 1, 2018.			
41	E.1. The Secretary of Health and Human Resources is authorized to develop and apply for			
42	a state innovation waiver under Section 1332 of the federal Patient Protection and			
43	Affordable Care Act (42 U.S.C. 18052) to implement innovative solutions to help stabilize			
44	the individual insurance market by reducing individual insurance premiums and out-of-			
45	pocket costs while preserving access to health insurance. Such solutions may include the			
46	implementation of a state reinsurance program or high risk pool, or market stabilization			
47	program payments, among others.			
48	2. The State Corporation Commission Bureau of Insurance shall provide technical			
49	assistance to the Secretary of Health and Human Resources as requested.			
50	3. The Secretary shall report on the waiver plan to the House and Senate Committees on			
51	Labor and Commerce and the House Appropriations and Senate Finance Committees prior			
52	to the submission of the waiver application. Such report shall include an analysis of the			
53	costs and assumptions used to implement the waiver and any mechanism proposed to fund			
54	the non-federal share of costs. Implementation of the waiver shall be subject to			
55	appropriation of the non-federal share of costs by the General Assembly and approval by			
56	the United States Secretary of Health and Human Services.			

ITEM 281.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	F. The Secretary of Health and Human Resources, in collaboration with the Secretary of			
2	Administration, Secretary of Finance, and State Corporation Commission (SCC), shall			
3	convene a workgroup to evaluate options to prohibit the practice of balance billing by out-of-			
4	network health care providers for emergency services rendered, and to establish equitable and			
5	fair reimbursement for these health care providers. The workgroup shall include: 1) staff from			
6	the House Appropriations and Senate Finance Committees and representatives from such state			
7	agencies as the Commission and Secretaries deem appropriate, and 2) relevant stakeholders,			
8	including but not limited to, the Medical Society of Virginia, Virginia College of Emergency			
9	Physicians, Virginia Hospital and Healthcare Association, Virginia Association of Health			
10	Plans, Virginia Poverty Law Center, and National Patient Advocate Foundation. The			
11	workgroup shall include in its report the fiscal impact of each option considered and the			
12	impact on provider networks. The workgroup also shall include in its report recommendations			
13	for future legislation for consideration by the General Assembly. The SCC shall provide			
14	analytical and actuarial services pursuant to the workgroup's analysis and development of a			
15	proposal, as needed. The workgroup shall protect any proprietary and confidential data of any			
16	health plan, healthcare provider, or third party administrator in its final report. The workgroup			
17	shall report its recommendations to the Governor and the Chairmen of the House			
18	Appropriations and Senate Finance Committees by November 15, 2019.			
19	<i>G. The Secretary of Health and Human Resources shall convene a workgroup to review and</i>			
20	<i>make recommendations regarding the state regulation of doulas and establishing a</i>			
21	<i>community doula benefit for pregnant women covered by Medicaid. The workgroup shall</i>			
22	<i>include representatives from the Department of Medical Assistance Services and the</i>			
23	<i>Department of Health Professions, as well as representatives from doula practitioners,</i>			
24	<i>stakeholder groups, and community organizations. The workgroup shall examine and report</i>			
25	<i>on the 1) federal requirements and permissibility associated with providing a Medicaid doula</i>			
26	<i>benefit; 2) impact that state regulation would have on doula practitioners; and 3) the</i>			
27	<i>estimated costs to the state and practitioners over the next six years. The workgroup shall</i>			
28	<i>report its findings and recommendations to the Governor and to the Chairmen of the House</i>			
29	<i>Appropriations and Senate Finance Committees by June 30, 2020.</i>			
30	Total for Secretary of Health and Human Resources...		\$830,743	\$830,743
31	General Fund Positions.....	5.00		5.00
32	Position Level.....	5.00		5.00
33	Fund Sources: General.....	\$830,743		\$830,743
34	Children's Services Act (200)			
35	282. Protective Services (45300).....		\$343,351,604	\$353,282,080
36				\$359,931,382
37	Financial Assistance for Child and Youth Services			
38	(45303).....	\$343,351,604	\$353,282,080	
39				\$359,931,382
40	Fund Sources: General.....	\$290,743,858	\$300,674,334	
41				\$307,323,636
42	Federal Trust.....	\$52,607,746		\$52,607,746
43	Authority: Title 2.2, Chapter 52, Code of Virginia.			
44	A. The Department of Education shall serve as fiscal agent to administer funds cited in			
45	paragraphs B and C.			
46	B.1.a. Out of this appropriation, \$238,581,993 the first year and \$252,856,145 \$242,612,469			
47	the second year from the general fund and \$51,607,746 the first year and \$51,607,746 the			
48	second year from nongeneral funds shall be used for the state pool of funds pursuant to § 2.2-			
49	5211, Code of Virginia. This appropriation shall consist of a Medicaid pool allocation, and a			
50	non-Medicaid pool allocation.			
51	b. The Medicaid state pool allocation shall consist of \$28,526,197 the first year and			
52	\$28,526,197 the second year from the general fund and \$43,187,748 the first year and			
53	\$43,187,748 the second year from nongeneral funds. The Office of Children's Services will			
54	transfer these funds to the Department of Medical Assistance Services as they are needed to			

ITEM 282.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	pay Medicaid provider claims.			
2	c. The non-Medicaid state pool allocation shall consist of \$209,805,796 the first year and			
3	\$214,086,272 the second year from the general fund and \$8,419,998 the first year and			
4	\$8,419,998 the second year from nongeneral funds. The nongeneral funds shall be			
5	transferred from the Department of Social Services.			
6	d. The Office of Children's Services, with the concurrence of the Department of Planning			
7	and Budget, shall have the authority to transfer the general fund allocation between the			
8	Medicaid and non-Medicaid state pools in the event that a shortage should exist in either			
9	of the funding pools.			
10	e. The Office of Children's Services, per the policy of the State Executive Council, shall			
11	deny state pool funding to any locality not in compliance with federal and state			
12	requirements pertaining to the provision of special education and foster care services			
13	funded in accordance with § 2.2-5211, Code of Virginia.			
14	2.a. Out of this appropriation, \$49,766,865 the first year and \$55,666,865 \$62,256,176 the			
15	second year from the general fund and \$1,000,000 the first year and \$1,000,000 the			
16	second year from nongeneral funds shall be set aside to pay for the state share of			
17	supplemental requests from localities that have exceeded their state allocation for			
18	mandated services. The nongeneral funds shall be transferred from the Department of			
19	Social Services.			
20	b. In each year, the director of the Office of Children's Services may approve and obligate			
21	supplemental funding requests in excess of the amount in 2a above, for mandated pool			
22	fund expenditures up to 10 percent of the total general fund appropriation authority in B1a			
23	in this Item.			
24	c. The State Executive Council shall maintain local government performance measures to			
25	include, but not be limited to, use of federal funds for state and local support of the			
26	Children's Services Act.			
27	d. Pursuant to § 2.2-5200, Code of Virginia, Community Policy and Management Teams			
28	shall seek to ensure that services and funding are consistent with the Commonwealth's			
29	policies of preserving families and providing appropriate services in the least restrictive			
30	environment, while protecting the welfare of children and maintaining the safety of the			
31	public. Each locality shall submit to the Office of Children's Services information on			
32	utilization of residential facilities for treatment of children and length of stay in such			
33	facilities. By December 15 of each year, the Office of Children's Services shall report to			
34	the Governor and Chairmen of the House Appropriations and Senate Finance Committees			
35	on utilization rates and average lengths of stays statewide and for each locality.			
36	3. Each locality receiving funds for activities under the Children's Services Act (CSA)			
37	shall have a utilization management process, including a uniform assessment, approved by			
38	the State Executive Council, covering all CSA services. Utilizing a secure electronic site,			
39	each locality shall also provide information as required by the Office of Children's			
40	Services to include, but not be limited to case specific information, expenditures, number			
41	of youth served in specific CSA activities, length of stay for residents in core licensed			
42	residential facilities, and proportion of youth placed in treatment settings suggested by the			
43	uniform assessment instrument. The State Executive Council, utilizing this information,			
44	shall track and report on child specific outcomes for youth whose services are funded			
45	under the Children's Services Act. Only non-identifying demographic, service, cost and			
46	outcome information shall be released publicly. Localities requesting funding from the set			
47	aside in paragraph 2.a. and 2.b. must demonstrate compliance with all CSA provisions to			
48	receive pool funding.			
49	4. The Secretary of Health and Human Resources, in consultation with the Secretary of			
50	Education and the Secretary of Public Safety and Homeland Security, shall direct the			
51	actions for the Departments of Social Services, Education, and Juvenile Justice, Medical			
52	Assistance Services, Health, and Behavioral Health and Developmental Services, to			
53	implement, as part of ongoing information systems development and refinement, changes			
54	necessary for state and local agencies to fulfill CSA reporting needs.			

ITEM 282.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	5. The State Executive Council shall provide localities with technical assistance on ways to				
2	control costs and on opportunities for alternative funding sources beyond funds available				
3	through the state pool.				
4	6. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the				
5	general fund is provided for a combination of regional and statewide meetings for technical				
6	assistance to local community policy and management teams, family assessment and planning				
7	teams, and local fiscal agents. Training shall include, but not be limited to, cost containment				
8	measures, building community-based services, including creation of partnerships with private				
9	providers and non-profit groups, utilization management, use of alternate revenue sources,				
10	and administrative and fiscal issues. A state-supported institution of higher education, in				
11	cooperation with the Virginia Association of Counties, the Virginia Municipal League, and				
12	the State Executive Council, may assist in the provisions of this paragraph. A training plan				
13	shall be presented to and approved by the State Executive Council before the beginning of				
14	each fiscal year. A training calendar and timely notice of programs shall be provided to				
15	Community Policy and Management Teams and family assessment and planning team				
16	members statewide as well as to local fiscal agents and chief administrative officers of cities				
17	and counties. A report on all regional and statewide training sessions conducted during the				
18	fiscal year, including (i) a description of each program and trainers, (ii) the dates of the				
19	training and the number of attendees for each program, (iii) a summary of evaluations of these				
20	programs by attendees, and (iv) the funds expended, shall be made to the Chairmen of the				
21	House Appropriations and Senate Finance Committees and to the members of the State				
22	Executive Council by December 1 of each year. Any funds unexpended for this purpose in the				
23	first year shall be reappropriated for the same use in the second year.				
24	7. Out of this appropriation, \$70,000 the first year and \$70,000 the second year from the				
25	general fund is provided for the Office of Children's Services to contract for the support of				
26	uniform CSA reporting requirements.				
27	8. The State Executive Council shall require a uniform assessment instrument.				
28	9. The Office of Children's Services, in conjunction with the Department of Social Services,				
29	shall determine a mechanism for reporting Temporary Assistance for Needy Families				
30	Maintenance of Effort eligible costs incurred by the Commonwealth and local governments				
31	for the Children's Services Act.				
32	10. For purposes of defining cases involving only the payment of foster care maintenance,				
33	pursuant to § 2.2-5209, Code of Virginia, the definition of foster care maintenance used by				
34	the Virginia Department of Social Services for federal Title IV-E shall be used.				
35	C. The funding formula to carry out the provisions of the Children's Services Act is as				
36	follows:				
37	1. Allocations. The allocations for the Medicaid and non-Medicaid pools shall be the amounts				
38	specified in paragraphs B.1.b. and B.1.c. in this Item. These funds shall be distributed to each				
39	locality in each year of the biennium based on the greater of that locality's percentage of				
40	actual 1997 Children's Services Act pool fund program expenditures to total 1997 pool fund				
41	program expenditures or the latest available three-year average of actual pool fund program				
42	expenditures as reported to the state fiscal agent.				
43	2. Local Match. All localities are required to appropriate a local match for the base year				
44	funding consisting of the actual aggregate local match rate based on actual total 1997 program				
45	expenditures for the Children's Services Act. This local match rate shall also apply to all				
46	reimbursements from the state pool of funds in this Item and carryforward expenditures				
47	submitted prior to September 30 each year for the preceding fiscal year, including				
48	administrative reimbursements under paragraph C.4. in this Item.				
49	3.a. Notwithstanding the provisions of C.2. of this Item, beginning July 1, 2008, the local				
50	match rate for community based services for each locality shall be reduced by 50 percent.				
51	b. Localities shall review their caseloads for those individuals who can be served				
52	appropriately by community-based services and transition those cases to the community for				
53	services. Beginning July 1, 2009, the local match rate for non-Medicaid residential services				
54	for each locality shall be 25 percent above the fiscal year 2007 base. Beginning July 1, 2011,				

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1				
2	the local match rate for Medicaid residential services for each locality shall be 25 percent			
	above the fiscal year 2007 base.			
3	c. By December 1 of each year, The State Executive Council (SEC) shall provide an			
4	update to the Governor and the Chairmen of the House Appropriations and Senate Finance			
5	Committees on the outcomes of this initiative.			
6	d. At the direction of the State Executive Council, local Community Policy and			
7	Management Teams (CPMTs) and Community Services Boards (CSBs) shall work			
8	collaboratively in their service areas to develop a local plan for intensive care coordination			
9	(ICC) services that best meets the needs of the children and families. If there is more than			
10	one CPMT in the CSB's service area, the CPMTs and the CSB may work together as a			
11	region to develop a plan for ICC services. Local CPMTs and CSBs shall also work			
12	together to determine the most appropriate and cost-effective provider of ICC services for			
13	children in their community who are placed in, or at-risk of being placed in, residential			
14	care through the Children's Services Act, in accordance with guidelines developed by the			
15	State Executive Council. The State Executive Council and Office of Children's Services			
16	shall establish guidelines for reasonable rates for ICC services and provide training and			
17	technical assistance to CPMTs and fiscal agents regarding these services.			
18	e. The local match rate for all non-Medicaid services provided in the public schools after			
19	June 30, 2011 shall equal the fiscal year 2007 base.			
20	4. Local Administrative Costs. Out of this appropriation, an amount equal to two percent			
21	of the fiscal year 1997 pool fund allocations, not to exceed \$2,060,000 the first year and			
22	\$2,060,000 the second year from the general fund, shall be allocated among all localities			
23	for administrative costs. Every locality shall be required to appropriate a local match			
24	based on the local match contribution in paragraph C.2. of this Item. Inclusive of the state			
25	allocation and local matching funds, every locality shall receive the larger of \$12,500 or			
26	an amount equal to two percent of the total pool allocation. Localities are encouraged to			
27	use administrative funding to hire a full-time or part-time local coordinator for the			
28	Children's Services Act program. Localities may pool this administrative funding to hire			
29	regional coordinators.			
30	5. Definition. For purposes of the funding formula in the Children's Services Act,			
31	"locality" means city or county.			
32	D. Community Policy and Management Teams shall use Medicaid-funded services			
33	whenever they are available for the appropriate treatment of children and youth receiving			
34	services under the Children's Services Act. Effective July 1, 2009, pool funds shall not be			
35	spent for any service that can be funded through Medicaid for Medicaid-eligible children			
36	and youth except when Medicaid-funded services are unavailable or inappropriate for			
37	meeting the needs of a child.			
38	E. Pursuant to subdivision 3 of § 2.2-5206, Code of Virginia, Community Policy and			
39	Management Teams shall enter into agreements with the parents or legal guardians of			
40	children receiving services under the Children's Services Act. The Office of Children's			
41	Services shall be a party to any such agreement. If the parent or legal guardian fails or			
42	refuses to pay the agreed upon sum on a timely basis and a collection action cannot be			
43	referred to the Division of Child Support Enforcement of the Department of Social			
44	Services, upon the request of the community policy management team, the Office of			
45	Children's Services shall make a claim against the parent or legal guardian for such			
46	payment through the Department of Law's Division of Debt Collection in the Office of the			
47	Attorney General.			
48	F. The Office of Children's Services, in cooperation with the Department of Medical			
49	Assistance Services, shall provide technical assistance and training to assist residential and			
50	treatment foster care providers who provide Medicaid-reimbursable services through the			
51	Children's Services Act to become Medicaid-certified providers.			
52	G. The Office of Children's Services shall work with the State Executive Council and the			
53	Department of Medical Assistance Services to assist Community Policy and Management			
54	Teams in appropriately accessing a full array of Medicaid-funded services for Medicaid-			
55	eligible children and youth through the Children's Services Act, thereby increasing			

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1	Medicaid reimbursement for treatment services and decreasing the number of denials for				
2	Medicaid services related to medical necessity and utilization review activities.				
3	H. Pursuant to subdivision 21 of § 2.2-2648, Code of Virginia, no later than December 20 in				
4	the odd-numbered years, the State Executive Council shall biennially publish and disseminate				
5	to members of the General Assembly and Community Policy and Management Teams a				
6	progress report on services for children, youth, and families and a plan for such services for				
7	the succeeding biennium.				
8	I. Out of this appropriation, \$275,000 the first year and \$275,000 the second year from the				
9	general fund shall be used to purchase and maintain an information system to provide quality				
10	and timely child demographic, service, expenditure, and outcome data.				
11	J. The State Executive Council shall work with the Department of Education to ensure that				
12	funding in this Item is sufficient to pay for the educational services of students that have been				
13	placed in or admitted to state or privately operated psychiatric or residential treatment				
14	facilities to meet the educational needs of the students as prescribed in the student's Individual				
15	Educational Plan (IEP).				
16	K.1. The Office of Children's Services (OCS) shall report on funding for therapeutic foster				
17	care services including but not limited to the number of children served annually, average cost				
18	of care, type of service provided, length of stay, referral source, and ultimate disposition. In				
19	addition, the OCS shall provide guidance and training to assist localities in negotiating				
20	contracts with therapeutic foster care providers.				
21	2. The Office of Children's Services shall report on funding for special education day				
22	treatment and residential services, including but not limited to the number of children served				
23	annually, average cost of care, type of service provided, length of stay, referral source, and				
24	ultimate disposition.				
25	3. The Office of Children's Services shall report by December 1 of each year the information				
26	included in this paragraph to the Chairmen of the House Appropriations and Senate Finance				
27	Committees.				
28	L. Out of this appropriation, the Director, Office of Children's Services, shall allocate				
29	\$2,200,000 the first year and \$2,200,000 the second year from the general fund to localities				
30	for wrap-around services for students with disabilities as defined in the Children's Services				
31	Act policy manual.				
32	M. Out of this appropriation, up to \$250,000 the first year from the general fund shall be				
33	made available for the Office of Children's Services to contract for a study on the current rates				
34	paid by localities to special education private day programs licensed by the Virginia				
35	Department of Education. The study shall include an examination of the adequacy of the				
36	current rates for private educational services for children placed outside of public school				
37	settings, and include recommendations for implementing a rate-setting structure for				
38	educational services reimbursed through the Children's Services Act. The study shall consider				
39	the impact on local school districts, local governments, and public and private educational				
40	services providers. The Office of Children's Services shall provide an interim report on the				
41	study's findings to the Governor and the Chairmen of the Senate Finance and House				
42	Appropriations Committees by December 1, 2018, and a final report, including				
43	recommendations, by October 1, 2019. The final report shall include a list of all special				
44	education private day programs that did not participate in or respond to the provider survey				
45	the contractor used to collect information to assist in conducting the rate study.				
46	N. Notwithstanding any other provision of law, the rates paid by localities to providers of				
47	private day special education services under the Children's Services Act shall not increase				
48	more than two percent above the rates paid in the prior fiscal year. This provision shall take				
49	effect July 1, 2019, such that the rates paid in fiscal year 2020 shall not increase more than				
50	two percent over the rates paid in fiscal year 2019. All localities shall submit their contracted				
51	rates for private day education services to the Office of Children's Services by August 1 of				
52	each year.				
53	O. The Office of Children's Services shall coordinate with the Department of Education to				
54	facilitate a workgroup to include private providers, including the Virginia Association of				

ITEM 282.		Item Details(\$)		Appropriations(\$)	
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1	Independent Specialized Education Facilities, the Virginia Council for Private Education,				
2	the Virginia Association of Independent Schools, the Virginia Coalition of Private				
3	Provider Associations, and the Virginia Association of Community Services Boards, local				
4	school divisions, stakeholder groups, and parent representatives to identify and define				
5	outcome measures to assess students' progress in private day placements that may include				
6	assessment scores, attendance, graduation rates, transition statistics, and return to the				
7	students' home schools. The agencies shall ensure that the number of members from each				
8	group (i.e representatives of private providers, parents, local governments, and other				
9	stakeholders are each considered their own group) are proportionally represented on the				
10	workgroup. The Office of Children's Services and Department of Education shall report				
11	recommendations to the Chairmen of the House Education and Appropriations				
12	Committees and the Senate Education and Health and Finance Committees by November				
13	1, 2018.				
14	283. Not set out.				
15	Total for Children's Services Act.....			\$345,284,662	\$355,227,870
16					\$361,877,172
17	General Fund Positions.....	14.00	14.00		
18	Position Level.....	14.00	14.00		
19	Fund Sources: General.....	\$292,676,916	\$302,620,124		
20			\$309,269,426		
21	Federal Trust.....	\$52,607,746	\$52,607,746		
22	Grand Total for Secretary of Health and Human			\$346,115,405	\$356,058,613
23	Resources.....				\$362,707,915
24					
25	General Fund Positions.....	19.00	19.00		
26	Position Level.....	19.00	19.00		
27	Fund Sources: General.....	\$293,507,659	\$303,450,867		
28			\$310,100,169		
29	Federal Trust.....	\$52,607,746	\$52,607,746		
30	284. Not set out.				
31	285. Not set out.				
32	286. Not set out.				
33	287. Not set out.				
34	288. Not set out.				
35	289. Not set out.				
36	290. Not set out.				
37	291. Not set out.				
38	292. Not set out.				
39	293. Not set out.				
40	294. Not set out.				
41	295. Not set out.				
42	296. Not set out.				

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1 297.	Not set out.			
2 298.	Not set out.			
3 299.	Not set out.			
4	§ 1-12. DEPARTMENT OF MEDICAL ASSISTANCE SERVICES (602)			
5 300.	Not set out.			
6 301.	Not set out.			
7 302.	Children's Health Insurance Program Delivery			
8	(44600).....		\$213,752,531	\$221,851,578
9				\$228,649,287
10	Reimbursements for Medical Services Provided			
11	Under the Family Access to Medical Insurance			
12	Security Plan (44602).....		\$213,752,531	\$221,851,578
13				\$228,649,287
14	Fund Sources: General.....		\$11,212,749	\$31,182,684
15				\$33,417,135
16	Dedicated Special Revenue.....		\$14,065,627	\$14,065,627
17	Federal Trust.....		\$188,474,155	\$176,603,267
18				\$181,166,525
19	Authority: Title 32.1, Chapter 13, Code of Virginia; Title XXI, Social Security Act, Federal			
20	Code.			
21	A. Pursuant to Chapter 679, Acts of Assembly of 1997, the State Corporation Commission			
22	shall annually, on or before June 30, 1998, and each year thereafter, calculate the premium			
23	differential between: (i) 0.75 percent of the direct gross subscriber fee income derived from			
24	eligible contracts and (ii) the amount of license tax revenue generated pursuant to subdivision			
25	A 4 of § 58.1-2501 for the immediately preceding taxable year and notify the Comptroller of			
26	the Commonwealth to transfer such amounts to the Family Access to Medical Insurance			
27	Security Plan Trust Fund as established on the books of the State Comptroller.			
28	B. As a condition of this appropriation, revenues from the Family Access to Medical			
29	Insurance Security Plan Trust Fund, shall be used to match federal funds for the Children's			
30	Health Insurance Program.			
31	C. Every eligible applicant for health insurance as provided for in Title 32.1, Chapter 13,			
32	Code of Virginia, shall be enrolled and served in the program.			
33	D. To the extent that appropriations in this Item are insufficient, the Department of Planning			
34	and Budget shall transfer general fund appropriation, as needed, from Medicaid Program			
35	Services (45600) and Medical Assistance Services for Low Income Children (46600), if			
36	available, into this Item to be used as state match for federal Title XXI funds.			
37	E. The Department of Medical Assistance Services shall make the monthly capitation			
38	payment to managed care organizations for the member months of each month in the first			
39	week of the subsequent month.			
40	F. If any part, section, subsection, paragraph, clause, or phrase of this Item or the application			
41	thereof is declared by the United States Department of Health and Human Services or the			
42	Centers for Medicare and Medicaid Services to be in conflict with a federal law or regulation,			
43	such decisions shall not affect the validity of the remaining portions of this Item, which shall			
44	remain in force as if this Item had passed without the conflicting part, section, subsection,			
45	paragraph, clause, or phrase. Further, if the United States Department of Health and Human			
46	Services or the Centers for Medicare and Medicaid Services determines that the process for			
47	accomplishing the intent of a part, section, subsection, paragraph, clause, or phrase of this			
48	Item is out of compliance or in conflict with federal law and regulation and recommends			

ITEM 302.		Item Details(\$)		Appropriations(\$)	
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1	another method of accomplishing the same intent, the Director, Department of Medical				
2	Assistance Services, after consultation with the Attorney General, is authorized to pursue				
3	the alternative method.				
4	303. Medicaid Program Services (45600).....			\$11,840,531,648	\$14,915,068,263
5					\$14,347,029,162
6	Reimbursements to State-Owned Mental Health				
7	and Intellectual Disabilities Facilities (45607).....	\$123,671,762	\$81,678,750		
8	Reimbursements for Behavioral Health Services				
9	(45608).....	\$186,076,126	\$43,601,628		
10			\$48,432,736		
11	Reimbursements for Medical Services (45609).....	\$8,994,264,674	\$9,664,682,683		
12			\$9,359,035,588		
13	Reimbursements for Long-Term Care Services				
14	(45610).....	\$1,442,690,738	\$1,497,658,506		
15			\$1,466,893,570		
16	Payments for Healthcare Coverage for Low-				
17	Income Uninsured Adults (45611).....	\$1,093,828,348	\$3,627,446,696		
18			\$3,390,988,518		
19	Fund Sources: General.....	\$4,875,329,958	\$4,988,700,277		
20			\$4,732,633,050		
21	Dedicated Special Revenue.....	\$675,249,477	\$1,062,068,926		
22			\$1,114,008,760		
23	Federal Trust.....	\$6,289,952,213	\$8,864,299,060		
24			\$8,500,387,352		
25	Authority: Title 32.1, Chapters 9 and 10, Code of Virginia; P.L. 89-97, as amended, Title				
26	XIX, Social Security Act, Federal Code.				
27	A.1.Out of this appropriation, \$61,835,881 the first year and \$40,839,375 the second year				
28	from the general fund and \$61,835,881 the first year and \$40,839,375 the second year				
29	from the federal trust fund is provided for reimbursement to the institutions within the				
30	Department of Behavioral Health and Developmental Services.				
31	2. Out of this appropriation, \$18,969,647 the first year from the general fund is provided				
32	to cover any federal deferrals associated with payments made to Piedmont and Catawba				
33	hospitals. The Department of Planning and Budget shall unallot these funds and shall not				
34	allot the funds until the Department of Medical Assistance Services (DMAS) provides				
35	documentation of a federal deferral. The Department of Planning and Budget shall be				
36	authorized to transfer any unspent portion of this amount, along with first year				
37	appropriation in service area 45607 of this Item, to agency 793 (Mental Health Treatment				
38	Centers) should DMAS cease Medicaid payments to either Piedmont or Catawba				
39	hospitals.				
40	B.1. Included in this appropriation is \$44,675,958 the first year and \$9,017,369				
41	\$9,219,839 the second year from the general fund and \$63,864,717 the first year and				
42	\$28,206,128 \$28,408,598 the second year from nongeneral funds to reimburse the				
43	Virginia Commonwealth University Health System for indigent health care costs as				
44	reported by the hospital and adjusted by the department for indigent care savings related to				
45	Medicaid expansion. This funding is composed of disproportionate share hospital (DSH)				
46	payments, indirect medical education (IME) payments, and any Medicaid profits realized				
47	by the Health System. Payments made from the federal DSH fund shall be made in				
48	accordance with 42 USC 1396r-4.				
49	2. Included in this appropriation is \$26,274,229 the first year and \$3,054,908 \$17,873,547				
50	the second year from the general fund and \$40,989,007 the first year and \$17,769,686				
51	\$32,588,325 the second year from nongeneral funds to reimburse the University of				
52	Virginia Health System for indigent health care costs as reported by the hospital and				
53	adjusted by the department for indigent care savings related to Medicaid expansion. This				
54	funding is comprised of disproportionate share hospital (DSH) payments, indirect medical				
55	education (IME) payments, and any Medicaid profits realized by the Health System.				
56	Payments made from the federal DSH fund shall be made in accordance with 42 USC				
57	1396r-4.				

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1	3. The general fund amounts for the state teaching hospitals have been reduced to mirror the				
2	general fund impact of reduced and no inflation for inpatient services in prior years. It also				
3	includes reductions associated with prior year indigent care reductions. However, the				
4	nongeneral funds are appropriated. In order to receive the nongeneral funds in excess of the				
5	amount of the general fund appropriated, the health systems shall certify the public				
6	expenditures.				
7	4. The Department of Medical Assistance Service shall have the authority to increase				
8	Medicaid payments for Type One hospitals and physicians consistent with the appropriations				
9	to compensate for limits on disproportionate share hospital (DSH) payments to Type One				
10	hospitals that the department would otherwise make. In particular, the department shall have				
11	the authority to amend the State Plan for Medical Assistance to increase physician				
12	supplemental payments for physician practice plans affiliated with Type One hospitals up to				
13	the average commercial rate as demonstrated by University of Virginia Health System and				
14	Virginia Commonwealth University Health System, to change reimbursement for Graduate				
15	Medical Education to cover costs for Type One hospitals, to case mix adjust the formula for				
16	indirect medical education reimbursement for HMO discharges for Type One hospitals and to				
17	increase the adjustment factor for Type One hospitals to 1.0. The department shall have the				
18	authority to implement these changes prior to completion of any regulatory process				
19	undertaken in order to effect such change.				
20	C.1. The estimated revenue for the Virginia Health Care Fund is \$410,279,068 the first year				
21	and \$364,019,578 \$408,419,831 the second year, to be used pursuant to the uses stated in §				
22	32.1-367 , Code of Virginia.				
23	2. Notwithstanding § 32.1-366 , Code of Virginia, the State Comptroller shall deposit 41.5				
24	percent of the Commonwealth's allocation of the Master Settlement Agreement with tobacco				
25	product manufacturers, as defined in § 3.2-3100 , Code of Virginia, to the Virginia Health				
26	Care Fund.				
27	3. Notwithstanding any other provision of law, the State Comptroller shall deposit 50 percent				
28	of the Commonwealth's allocation of the Strategic Contribution Fund payment pursuant to the				
29	Master Settlement Agreement with tobacco product manufacturers into the Virginia Health				
30	Care Fund.				
31	4. Notwithstanding any other provision of law, revenues deposited to the Virginia Health Care				
32	Fund shall only be used as the state share of Medicaid unless specifically authorized by this				
33	Act.				
34	D. If any part, section, subsection, paragraph, clause, or phrase of this Item or the application				
35	thereof is declared by the United States Department of Health and Human Services or the				
36	Centers for Medicare and Medicaid Services to be in conflict with a federal law or regulation,				
37	such decisions shall not affect the validity of the remaining portions of this Item, which shall				
38	remain in force as if this Item had passed without the conflicting part, section, subsection,				
39	paragraph, clause, or phrase. Further, if the United States Department of Health and Human				
40	Services or the Centers for Medicare and Medicaid Services determines that the process for				
41	accomplishing the intent of a part, section, subsection, paragraph, clause, or phrase of this				
42	Item is out of compliance or in conflict with federal law and regulation and recommends				
43	another method of accomplishing the same intent, the Director, Department of Medical				
44	Assistance Services, after consultation with the Attorney General, is authorized to pursue the				
45	alternative method.				
46	E. At least 30 days prior to the submission of any state plan or waiver amendment to the				
47	Centers for Medicare and Medicaid Services (CMS) or change in the contracts with managed				
48	care organizations that may impact the capitation rates, the Department of Medical Assistance				
49	Services (DMAS) shall provide written notification to the Director, Department of Planning				
50	and Budget as to the purpose of such change. This notice shall also assess whether the				
51	amendment will require any future state regulatory action or expenditure beyond that which is				
52	appropriated in this Act. If the Department of Planning and Budget, after review of the				
53	proposed change, determines that it may likely result in a material fiscal impact on the general				
54	fund, for which no legislative appropriation has been provided, then the Department of				
55	Medical Assistance Services shall delay the proposed change until the General Assembly				
56	authorizes such action.				

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1	F.1. The Director, Department of Medical Assistance Services shall seek the necessary				
2	waivers from the United States Department of Health and Human Services to authorize the				
3	Commonwealth to cover health care services and delivery systems, as may be permitted				
4	by Title XIX of the Social Security Act, which may provide less expensive alternatives to				
5	the State Plan for Medical Assistance.				
6	2. At least 30 days prior to the submission of an application for any new waiver of Title				
7	XIX or Title XXI of the Social Security Act, the Department of Medical Assistance				
8	Services shall notify the Chairmen of the House Appropriations and Senate Finance				
9	Committees of such pending application and provide information on the purpose and				
10	justification for the waiver along with any fiscal impact. If the department receives an				
11	official letter from either Chairmen raising an objection about the waiver during the 30-				
12	day period, the department shall not submit the waiver application and shall request				
13	authority for such waiver as part of the normal legislative or budgetary process. If the				
14	department receives no objection, then the application may be submitted. Any waiver				
15	specifically authorized elsewhere in this item is not subject to this provision. Waiver				
16	renewals are not subject to the provisions of this paragraph.				
17	3. The director shall promulgate such regulations as may be necessary to implement those				
18	programs which may be permitted by Titles XIX and XXI of the Social Security Act, in				
19	conformance with all requirements of the Administrative Process Act.				
20	G. To the extent that appropriations in this Item are insufficient, the Department of				
21	Planning and Budget shall transfer general fund appropriation, as needed, from Children's				
22	Health Insurance Program Delivery (44600) and Medical Assistance Services for Low				
23	Income Children (46600), if available, into this Item to be used as state match for federal				
24	Title XIX funds.				
25	H. It is the intent of the General Assembly that the medically needy income limits for the				
26	Medicaid program are adjusted annually to account for changes in the Consumer Price				
27	Index.				
28	I.1.a. As of July 1, 2017, the Community Living (CL) waiver authorizes 11,302 slots.				
29	b. As of July 1, 2017, the Family and Individuals Support (FIS) waiver authorizes 1,762				
30	slots.				
31	c. As of July 1, 2017, the Building Independence (BI) waiver authorizes 360 slots.				
32	2. Notwithstanding Chapters 228 and 303 of the 2009 Virginia Acts of Assembly and				
33	§32.1-323.2 of the Code of Virginia, the Department of Medical Assistance Services shall				
34	not add any slots to the Intellectual Disabilities Medicaid Waiver or the Individual and				
35	Family Developmental Disabilities and Support Medicaid Waiver other than those slots				
36	authorized specifically to support the Money Follows the Person Demonstration,				
37	individuals who are exiting state institutions, any slots authorized under Chapters 724 and				
38	729 of the 2011 Virginia Acts of Assembly or §37.2-319, Code of Virginia, or authorized				
39	elsewhere in this Act.				
40	3. Upon approval by the Centers for Medicare and Medicaid Services of the application				
41	for renewal of the CL, FIS and BI waivers, expeditious implementation of any revisions				
42	shall be deemed an emergency situation pursuant to § 2.2-4002 of the Administrative				
43	Process Act. Therefore, to meet this emergency situation, the Department of Medical				
44	Assistance Services shall promulgate emergency regulations to implement the provisions				
45	of this Act.				
46	4.a. The Department of Medical Assistance Services (DMAS) shall amend the CL waiver				
47	to add 189 new slots effective July 1, 2018 and an additional 195 slots effective July 1,				
48	2019. An amount estimated at \$8,156,426 the first year and \$16,537,788 the second year				
49	from the general fund and \$8,156,426 the first year and \$16,537,788 the second year from				
50	nongeneral funds is provided to cover the anticipated costs of the new slots. These				
51	estimated amounts assumes that 60 of the additional slots in each year may be filled with				
52	individuals transitioning from facility care. DMAS shall seek federal approval for				
53	necessary changes to the CL waiver to add the additional slots.				
54	b. The Department of Medical Assistance Services (DMAS) shall amend the FIS waiver to				

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1	add 414 new slots effective July 1, 2018 and an additional 481 slots effective July 1, 2019. An			
2	amount estimated at \$6,347,617 the first year and \$13,720,427 the second year from the			
3	general fund and \$6,347,617 the first year and \$13,720,427 the second year from nongeneral			
4	funds is provided to cover the anticipated costs of the new slots. DMAS shall seek federal			
5	approval for necessary changes to the FIS waiver to add the additional slots.			
6	c. The Department of Medical Assistance Services (DMAS) shall amend the BI waiver to add			
7	40 new slots effective July 1, 2019. An amount estimated at \$257,680 the second year from			
8	the general fund and \$257,680 the second year from nongeneral funds is provided to cover the			
9	anticipated costs of the new slots. DMAS shall seek federal approval for necessary changes to			
10	the BI waiver to add the additional slots.			
11	d. In addition to the new slots added in 4.a. and b., the Department of Medical Assistance			
12	Services (DMAS) shall amend the CL waiver to add 25 new slots effective July 1, 2018 and			
13	an additional 25 slots effective July 1, 2019. These slots shall be held as reserve capacity by			
14	the Department of Behavioral Health and Disability <i>Developmental</i> Services (DBHDS) to			
15	address emergency situations. An amount estimated at \$937,237 the first year and \$1,874,475			
16	the second year from the general fund and \$937,237 the first year and \$1,874,475 the second			
17	year from nongeneral funds is provided to cover the anticipated costs of the emergency slots.			
18	DMAS shall seek federal approval for necessary changes to the CL waiver to add the			
19	additional slots. Beginning July 1, 2018, DBHDS shall provide a quarterly report on the use			
20	of the emergency slot provided in this paragraph.			
21	e. In addition to the new slots added in 4.b., the Department of Medical Assistance Services			
22	shall amend the FIS waiver to add 326 new slots effective July 1, 2019 to address the Priority			
23	One waiting list. An amount estimated at \$5,000,000 from the general fund and \$5,000,000			
24	from nongeneral funds the second year is provided to cover the anticipated costs of the			
25	additional slots.			
26	f. The Department of Medical Assistance Services, in collaboration with the Department of			
27	Behavioral Health and Disability Services, shall separately track all costs, placements and			
28	services associated with the additional slots added in paragraphs I.4.a., I.4.b., and I.4.c. of this			
29	Item. By October 1 of each year, the department shall report this data to the Chairmen of the			
30	House Appropriations and Senate Finance Committees and the Director, Department of			
31	Planning and Budget.			
32	J. The Department of Medical Assistance Services and the Virginia Department of Health			
33	shall work with representatives of the dental community: to expand the availability and			
34	delivery of dental services to pediatric Medicaid recipients; to streamline the administrative			
35	processes; and to remove impediments to the efficient delivery of dental services and			
36	reimbursement thereof. The Department of Medical Assistance Services shall report its efforts			
37	to expand dental services to the Chairmen of the House Appropriations and Senate Finance			
38	Committees and the Director, Department of Planning and Budget by December 15 each year.			
39	K. The Department of Medical Assistance Services shall not require dentists who agree to			
40	participate in the delivery of Medicaid pediatric dental care services, or services provided to			
41	enrollees in the Family Access to Medical Insurance Security (FAMIS) Plan or any variation			
42	of FAMIS, to also deliver services to subscribers enrolled in commercial plans of the			
43	managed care vendor, unless the dentist is a willing participant in the commercial managed			
44	care plan.			
45	L. The Department of Medical Assistance Services shall implement continued enhancements			
46	to the drug utilization review (DUR) program. The department shall continue the Pharmacy			
47	Liaison Committee and the DUR Board. The department shall continue to work with the			
48	Pharmacy Liaison Committee, meeting at least semi-annually, to implement initiatives for the			
49	promotion of cost-effective services delivery as may be appropriate. The department shall			
50	solicit input from the Pharmacy Liaison Committee regarding pharmacy provisions in the			
51	development and enforcement of all managed care contracts. The department shall report on			
52	the Pharmacy Liaison Committee's and the DUR Board's activities to the Board of Medical			
53	Assistance Services and to the Chairmen of the House Appropriations and Senate Finance			
54	Committees and the Department of Planning and Budget no later than December 15 each year			
55	of the biennium.			
56	M.1. The Department of Medical Assistance Services shall have the authority to seek federal			

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1	approval of changes to its Medallion 4.0 waiver.				
2	2. In order to conform the state regulations to the federally approved changes and to				
3	implement the provisions of this Act, the department shall promulgate emergency				
4	regulations to become effective within 280 days or less from the enactment of this Act.				
5	N.1. The Department of Medical Assistance Services shall develop and pursue cost saving				
6	strategies internally and with the cooperation of the Department of Social Services,				
7	Virginia Department of Health, Office of the Attorney General, Children's Services Act				
8	program, Department of Education, Department of Juvenile Justice, Department of				
9	Behavioral Health and Developmental Services, Department for Aging and Rehabilitative				
10	Services, Department of the Treasury, University of Virginia Health System, Virginia				
11	Commonwealth University Health System Authority, Department of Corrections,				
12	federally qualified health centers, local health departments, local school divisions,				
13	community service boards, local hospitals, and local governments, that focus on				
14	optimizing Medicaid claims and cost recoveries. Any revenues generated through these				
15	activities shall be transferred to the Virginia Health Care Fund to be used for the purposes				
16	specified in this Item.				
17	2. The Department of Medical Assistance Services shall retain the savings necessary to				
18	reimburse a vendor for its efforts to implement paragraph. N.1. of this Item. However,				
19	prior to reimbursement, the department shall identify for the Secretary of Health and				
20	Human Resources each of the vendor's revenue maximization efforts and the manner in				
21	which each vendor would be reimbursed. No reimbursement shall be made to the vendor				
22	without the prior approval of the above plan by the Secretary.				
23	O. The Department of Medical Assistance Services shall have the authority to pay				
24	contingency fee contractors, engaged in cost recovery activities, from the recoveries that				
25	are generated by those activities. All recoveries from these contractors shall be deposited				
26	to a special fund. After payment of the contingency fee any prior year recoveries shall be				
27	transferred to the Virginia Health Care Fund. The Director, Department of Medical				
28	Assistance Services, shall report to the Chairmen of the House Appropriations and Senate				
29	Finance Committees the increase in recoveries associated with this program as well as the				
30	areas of audit targeted by contractors by November 1 each year.				
31	P. The Department of Medical Assistance Services in cooperation with the State Executive				
32	Council, shall provide semi-annual training to local Children's Services Act teams on the				
33	procedures for use of Medicaid for residential treatment and treatment foster care services,				
34	including, but not limited to, procedures for determining eligibility, billing,				
35	reimbursement, and related reporting requirements. The department shall include in this				
36	training information on the proper utilization of inpatient and outpatient mental health				
37	services as covered by the Medicaid State Plan.				
38	Q.1. Notwithstanding § 32.1-331.12 et seq., Code of Virginia, the Department of Medical				
39	Assistance Services, in consultation with the Department of Behavioral Health and				
40	Developmental Services, shall amend the State Plan for Medical Assistance Services to				
41	modify the delivery system of pharmaceutical products to include a Preferred Drug List.				
42	In developing the modifications, the department shall consider input from physicians,				
43	pharmacists, pharmaceutical manufacturers, patient advocates, and others, as appropriate.				
44	2.a. The department shall utilize a Pharmacy and Therapeutics Committee to assist in the				
45	development and ongoing administration of the Preferred Drug List program. The				
46	Pharmacy and Therapeutics Committee shall be composed of 8 to 12 members, including				
47	the Commissioner, Department of Behavioral Health and Developmental Services, or his				
48	designee. Other members shall be selected or approved by the department. The				
49	membership shall include a ratio of physicians to pharmacists of 2:1 and the department				
50	shall ensure that at least one-half of the physicians and pharmacists are either direct				
51	providers or are employed with organizations that serve recipients for all segments of the				
52	Medicaid population. Physicians on the committee shall be licensed in Virginia, one of				
53	whom shall be a psychiatrist, and one of whom specializes in care for the aging.				
54	Pharmacists on the committee shall be licensed in Virginia, one of whom shall have				
55	clinical expertise in mental health drugs, and one of whom has clinical expertise in				
56	community-based mental health treatment. The Pharmacy and Therapeutics Committee				
57	shall recommend to the department (i) which therapeutic classes of drugs should be				

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1	subject to the Preferred Drug List program and prior authorization requirements; (ii) specific			
2	drugs within each therapeutic class to be included on the preferred drug list; (iii) appropriate			
3	exclusions for medications, including atypical anti-psychotics, used for the treatment of			
4	serious mental illnesses such as bi-polar disorders, schizophrenia, and depression; (iv)			
5	appropriate exclusions for medications used for the treatment of brain disorders, cancer and			
6	HIV-related conditions; (v) appropriate exclusions for therapeutic classes in which there is			
7	only one drug in the therapeutic class or there is very low utilization, or for which it is not			
8	cost-effective to include in the Preferred Drug List program; and (vi) appropriate grandfather			
9	clauses when prior authorization would interfere with established complex drug regimens that			
10	have proven to be clinically effective. In developing and maintaining the preferred drug list,			
11	the cost effectiveness of any given drug shall be considered only after it is determined to be			
12	safe and clinically effective.			
13	b. The Pharmacy and Therapeutics Committee shall schedule meetings at least semi-annually			
14	and may meet at other times at the discretion of the chairperson and members. At the			
15	meetings, the Pharmacy and Therapeutics committee shall review any drug in a class subject			
16	to the Preferred Drug List that is newly approved by the Federal Food and Drug			
17	Administration, provided there is at least thirty (30) days notice of such approval prior to the			
18	date of the quarterly meeting.			
19	3. The department shall establish a process for acting on the recommendations made by the			
20	Pharmacy and Therapeutics Committee, including documentation of any decisions which			
21	deviate from the recommendations of the committee.			
22	4. The Preferred Drug List program shall include provisions for (i) the dispensing of a 72-			
23	hour emergency supply of the prescribed drug when requested by a physician and a			
24	dispensing fee to be paid to the pharmacy for such supply; (ii) prior authorization decisions to			
25	be made within 24 hours and timely notification of the recipient and/or the prescribing			
26	physician of any delays or negative decisions; (iii) an expedited review process of denials by			
27	the department; and (iv) consumer and provider education, training and information regarding			
28	the Preferred Drug List prior to implementation, and ongoing communications to include			
29	computer access to information and multilingual material.			
30	5. The Preferred Drug List program shall generate savings as determined by the department			
31	that are net of any administrative expenses to implement and administer the program.			
32	6. Notwithstanding § 32.1-331.12 et seq., Code of Virginia, to implement these changes, the			
33	Department of Medical Assistance Services shall promulgate emergency regulations to			
34	become effective within 280 days or less from the enactment of this Act. With respect to such			
35	state plan amendments and regulations, the provisions of § 32.1-331.12 et seq., Code of			
36	Virginia, shall not apply. In addition, the department shall work with the Department of			
37	Behavioral Health and Development Services to consider utilizing a Preferred Drug List			
38	program for its non-Medicaid clients.			
39	7. The Department of Medical Assistance Services shall (i) continually review utilization of			
40	behavioral health medications under the State Medicaid Program for Medicaid recipients; and			
41	(ii) ensure appropriate use of these medications according to federal Food and Drug			
42	Administration (FDA) approved indications and dosage levels. The department may also			
43	require retrospective clinical justification according to FDA approved indications and dosage			
44	levels for the use of multiple behavioral health drugs for a Medicaid patient. For individuals			
45	18 years of age and younger who are prescribed three or more behavioral health drugs, the			
46	department may implement clinical edits that target inefficient, ineffective, or potentially			
47	harmful prescribing patterns in accordance with FDA-approved indications and dosage levels.			
48	8. The Department of Medical Assistance Services shall ensure that in the process of			
49	developing the Preferred Drug List, the Pharmacy and Therapeutics Committee considers the			
50	value of including those prescription medications which improve drug regimen compliance,			
51	reduce medication errors, or decrease medication abuse through the use of medication			
52	delivery systems that include, but are not limited to, transdermal and injectable delivery			
53	systems.			
54	R.1. The Department of Medical Assistance Services may amend the State Plan for Medical			
55	Assistance Services to modify the delivery system of pharmaceutical products to include a			
56	specialty drug program. In developing the modifications, the department shall consider input			

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1	from physicians, pharmacists, pharmaceutical manufacturers, patient advocates, the				
2	Pharmacy Liaison Committee, and others as appropriate.				
3	2. In developing the specialty drug program to implement appropriate care management				
4	and control drug expenditures, the department shall contract with a vendor who will				
5	develop a methodology for the reimbursement and utilization through appropriate case				
6	management of specialty drugs and distribute the list of specialty drug rates, authorized				
7	drugs and utilization guidelines to medical and pharmacy providers in a timely manner				
8	prior to the implementation of the specialty drug program and publish the same on the				
9	department's website.				
10	3. In the event that the Department of Medical Assistance Services contracts with a				
11	vendor, the department shall establish the fee paid to any such contractor based on the				
12	reasonable cost of services provided. The department may not offer or pay directly or				
13	indirectly any material inducement, bonus, or other financial incentive to a program				
14	contractor based on the denial or administrative delay of medically appropriate				
15	prescription drug therapy, or on the decreased use of a particular drug or class of drugs, or				
16	a reduction in the proportion of beneficiaries who receive prescription drug therapy under				
17	the Medicaid program. Bonuses cannot be based on the percentage of cost savings				
18	generated under the benefit management of services.				
19	4. The department shall: (i) review, update and publish the list of authorized specialty				
20	drugs, utilization guidelines, and rates at least quarterly; (ii) implement and maintain a				
21	procedure to revise the list or modify specialty drug program utilization guidelines and				
22	rates, consistent with changes in the marketplace; and (iii) provide an administrative				
23	appeals procedure to allow dispensing or prescribing provider to contest the listed				
24	specialty drugs and rates.				
25	5. The department shall have authority to enact emergency regulations under § 2.2-4011 of				
26	the Administrative Process Act to effect these provisions.				
27	S.1. The Department of Medical Assistance Services shall reimburse school divisions who				
28	sign an agreement to provide administrative support to the Medicaid program and who				
29	provide documentation of administrative expenses related to the Medicaid program 50				
30	percent of the Federal Financial Participation by the department.				
31	2. The Department of Medical Assistance Services shall retain five percent of the Federal				
32	Financial Participation for reimbursement to school divisions for medical and				
33	transportation services.				
34	T. In the event that the Department of Medical Assistance Services decides to contract for				
35	pharmaceutical benefit management services to administer, develop, manage, or				
36	implement Medicaid pharmacy benefits, the department shall establish the fee paid to any				
37	such contractor based on the reasonable cost of services provided. The department may				
38	not offer or pay directly or indirectly any material inducement, bonus, or other financial				
39	incentive to a program contractor based on the denial or administrative delay of medically				
40	appropriate prescription drug therapy, or on the decreased use of a particular drug or class				
41	of drugs, or a reduction in the proportion of beneficiaries who receive prescription drug				
42	therapy under the Medicaid program. Bonuses cannot be based on the percentage of cost				
43	savings generated under the benefit management of services.				
44	U. The Department of Medical Assistance Services, in cooperation with the Department of				
45	Social Services' Division of Child Support Enforcement (DSCE), shall identify and report				
46	third party coverage where a medical support order has required a custodial or				
47	noncustodial parent to enroll a child in a health insurance plan. The Department of				
48	Medical Assistance Services shall also report to the DCSE third party information that has				
49	been identified through their third party identification processes for children handled by				
50	DCSE.				
51	V.1. Notwithstanding the provisions of § 32.1-325.1:1, Code of Virginia, upon identifying				
52	that an overpayment for medical assistance services has been made to a provider, the				
53	Director, Department of Medical Assistance Services shall notify the provider of the				
54	amount of the overpayment. Such notification of overpayment shall be issued within the				
55	earlier of (i) four years after payment of the claim or other payment request, or (ii) four				

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1	years after filing by the provider of the complete cost report as defined in the Department of				
2	Medical Assistance Services' regulations, or (iii) 15 months after filing by the provider of the				
3	final complete cost report as defined in the Department of Medical Assistance Services'				
4	regulations subsequent to sale of the facility or termination of the provider.				
5	2. Notwithstanding the provisions of § 32.1-325.1, Code of Virginia, the director shall issue				
6	an informal fact-finding conference decision concerning provider reimbursement in				
7	accordance with the State Plan for Medical Assistance, the provisions of § 2.2-4019, Code of				
8	Virginia, and applicable federal law. The informal fact-finding conference decision shall be				
9	issued within 180 days of the receipt of the appeal request, except as provided herein. If the				
10	agency does not render an informal fact-finding conference decision within 180 days of the				
11	receipt of the appeal request or, in the case of a joint agreement to stay the appeal decision as				
12	detailed below, within the time remaining after the stay expires and the appeal timeframes				
13	resume, the decision is deemed to be in favor of the provider. An appeal of the director's				
14	informal fact-finding conference decision concerning provider reimbursement shall be heard				
15	in accordance with § 2.2-4020 of the Administrative Process Act (§ 2.2-4020 et seq.) and the				
16	State Plan for Medical Assistance provided for in § 32.1-325, Code of Virginia. The				
17	Department of Medical Assistance Services and the provider may jointly agree to stay the				
18	deadline for the informal appeal decision or for the formal appeal recommended decision of				
19	the Hearing Officer for a period of up to sixty (60) days to facilitate settlement discussions. If				
20	the parties reach a resolution as reflected by a written settlement agreement within the sixty-				
21	day period, then the stay shall be extended for such additional time as may be necessary for				
22	review and approval of the settlement agreement in accordance § 2.2-514 of the Code of				
23	Virginia. Once a final agency case decision has been made, the director shall undertake full				
24	recovery of such overpayment whether or not the provider disputes, in whole or in part, the				
25	informal fact-finding conference decision or the final agency case decision. Interest charges				
26	on the unpaid balance of any overpayment shall accrue pursuant to § 32.1-313, Code of				
27	Virginia, from the date the Director's agency case decision becomes final.				
28	W. Any hospital that was designated a Medicare-dependent small rural hospital, as defined in				
29	42 U.S.C. §1395ww (d) (5) (G) (iv) prior to October 1, 2004, shall be designated a rural				
30	hospital pursuant to 42 U.S.C. §1395ww (d) (8) (ii) (II) on or after September 30, 2004.				
31	X.1. The Department of Medical Assistance Services shall make programmatic changes in the				
32	provision of Intensive In-Home services and Community Mental Health services in order to				
33	ensure appropriate utilization and cost efficiency. The department shall consider all available				
34	options including, but not limited to, prior authorization, utilization review and provider				
35	qualifications. The Department of Medical Assistance Services shall promulgate regulations				
36	to implement these changes within 280 days or less from the enactment date of this Act.				
37	2. The Department of Medical Assistance Services shall have the authority to implement prior				
38	authorization and utilization review for community-based mental health services for children				
39	and adults. The department shall have the authority to promulgate emergency regulations to				
40	implement this amendment within 280 days or less from the enactment of this Act.				
41	Y. The Department of Medical Assistance Services shall delay the last quarterly payment of				
42	certain quarterly amounts paid to hospitals, from the end of each state fiscal year to the first				
43	quarter of the following year. Quarterly payments that shall be delayed from each June to				
44	each July shall be Disproportionate Share Hospital payments, Indirect Medical Education				
45	payments, and Direct Medical Education payments. The department shall have the authority				
46	to implement this reimbursement change effective upon passage of this Act, and prior to the				
47	completion of any regulatory process undertaken in order to effect such change.				
48	Z. The Department of Medical Assistance Services shall make the monthly capitation				
49	payment to managed care organizations for the member months of each month in the first				
50	week of the subsequent month. The department shall have the authority to implement this				
51	reimbursement schedule change effective upon passage of this Act, and prior to the				
52	completion of any regulatory process undertaken in order to effect such change.				
53	AA. In every June the remittance that would normally be paid to providers on the last				
54	remittance date of the state fiscal year shall be delayed one week longer than is normally the				
55	practice. This change shall apply to the remittances of Medicaid and FAMIS providers. This				
56	change does not apply to providers who are paid a per-month capitation payment. The				
57	department shall have the authority to implement this reimbursement change effective upon				

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1	passage of this Act, and prior to the completion of any regulatory process undertaken in				
2	order to effect such change.				
3	BB. The Department of Medical Assistance Services shall impose an assessment equal to				
4	6.0 percent of revenue on all ICF-ID providers. The department shall determine				
5	procedures for collecting the assessment, including penalties for non-compliance. The				
6	department shall have the authority to adjust interim rates to cover new Medicaid costs as				
7	a result of this assessment.				
8	CC. The Department of Medical Assistance Services shall not adjust rates or the rate				
9	ceiling of residential psychiatric facilities for inflation.				
10	DD. The Department of Medical Assistance Services shall work with the Department of				
11	Behavioral Health and Developmental Services in consultation with the Virginia				
12	Association of Community Services Boards, the Virginia Network of Private Providers,				
13	the Virginia Coalition of Private Provider Associations, and the Association of				
14	Community Based Providers, to establish rates for the Intensive In-Home Service based				
15	on quality indicators and standards, such as the use of evidence-based practices.				
16	EE. The Department of Medical Assistance Services shall seek federal authority through				
17	the necessary waiver(s) and/or State Plan authorization under Titles XIX and XXI of the				
18	Social Security Act to expand principles of care coordination to all geographic areas,				
19	populations, and services under programs administered by the department. The expansion				
20	of care coordination shall be based on the principles of shared financial risk such as shared				
21	savings, performance benchmarks or risk and improving the value of care delivered by				
22	measuring outcomes, enhancing quality, and monitoring expenditures. The department				
23	shall engage stakeholders, including beneficiaries, advocates, providers, and health plans,				
24	during the development and implementation of the care coordination projects.				
25	Implementation shall include specific requirements for data collection to ensure the ability				
26	to monitor utilization, quality of care, outcomes, costs, and cost savings. The department				
27	shall report by November 1 of each year to the Governor and the Chairmen of the House				
28	Appropriations and Senate Finance Committees detailing implementation progress				
29	including, but not limited to, the number of individuals enrolled in care coordination, the				
30	geographic areas, populations and services affected and cost savings achieved. Unless				
31	otherwise delineated, the department shall have authority to implement necessary changes				
32	upon federal approval and prior to the completion of any regulatory process undertaken in				
33	order to effect such change. The intent of this Item may be achieved through several steps,				
34	including, but not limited to, the following:				
35	a. In fulfillment of this Item, the department and the Department of Behavioral Health and				
36	Developmental Services, in collaboration with the Community Services Boards and in				
37	consultation with appropriate stakeholders, shall develop a blueprint for the development				
38	and implementation of a care coordination model for individuals in need of behavioral				
39	health services not currently provided through a managed care organization. The overall				
40	goal of the project is to improve the value of behavioral health services purchased by the				
41	Commonwealth of Virginia without compromising access to behavioral health services for				
42	vulnerable populations. Targeted case management services will continue to be the				
43	responsibility of the Community Services Boards. The blueprint shall: (i) describe the				
44	steps for development and implementation of the program model(s) including funding,				
45	populations served, services provided, timeframe for program implementation, and				
46	education of clients and providers; (ii) set the criteria for medical necessity for community				
47	mental health rehabilitation services; and (iii) include the following principles:				
48	1. Improves value so that there is better access to care while improving equity.				
49	2. Engages consumers as informed and responsible partners from enrollment to care				
50	delivery.				
51	3. Provides consumer protections with respect to choice of providers and plans of care.				
52	4. Improves satisfaction among providers and provides technical assistance and incentives				
53	for quality improvement.				
54	5. Improves satisfaction among consumers by including consumer representatives on				

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1	provider panels for the development of policy and planning decisions.				
2	6. Improves quality, individual safety, health outcomes, and efficiency.				
3	7. Develops direct linkages between medical and behavioral services in order to make it easier				
4	for consumers to obtain timely access to care and services, which could include up to full				
5	integration.				
6	8. Builds upon current best practices in the delivery of behavioral health services.				
7	9. Accounts for local circumstances and reflects familiarity with the community where				
8	services are provided.				
9	10. Develops service capacity and a payment system that reduces the need for involuntary				
10	commitments and prevents default (or diversion) to state hospitals.				
11	11. Reduces and improves the interface of vulnerable populations with local law enforcement,				
12	courts, jails, and detention centers.				
13	12. Supports the responsibilities defined in the Code of Virginia relating to Community				
14	Services Boards and Behavioral Health Authorities.				
15	13. Promotes availability of access to vital supports such as housing and supported				
16	employment.				
17	14. Achieves cost savings through decreasing avoidable episodes of care and hospitalizations,				
18	strengthening the discharge planning process, improving adherence to medication regimens,				
19	and utilizing community alternatives to hospitalizations and institutionalization.				
20	15. Simplifies the administration of acute psychiatric, community mental health rehabilitation,				
21	and medical health services for the coordinating entity, providers, and consumers.				
22	16. Requires standardized data collection, outcome measures, customer satisfaction surveys,				
23	and reports to track costs, utilization of services, and outcomes. Performance data should be				
24	explicit, benchmarked, standardized, publicly available, and validated.				
25	17. Provides actionable data and feedback to providers.				
26	18. In accordance with federal and state regulations, includes provisions for effective and				
27	timely grievances and appeals for consumers.				
28	b. The department may seek the necessary waiver(s) and/or State Plan authorization under				
29	Titles XIX and XXI of the Social Security Act to develop and implement a care coordination				
30	model, that is consistent with the principles in Paragraph a, for individuals in need of				
31	behavioral health services to be effective July 1, 2019. This model may be applied to				
32	individuals on a mandatory basis. The department shall have authority to promulgate				
33	emergency regulations to implement this amendment within 280 days or less from the				
34	enactment date of this Act.				
35	FF. The Department of Medical Assistance Services shall make programmatic changes in the				
36	provision of Residential Treatment Facility (Level C) and Levels A and B residential services				
37	(group homes) for children with serious emotional disturbances in order ensure appropriate				
38	utilization and cost efficiency. The department shall consider all available options including,				
39	but not limited to, prior authorization, utilization review and provider qualifications. The				
40	department shall have authority to promulgate regulations to implement these changes within				
41	280 days or less from the enactment date of this Act.				
42	GG. The Department of Medical Assistance Services, in consultation with the appropriate				
43	stakeholders, shall seek federal authority to implement a pricing methodology to modify or				
44	replace the current pricing methodology for pharmaceutical products as defined in 13 VAC				
45	30- 80-40, including the dispensing fee, with an alternative methodology that is budget neutral				
46	or that creates a cost savings. The department shall have the authority to promulgate				
47	emergency regulations to implement this amendment within 280 days or less from the				
48	enactment of this Act. The department shall have the authority to implement these changes				
49	prior to completion of any regulatory process undertaken in order to effect such change.				

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1	HH. The Department of Medical Assistance Services (DMAS) shall have the authority to				
2	amend the State Plan for Medical Assistance to enroll and reimburse freestanding birthing				
3	centers accredited by the Commission for the Accreditation of Birthing Centers.				
4	Reimbursement shall be based on the Enhanced Ambulatory Patient Group methodology				
5	applied in a manner similar to the reimbursement methodology for ambulatory surgery				
6	centers. The department shall have authority to implement necessary changes upon federal				
7	approval and prior to the completion of any regulatory process undertaken in order to				
8	effect such change.				
9	II. The department may seek federal authority through amendments to the State Plans				
10	under Title XIX and XXI of the Social Security Act, and appropriate waivers to such, to				
11	develop and implement programmatic and system changes that allow expedited				
12	enrollment of Medicaid eligible recipients into Medicaid managed care, most importantly				
13	for pregnant women. The department shall have the authority to promulgate emergency				
14	regulations to implement this amendment within 280 days or less from the enactment date				
15	of this Act.				
16	JJ.1. The Department of Medical Assistance Services, related to appeals administered by				
17	and for the department, shall have authority to amend regulations to:				
18	i. Utilize the method of transmittal of documentation to include email, fax, courier, and				
19	electronic transmission.				
20	ii. Clarify that the day of delivery ends at normal business hours of 5:00 pm.				
21	iii. Eliminate an automatic dismissal against DMAS for alleged deficiencies in the case				
22	summary that do not relate to DMAS's obligation to substantively address all issues				
23	specified in the provider's written notice of informal appeal. A process shall be added, by				
24	which the provider shall file with the informal appeals agent within 12 calendar days of				
25	the provider's receipt of the DMAS case summary, a written notice that specifies any such				
26	alleged deficiencies that the provider knows or reasonably should know exist. DMAS shall				
27	have 12 calendar days after receipt of the provider's timely written notification to address				
28	or cure any of said alleged deficiencies. The current requirement that the case summary				
29	address each adjustment, patient, service date, or other disputed matter identified in the				
30	provider's written notice of informal appeal in the detail set forth in the current regulation				
31	shall remain in force and effect, and failure to file a written case summary with the				
32	Appeals Division in the detail specified within 30 days of the filing of the provider's				
33	written notice of informal appeal shall result in dismissal in favor of the provider on those				
34	issues not addressed by DMAS.				
35	iv. Clarify that appeals remanded to the informal appeal level via Final Agency Decision				
36	or court order shall reset the timetable under DMAS' appeals regulations to start running				
37	from the date of the remand.				
38	v. Clarify the department's authority to administratively dismiss untimely filed appeal				
39	requests.				
40	vi. Clarify the time requirement for commencement of the formal administrative hearing.				
41	vii. Clarify that settlement proposals may be tendered during the appeal process and that				
42	approval is subject to the requirements of § 2.2-514 of the Code of Virginia. The amended				
43	regulations shall develop a framework for the submission of the settlement proposal and				
44	state that the Department of Medical Assistance Services and the provider may jointly				
45	agree to stay the deadline for the informal appeal decision or for the formal appeal				
46	recommended decision of the Hearing Officer for a period of up to sixty (60) days to				
47	facilitate settlement discussions. If the parties reach a resolution as reflected by a written				
48	settlement agreement within the sixty-day period, then the stay shall be extended for such				
49	additional time as may be necessary for review and approval of the settlement agreement				
50	in accordance with law.				
51	2. The Department of Medical Assistance Services shall have authority to promulgate				
52	regulations to implement these changes within 280 days or less from the enactment date of				
53	this Act.				
54	KK. It is the intent of the General Assembly that the implementation and administration of				

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1	the care coordination contract for behavioral health services be conducted in a manner that			
2	insures system integrity and engages private providers in the independent assessment process.			
3	In addition, it is the intent that in the provision of services that ethical and professional			
4	conflicts are avoided and that sound clinical decisions are made in the best interests of the			
5	individuals receiving behavioral health services. As part of this process, the department shall			
6	monitor the performance of the contract to ensure that these principles are met and that			
7	stakeholders are involved in the assessment, approval, provision, and use of behavioral health			
8	services provided as a result of this contract.			
9	LL. The Department of Medical Assistance Services shall amend the State Plan for Medical			
10	Assistance to allow for delivery of notices of program reimbursement or other items referred			
11	to in the regulations related to provider appeals by electronic means consistent with the			
12	Uniform Electronic Transactions Act. The department shall implement this change effective			
13	July 1, 2013, and prior to completion of any regulatory process undertaken in order to effect			
14	such changes.			
15	MM.1. The department shall amend the State Plan for Medical Assistance to reimburse the			
16	price-based operating rate rather than the transition operating rate to any nursing facility			
17	whose licensed bed capacity decreased by at least 30 beds after 2011 and whose occupancy			
18	increased from less than 70 percent in 2011 to more than 80 percent in 2013. The department			
19	shall have the authority to implement this reimbursement change effective July 1, 2015, and			
20	prior to completion of any regulatory process in order to effect such change.			
21	2. Effective July 1, 2017, the department shall amend the State Plan for Medical Assistance to			
22	increase the direct and indirect operating rates under the nursing facility price based			
23	reimbursement methodology by 15 percent for nursing facilities where at least 80 percent of			
24	the resident population have one or more of the following diagnoses: quadriplegia, traumatic			
25	brain injury, multiple sclerosis, paraplegia, or cerebral palsy. In addition, a qualifying facility			
26	must have at least 90 percent Medicaid utilization and a case mix index of 1.15 or higher in			
27	fiscal year 2014. The department shall have the authority to implement this reimbursement			
28	methodology change for rates on or after July 1, 2017, and prior to completion of any			
29	regulatory process in order to effect such change.			
30	3. Effective July 1, 2017 through June 30, 2020, the Department of Medical Assistance			
31	Services shall amend the State Plan for Medical Assistance to pay nursing facilities located in			
32	the former Danville Metropolitan Statistical Area (MSA) the operating rates calculated for the			
33	Other MSA peer group. For purposes of calculating rates under the rebasing effective July 1,			
34	2017, the department shall use the peer groups based on the existing regulations. For future			
35	rebasings, the department shall permanently move these facilities to the Other MSA peer			
36	group. The department shall have the authority to implement this reimbursement change			
37	effective July 1, 2017 and prior to completion of any regulatory process undertaken in order			
38	to effect such change.			
39	NN. The Department of Medical Assistance Services shall amend its State Plan under Title			
40	XIX of the Social Security Act to implement reasonable restrictions on the amount of incurred			
41	dental expenses allowed as a deduction from income for nursing facility residents. Such			
42	limitations shall include: (i) that routine exams and x-rays, and dental cleaning shall be			
43	limited to twice yearly; (ii) full mouth x-rays shall be limited to once every three years; and			
44	(iii) deductions for extractions and fillings shall be permitted only if medically necessary as			
45	determined by the department.			
46	OO. Notwithstanding §32.1-325, et seq. and §32.1-351, et seq. of the Code of Virginia, and			
47	effective upon the availability of subsidized private health insurance offered through a Health			
48	Benefits Exchange in Virginia as articulated through the federal Patient Protection and			
49	Affordable Care Act (PPACA), the Department of Medical Assistance Services shall			
50	eliminate, to the extent not prohibited under federal law, Medicaid Plan First and FAMIS			
51	Moms program offerings to populations eligible for and enrolled in said subsidized coverage			
52	in order to remove disincentives for subsidized private healthcare coverage through publicly-			
53	offered alternatives. To ensure, to the extent feasible, a smooth transition from public			
54	coverage, DMAS shall endeavor to phase out such coverage for existing enrollees once			
55	subsidized private insurance is available through a Health Benefits Exchange in Virginia. The			
56	department shall implement any necessary changes upon federal approval and prior to the			
57	completion of any regulatory process undertaken in order to effect such change.			

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1	PP. The Department of Medical Assistance Services shall have authority to amend the				
2	State Plans for Medical Assistance under Titles XIX and XXI of the Social Security Act,				
3	and any waivers thereof, to implement requirements of the federal Patient Protection and				
4	Affordable Care Act (PPACA) as it pertains to implementation of Medicaid and CHIP				
5	eligibility determination and case management standards and practices, including the				
6	Modified Adjusted Gross Income (MAGI) methodology. The department shall have				
7	authority to implement such standards and practices upon federal approval and prior to the				
8	completion of any regulatory process undertaken in order to effect such change.				
9	QQ. Effective July 1, 2013, the Department of Medical Assistance Services shall establish				
10	a Medicaid Physician and Managed Care Liaison Committee including, but not limited to,				
11	representatives from the following organizations: the Virginia Academy of Family				
12	Physicians; the American Academy of Pediatricians – Virginia Chapter; the Virginia				
13	College of Emergency Physicians; the American College of Obstetrics and Gynecology –				
14	Virginia Section; Virginia Chapter, American College of Radiology; the Psychiatric				
15	Society of Virginia; the Virginia Medical Group Management Association; and the				
16	Medical Society of Virginia. The committee shall also include representatives from each				
17	of the department's contracted managed care organizations and a representative from the				
18	Virginia Association of Health Plans. The committee will work with the department to				
19	investigate the implementation of quality, cost-effective health care initiatives, to identify				
20	means to increase provider participation in the Medicaid program, to remove				
21	administrative obstacles to quality, cost-effective patient care, and to address other matters				
22	as raised by the department or members of the committee. The Committee shall establish				
23	an Emergency Department Care Coordination work group comprised of representatives				
24	from the Committee, including the Virginia College of Emergency Physicians, the				
25	Medical Society of Virginia, the Virginia Hospital and Healthcare Association, the				
26	Virginia Academy of Family Physicians and the Virginia Association of Health Plans to				
27	review the following issues: (i) how to improve coordination of care across provider types				
28	of Medicaid "super utilizers"; (ii) the impact of primary care provider incentive funding on				
29	improved interoperability between hospital and provider systems; and (iii) methods for				
30	formalizing a statewide emergency department collaboration to improve care and				
31	treatment of Medicaid recipients and increase cost efficiency in the Medicaid program,				
32	including recognized best practices for emergency departments. The committee shall meet				
33	semi-annually, or more frequently if requested by the department or members of the				
34	committee. The department, in cooperation with the committee, shall report on the				
35	committee's activities annually to the Board of Medical Assistance Services and to the				
36	Chairmen of the House Appropriations and Senate Finance Committees and the				
37	Department of Planning and Budget no later than October 1 each year.				
38	RR. The Department of Medical Assistance Services shall realign the billable activities				
39	paid for individual supported employment provided under the Medicaid home- and				
40	community-based waivers to be consistent with job development and job placement				
41	services provided through employment services organizations that are reimbursed by the				
42	Department for Aging and Rehabilitative Services. The department shall have the				
43	authority to implement this reimbursement change effective July 1, 2013, and prior to the				
44	completion of any regulatory process undertaken in order to effect such change.				
45	SS.1. The Department of Medical Assistance Services shall seek federal authority through				
46	any necessary waiver(s) and/or State Plan authorization under Titles XIX and XXI of the				
47	Social Security Act to implement a comprehensive value-driven, market-based reform of				
48	the Virginia Medicaid/FAMIS programs.				
49	2. The department is authorized to contract with qualified health plans to offer recipients a				
50	Medicaid benefit package adhering to these principles. Any coordination of non-				
51	traditional behavioral health services covered under contract with qualified health plans or				
52	through other means shall adhere to the principles outlined in paragraph EE.a. This				
53	reformed service delivery model shall be mandatory, to the extent allowed under the				
54	relevant authority granted by the federal government and shall, at a minimum, include (i)				
55	limited high-performing provider networks and medical/health homes; (ii) financial				
56	incentives for high quality outcomes and alternative payment methods; (iii) improvements				
57	to encounter data submission, reporting, and oversight; (iv) standardization of				
58	administrative and other processes for providers; and (v) support of the health information				
59	exchange.				

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1	3. The Department of Medical Assistance Services shall seek reforms to include all remaining				
2	Medicaid populations and services, including long-term care and home- and community-				
3	based waiver services into cost-effective, managed and coordinated delivery systems. The				
4	department shall begin designing the process and obtaining federal authority to transition all				
5	remaining Medicaid beneficiaries into a coordinated delivery system. DMAS shall promulgate				
6	regulations to implement these provisions to be effective within 280 days of its enactment.				
7	The department may implement any changes necessary to implement these provisions prior to				
8	the promulgation of regulations undertaken in order to effect such changes.				
9	4.a. Notwithstanding § 30-347, Code of Virginia, or any other provision of law, no later than				
10	45 days upon the passage of House Bill 5001, the Department of Medical Assistance Services				
11	shall have the authority to (1) amend the State Plan for Medical Assistance under Title XIX of				
12	the Social Security Act, and any waivers thereof, to implement coverage for newly eligible				
13	individuals pursuant to 42 U.S.C. § 1396d(y)(1)[2010] of the Patient Protection and				
14	Affordable Care Act and (2) begin the process of implementing a § 1115 demonstration				
15	project to transform the Medicaid program for newly eligible individuals pursuant to the				
16	provisions of 4.a.(1) and eligible individuals enrolled in the existing Medicaid program. No				
17	later than 150 days from the passage of House Bill 5001, DMAS shall submit the § 1115				
18	demonstration waiver application to CMS for approval. If the State Plan amendments are				
19	affirmatively approved by CMS prior to the submission of the waiver, Medicaid coverage for				
20	newly eligible individuals may be implemented. If the State Plan amendment becomes				
21	effective without affirmative action by CMS, coverage may begin upon submission of the				
22	completed § 1115 demonstration waiver application, per CMS notification, but no later than				
23	January 1, 2019. If the demonstration waiver cannot be completed by 150 days, despite a				
24	good faith effort to complete the application, the department may request an extension from				
25	the Chairmen of the House Appropriations and Senate Finance Committees. The department				
26	shall provide updates on the progress of the State Plan amendments and demonstration waiver				
27	applications to the Chairmen of the House Appropriations and Senate Finance Committees, or				
28	their designees, upon request, and provide for participation in discussions with CMS staff.				
29	The department shall respond to all requests for information from CMS on the State Plan				
30	amendments and demonstration waiver applications in a timely manner.				
31	b. At least 10 days prior to the submission of the application for the waiver of Title XIX of the				
32	Social Security Act, the department shall notify the Chairmen of the House Appropriations				
33	and Senate Finance Committees of such pending application and provide a copy of the				
34	application. If the department receives an official letter from either Chairman raising an				
35	objection about the waiver during the 10-day period, the department shall make all reasonable				
36	attempts to address the objection and modify the waiver(s). If the department receives no				
37	objection, then the application may be submitted. Any waiver specifically authorized				
38	elsewhere in this item is not subject to this provision. Waiver renewals are not subject to the				
39	provisions of this paragraph.				
40	c. The Department of Medical Assistance Services shall include provisions to make referrals				
41	to job training, education and job placement assistance for all unemployed, able-bodied adult				
42	enrollees as allowed under current federal law or regulations through the State Plan				
43	amendments, contracts, or other policy changes. DMAS shall also include provisions to foster				
44	personal responsibility and prepare newly eligible enrollees for participation in commercial				
45	health insurance plans to include use of private health plans, premium support for employer-				
46	sponsored insurance, health and wellness accounts, appropriate utilization of hospital				
47	emergency room services, healthy behavior incentives, and enhanced fraud prevention efforts,				
48	among others through the State Plan amendments, contracts, or other policy changes.				
49	d. The demonstration project shall be designed to empower individuals to improve their health				
50	and well-being and gain employer sponsored coverage or other commercial health insurance				
51	coverage, while simultaneously ensuring the program's long-term fiscal sustainability. The				
52	demonstration project shall include the following elements in the design:				
53	(i) two pathways for eligible individuals with incomes between 100 percent and 138 percent				
54	of the federal poverty level, including income disregards, to obtain health care coverage:				
55	enrollment in an existing Medicaid managed care plan, or premium assistance for the				
56	purchase of employer-sponsored health insurance coverage if cost effective. The plans will				
57	provide a comprehensive benefit package consistent with private market plans, compliant				
58	with all mandated essential health benefits, and inclusive of current Medicaid covered mental				

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1	health and addiction recovery and treatment services. The demonstration shall include (1)			
2	the development of a health and wellness account for eligible individuals, comprised of			
3	participant contributions and state funds to be used to fund the health insurance premiums			
4	and to ensure funds are available for the enrollee to cover out-of-pocket expenses for the			
5	deductible, with the ability to roll over the funds from the account into succeeding years if			
6	not fully used. The monthly premium amount for the enrollee shall be set on a sliding			
7	scale based on monthly income, not to exceed two percent of monthly income, nor be less			
8	than \$1 per month; (2) provisions for demonstration coverage to begin on the first day of			
9	the month following receipt of the premium payment or enrollment due to treatment of an			
10	acute illness; (3) provisions for institution of a grace period for premium payment,			
11	followed by a waiting period before re-enrollment if the premium is not paid by the			
12	participant or if the participant does not maintain continuous coverage; and (4) provisions			
13	to recover premium payments owed to the Commonwealth through debt set-off			
14	collections;			
15	(ii) provisions to enroll newly eligible individuals with incomes between 0 and 100			
16	percent of the federal poverty level, including income disregards, in existing Medicaid			
17	managed care plans with existing Medicaid benefits or in employer-sponsored health			
18	insurance plans, if cost effective. Such newly eligible enrollees shall be subject to existing			
19	Medicaid cost sharing provisions;			
20	(iii) cost-sharing for eligible enrollees with incomes between 100 percent and 138 percent			
21	of the federal poverty level, including income disregards, designed to promote healthy			
22	behaviors such as the avoidance of tobacco use, and to encourage personal responsibility			
23	and accountability related to the utilization of health care services such as the appropriate			
24	use of emergency room services. However, such individuals who also meet the			
25	exemptions listed in (iv) shall not be subject to premium and copayment requirements			
26	more stringent than existing Medicaid law or regulations. Enrollees who comply with			
27	provisions of the demonstration program, including healthy behavior provisions, may			
28	receive a decrease in their monthly premiums and copayments, not to exceed 50 percent.			
29	(iv) the establishment of the Training, Education, Employment and Opportunity Program			
30	(TEEOP) for every able-bodied, working-age adult enrolled in the Medicaid program to			
31	enable enrollees to increase their health and well-being through community engagement			
32	leading to self-sufficiency. The TEEOP program shall not apply to: (1) children under the			
33	age of 18 or individuals under the age of 19 who are participating in secondary education;			
34	(2) individuals age 65 years and older; (3) individuals who qualify for medical assistance			
35	services due to blindness or disability, including individuals who receive services pursuant			
36	to a § 1915 waiver; (4) individuals residing in institutions; (5) individuals determined to			
37	be medically frail; (6) individuals diagnosed with serious mental illness; (7) pregnant and			
38	postpartum women; (8) former foster children under the age of 26; (9) individuals who are			
39	the primary caregiver for a dependent, including a dependent child or adult dependent			
40	with a disability; and (10) individuals who already meet the work requirements of the			
41	TANF or SNAP programs. The TEEOP shall comply with guidance from CMS regarding			
42	such programs and may include other exemptions that may be necessary to achieve the			
43	TEEOP's goals of community engagement and improved health outcomes that are			
44	approved by CMS.			
45	The TEEOP shall include provisions for gradually escalating participation in training,			
46	education, employment and community engagement opportunities through the program as			
47	follows:			
48	a. beginning three months after enrollment, at least 20 hours per month;			
49	b. beginning six months after enrollment, at least 40 hours per month;			
50	c. beginning nine months after enrollment, at least 60 hours per month; and			
51	d. beginning 12 months after enrollment, at least 80 hours per month;			
52	The TEEOP shall also include provisions for satisfaction of the requirement for			
53	participation in training, education, employment and community engagement			
54	opportunities through participation in job skills training; job search activities in			
55	conformity with Virginia Employment and Commission guidelines; education related to			

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1	employment; general education, including participation in a program of preparation for the			
2	General Education Development (GED) certification examination or community college			
3	courses leading to industry certifications or a STEM-H related degree or credential;			
4	vocational education and training; subsidized or unsubsidized employment; community work			
5	experience programs, community service or public service, excluding political activities, that			
6	can reasonably improve work readiness; or caregiving services for a non-dependent relative or			
7	other person with a chronic, disabling health condition. The department may waive the			
8	requirement for participation in employment in areas of the Commonwealth with			
9	unemployment rates equal to or greater than 150 percent of the statewide average; however,			
10	requirements related to training, education and other community engagement opportunities			
11	shall not be waived in any area of the Commonwealth.			
12	The TEEOP shall work with Virginia Workforce Centers or One-Stops to provide services to			
13	Medicaid enrollees. Such services shall include career services for program enrollees, services			
14	to link enrollees with industry certification and credentialing programs, including the New			
15	Economy Workforce Credential Grant Program, and individualized case management			
16	services.			
17	The TEEOP shall, to the extent allowed under federal law, utilize federal and state funding			
18	available through the Centers for Medicare and Medicaid Services, Temporary Assistance for			
19	Needy Families program, the Supplemental Nutrition Assistance Program, the Workforce			
20	Innovation and Opportunity Act, and other state and federal workforce development programs			
21	to support program enrollees.			
22	Unless exempt, enrollees shall be ineligible to receive Medicaid benefits if, during any three			
23	months of the 12-month period beginning on the first day of enrollment, they fail to meet the			
24	TEEOP requirements and they will not be permitted to re-enroll until the end of such 12-			
25	month period, unless the failure to comply or report compliance was the result of a			
26	catastrophic event or circumstances beyond the beneficiary's control. However, enrollees shall			
27	be eligible to re-enroll in the program within such 12-month period upon demonstration of			
28	compliance with the TEEOP requirements.			
29	(v) monitoring and oversight of the use of health care services to ensure appropriate			
30	utilization;			
31	(vi) The Department of Medical Assistance Services shall develop a supportive employment			
32	and housing benefit targeted to high risk Medicaid beneficiaries with mental illness, substance			
33	use disorder, or other complex, chronic conditions who need intensive, ongoing support to			
34	obtain and maintain employment and stable housing.			
35	e. The State Plan amendment and the demonstration waiver program shall include (i) systems			
36	for determining eligibility for participation in the program, (ii) provisions for disenrollment if			
37	federal funding is reduced or terminated, and (iii) provisions for monitoring, evaluating, and			
38	assessing the effectiveness of the waiver program in improving the health and wellness of			
39	program participants and furthering the objectives of the Medicaid program.			
40	f. The department shall have the authority to promulgate emergency regulations to implement			
41	these changes within 280 days or less from the enactment date of House Bill 5001. The			
42	department shall have the authority to implement these changes prior to the completion of any			
43	regulatory process undertake in order to effect such changes.			
44	5. In the event that the increased federal medical assistance percentages for newly eligible			
45	individuals included in 42 U.S.C. § 1396d(y)(1)[2010] of the PPACA are modified through			
46	federal law or regulation from the methodology in effect on January 1, 2014, resulting in a			
47	reduction in federal medical assistance as determined by the department in consultation with			
48	the Department of Planning and Budget, the Department of Medical Assistance Services shall			
49	disenroll and eliminate coverage for individuals who obtained coverage through 42 U.S.C. §			
50	1396d(y)(1) [2010] of the PPACA. The disenrollment process shall include written			
51	notification to affected Medicaid beneficiaries, Medicaid managed care plans, and other			
52	providers that coverage will cease as soon as allowable under federal law following the date			
53	the department is notified of a reduction in Federal Medical Assistance Percentage.			
54	TT. Effective July 1, 2014, the Department of Medical Assistance Services shall replace the			
55	AP-DRG grouper with the APR-DRG grouper for hospital inpatient reimbursement. The			

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1	department shall develop budget neutral case rates and Virginia-specific weights for the			
2	APR-DRG grouper based on the FY 2011 base year. The department shall phase in the			
3	APR-DRG weights by blending in 50 percent of the full APR-DRG weights with 50			
4	percent of FY 2014 AP-DRG weights in the first year and 75 percent of the full APR-			
5	DRG weights with 25 percent of the FY 2014 AP-DRG weights in the second year for			
6	each APR-DRG group and severity. FY 2014 AP-DRG weights shall be calculated as a			
7	weighted average FY 2014 AP-DRG weight for all claims in the base year that group to			
8	each APR-DRG group and severity. Full APR-DRG weights shall be used in the third year			
9	and succeeding years for each APR-DRG group and severity. The department shall have			
10	the authority to implement these reimbursement changes effective July 1, 2014, and prior			
11	to completion of any regulatory process in order to effect such changes.			
12	UU.1. Effective July 1, 2014, the Department of Medical Assistance Services shall replace			
13	the current Disproportionate Share Hospital (DSH) methodology with the following			
14	methodology:			
15	a) DSH eligible hospitals must have a total Medicaid Inpatient Utilization Rate equal to 14			
16	percent or higher in the base year using Medicaid days eligible for Medicare DSH or a			
17	Low Income Utilization Rate in excess of 25 percent and meet other federal requirements.			
18	Eligibility for out of state cost reporting hospitals shall be based on total Medicaid			
19	utilization or on total Medicaid NICU utilization equal to 14 percent or higher.			
20	b) Each hospital's DSH payment shall be equal to the DSH per diem multiplied by each			
21	hospital's eligible DSH days in a base year. Days reported in provider fiscal years in state			
22	FY 2011 will be the base year for FY 2015 prospective DSH payments. DSH will be			
23	recalculated annually with an updated base year. DSH payments are subject to applicable			
24	federal limits.			
25	c) Eligible DSH days are the sum of all Medicaid inpatient acute, psychiatric and			
26	rehabilitation days above 14 percent for each DSH hospital subject to special rules for out			
27	of state cost reporting hospitals. Eligible DSH days for out of state cost reporting hospitals			
28	shall be the higher of the number of eligible days based on the calculation in the first			
29	sentence times Virginia Medicaid utilization (Virginia Medicaid days as a percent of total			
30	Medicaid days) or the Medicaid NICU days above 14 percent times Virginia NICU			
31	Medicaid utilization (Virginia NICU Medicaid days as a percent of total NICU Medicaid			
32	days). Eligible DSH days for out of state cost reporting hospitals who qualify for DSH but			
33	who have less than 12 percent Virginia Medicaid utilization shall be 50 percent of the days			
34	that would have otherwise been eligible DSH days.			
35	d) Additional eligible DSH days are days that exceed 28 percent Medicaid utilization for			
36	Virginia Type Two hospitals (excluding Children's Hospital of the Kings Daughters).			
37	e) The DSH per diem shall be calculated in the following manner:			
38	a. The DSH per diem for Type Two hospitals is calculated by dividing the total Type Two			
39	DSH allocation by the sum of eligible DSH days for all Type Two DSH hospitals. For			
40	purposes of DSH, Type Two hospitals do not include Children's Hospital of the Kings			
41	Daughters (CHKD) or any hospital whose reimbursement exceeds its federal			
42	uncompensated care cost limit. The Type Two Hospital DSH allocation shall equal the			
43	amount of DSH paid to Type Two hospitals in state FY 2014 increased annually by the			
44	percent change in the federal allotment, including any reductions as a result of the			
45	Affordable Care Act, adjusted for the state fiscal year.			
46	b. The DSH per diem for State Inpatient Psychiatric Hospitals is calculated by dividing the			
47	total State Inpatient Psychiatric Hospital DSH allocation by the sum of eligible DSH days.			
48	The State Inpatient Psychiatric Hospital DSH allocation shall equal the amount of DSH			
49	paid in state FY 2013 increased annually by the percent change in the federal allotment,			
50	including any reductions as a result of the Affordable Care Act, adjusted for the state			
51	fiscal year.			
52	c. The DSH per diem for CHKD shall be three times the DSH per diem for Type Two			
53	hospitals.			
54	d. The DSH per diem for Type One hospitals shall be 17 times the DSH per diem for Type			

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1	Two hospitals.				
2	2. Each year, the department shall determine how much Type Two DSH has been reduced as				
3	a result of the Affordable Care Act and adjust the percent of cost reimbursed for outpatient				
4	hospital reimbursement.				
5	3. The department shall convene the Hospital Payment Policy Advisory Council at least once				
6	a year to consider additional changes to the DSH methodology.				
7	4. The department shall have the authority to implement these reimbursement changes				
8	effective July 1, 2014, and prior to completion of any regulatory process in order to effect				
9	such changes.				
10	VV. The Department of Medical Assistance Services shall have authority to amend the State				
11	Plans for Medical Assistance under Titles XIX and XXI of the Social Security Act, and any				
12	waivers thereof, to implement requirements of the federal Patient Protection and Affordable				
13	Care Act (PPACA), P.L. 111-148, as it pertains to implementation of Medicaid and CHIP				
14	eligibility determination and case management standards and practices, including the				
15	Modified Adjusted Gross Income (MAGI) methodology and, notwithstanding the				
16	requirements of Code of Virginia §2.2-4000, et seq., the process for administrative appeals of				
17	MAGI-related eligibility determinations. The department shall have authority to implement				
18	such standards and practices upon federal approval and prior to the completion of any				
19	regulatory process undertaken in order to effect such changes.				
20	WW.1. Notwithstanding § 32.1-330 of the Code of Virginia, the Department of Medical				
21	Assistance Services shall improve the preadmission screening process for individuals who				
22	will be eligible for long-term care services, as defined in the state plan for medical assistance.				
23	The community-based screening team shall consist of a licensed health care professional and				
24	a social worker who are employees or contractors of the Department of Health or the local				
25	department of social services, or other assessors contracted by the department. The				
26	department shall not contract with any entity for whom there exists a conflict of interest. For				
27	community-based screening for children, the screening shall be performed by an individual or				
28	entity with whom the department has entered into a contract for the performance of such				
29	screenings.				
30	2. The department shall track and monitor all requests for screenings and report on those				
31	screenings that have not been completed within 30 days of an individual's request for				
32	screening. The screening teams and contracted entities shall use the reimbursement and				
33	tracking mechanisms established by the department.				
34	3. The Department of Medical Assistance Services shall promulgate regulations to implement				
35	these provisions to be effective within 280 days of its enactment. The department may				
36	implement any changes necessary to implement these provisions prior to the promulgation of				
37	regulations undertaken in order to effect such changes.				
38	XX.1.a. There is hereby appropriated sum-sufficient nongeneral funds for the Department of				
39	Medical Assistance Services (DMAS) to pay the state share of supplemental payments for				
40	qualifying private hospital partners of Type One hospitals (consisting of state-owned teaching				
41	hospitals) as provided in the State Plan for Medical Assistance Services. Qualifying private				
42	hospitals shall consist of any hospital currently enrolled as a Virginia Medicaid provider and				
43	owned or operated by a private entity in which a Type One hospital has a non-majority				
44	interest. The supplemental payments shall be based upon the reimbursement methodology				
45	established for such payments in Attachments 4.19-A and 4.19-B of the State Plan for				
46	Medical Assistance Services. DMAS shall enter into a transfer agreement with any Type One				
47	hospital whose private hospital partner qualifies for such supplemental payments, under				
48	which the Type One hospital shall provide the state share in order to match federal Medicaid				
49	funds for the supplemental payments to the private hospital partner. The department shall				
50	have the authority to implement these reimbursement changes consistent with the effective				
51	date in the State Plan amendment approved by the Centers for Medicare and Medicaid				
52	Services (CMS) and prior to completion of any regulatory process in order to effect such				
53	changes.				
54	b. The department shall adjust capitation payments to Medicaid managed care organizations				
55	for the purpose of securing access to Medicaid hospital services for the qualifying private				

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1	hospital partners of Type One hospitals (consisting of state-owned teaching hospitals).				
2	The department shall revise its contracts with managed care organizations to incorporate				
3	these supplemental capitation payments and provider payment requirements. DMAS shall				
4	enter into a transfer agreement with any Type One hospital whose private hospital partner				
5	qualifies for such supplemental payments, under which the Type One hospital shall				
6	provide the state share in order to match federal Medicaid funds for the supplemental				
7	payments to the private hospital partner. The department shall have the authority to				
8	implement these reimbursement changes consistent with the effective date approved by				
9	the Centers for Medicare and Medicaid Services (CMS). No payment shall be made				
10	without approval from CMS.				
11	2.a. The Department of Medical Assistance Services shall promulgate regulations to make				
12	supplemental payments to Medicaid physician providers with a medical school located in				
13	Eastern Virginia that is a political subdivision of the Commonwealth. The amount of the				
14	supplemental payment shall be based on the difference between the average commercial				
15	rate approved by CMS and the payments otherwise made to physicians. The department				
16	shall have the authority to implement these reimbursement changes consistent with the				
17	effective date in the State Plan amendment approved by CMS and prior to completion of				
18	any regulatory process in order to effect such changes.				
19	b. The department shall increase payments to Medicaid managed care organizations for				
20	the purpose of securing access to Medicaid physician services in Eastern Virginia, through				
21	higher rates to physicians affiliated with a medical school located in Eastern Virginia that				
22	is a political subdivision of the Commonwealth subject to applicable limits. The				
23	department shall revise its contracts with managed care organizations to incorporate these				
24	supplemental capitation payments, and provider payment requirements, subject to				
25	approval by CMS. No payment shall be made without approval from CMS.				
26	c. Funding for the state share for these Medicaid payments is authorized in Item 244.				
27	3.a. The Department of Medical Assistance Services (DMAS) shall have the authority to				
28	amend the State Plan for Medical Assistance Services (State Plan) to implement a				
29	supplemental Medicaid payment for local government-owned nursing homes. The total				
30	supplemental Medicaid payment for local government-owned nursing homes shall be				
31	based on the difference between the Upper Payment Limit of 42 CFR §447.272 as				
32	approved by CMS and all other Medicaid payments subject to such limit made to such				
33	nursing homes. There is hereby appropriated sum-sufficient funds for DMAS to pay the				
34	state share of the supplemental Medicaid payment hereunder. However, DMAS shall not				
35	submit such State Plan amendment to CMS until it has entered into an intergovernmental				
36	agreement with eligible local government-owned nursing homes or the local government				
37	itself which requires them to transfer funds to DMAS for use as the state share for the				
38	supplemental Medicaid payment each nursing home is entitled to and to represent that				
39	each has the authority to transfer funds to DMAS and that the funds used will comply with				
40	federal law for use as the state share for the supplemental Medicaid payment. If a local				
41	government-owned nursing home or the local government itself is unable to comply with				
42	the intergovernmental agreement, DMAS shall have the authority to modify the State				
43	Plan. The department shall have the authority to implement the reimbursement change				
44	consistent with the effective date in the State Plan amendment approved by CMS and prior				
45	to the completion of any regulatory process undertaken in order to effect such change.				
46	b. If by June 30, 2017, the Department of Medical Assistance Services has not secured				
47	approval from the Centers for Medicare and Medicaid Services to use a minimum fee				
48	schedule pursuant to 42 C.F.R. § 438.6(c)(1)(iii) for local government-owned nursing				
49	homes participating in Commonwealth Coordinated Care Plus (CCC Plus) at the same				
50	level as and in lieu of the supplemental Medicaid payments authorized in Section XX.3.a.,				
51	then DMAS shall: (i) exclude Medicaid recipients who elect to receive nursing home				
52	services in local government-owned nursing homes from CCC Plus; (ii) pay for such				
53	excluded recipient's nursing home services on a fee-for-service basis, including the related				
54	supplemental Medicaid payments as authorized herein; and (iii) prohibit CCC Plus				
55	contracted health plans from in any way limiting Medicaid recipients from electing to				
56	receive nursing home services from local government-owned nursing homes. The				
57	department may include in CCC Plus Medicaid recipients who elect to receive nursing				
58	home services in local government-owned nursing homes in the future when it has secured				

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1	federal CMS approval to use a minimum fee schedule as described above.				
2	4. The Department of Medical Assistance Services shall have the authority to amend the State				
3	Plan for Medical Assistance Services to implement a supplemental payment for clinic services				
4	furnished by the Virginia Department of Health (VDH) effective July 1, 2015. The total				
5	supplemental Medicaid payment shall be based on the Upper Payment Limit approved by the				
6	Centers for Medicare and Medicaid Services and all other Medicaid payments. VDH may				
7	transfer general fund to the department from funds already appropriated to VDH to cover the				
8	non-federal share of the Medicaid payments. The department shall have the authority to				
9	implement the reimbursement change effective July 1, 2015, and prior to the completion of				
10	any regulatory process undertaken in order to effect such changes.				
11	5. The Department of Medical Assistance Services shall amend the State Plan for Medical				
12	Assistance to increase the supplemental physician payments for physicians employed at a				
13	freestanding children's hospital serving children in Planning District 8 with more than 50				
14	percent Medicaid inpatient utilization in fiscal year 2014 to the maximum allowed by the				
15	Centers for Medicare and Medicaid Services within the limit of the appropriation provided for				
16	this purpose. The total supplemental Medicaid payment shall be based on the Upper Payment				
17	Limit approved by the Centers for Medicare and Medicaid Services and all other Virginia				
18	Medicaid fee-for-service payments. The department shall have the authority to implement				
19	these reimbursement changes effective July 1, 2016, and prior to the completion of any				
20	regulatory process undertaken in order to effect such change.				
21	6.a. The Department of Medical Assistance Services shall promulgate regulations to make				
22	supplemental Medicaid payments to the primary teaching hospitals affiliated with a Liaison				
23	Committee on Medical Education (LCME) accredited medical school located in Planning				
24	District 23 that is a political subdivision of the Commonwealth and an LCME accredited				
25	medical school located in Planning District 5 that has a partnership with a public university.				
26	The amount of the supplemental payment shall be based on the reimbursement methodology				
27	established for such payments in Attachments 4.19-A and 4.19-B of the State Plan for				
28	Medical Assistance and/or the department's contracts with managed care organizations. The				
29	department shall have the authority to implement these reimbursement changes consistent				
30	with the effective date in the State Plan amendment or the managed care contracts approved				
31	by the Centers for Medicare and Medicaid Services (CMS) and prior to completion of any				
32	regulatory process in order to effect such changes. No payment shall be made without				
33	approval from CMS.				
34	b. Funding for the state share for these Medicaid payments is authorized in Item 244 and Item				
35	4-5.03.				
36	c. Payments authorized in this subsection shall sunset after the effective date of a statewide				
37	supplemental payment for private acute care hospitals authorized in Item 3-5.16. For purposes				
38	of the upper payment limit, the department shall prorate the upper payment limit if the sunset				
39	date is mid-fiscal year. The department shall have the authority to implement this change prior				
40	to the completion of any regulatory process undertaken in order to effect such change.				
41	7. The department shall amend the State plan for Medical Assistance to implement a				
42	supplemental inpatient and outpatient payment for Chesapeake Regional Hospital based on				
43	the difference between reimbursement with rates using an adjustment factor of 100% minus				
44	current authorized reimbursement subject to the inpatient and outpatient Upper Payment				
45	Limits for non-state government owned hospitals. The department shall include in its				
46	contracts with managed care organizations a minimum fee schedule for Chesapeake Regional				
47	Hospital consistent with rates using an adjustment factor of 100%. The department shall				
48	adjust capitation payments to Medicaid managed care organizations to fund this minimum fee				
49	schedule. Both the contract changes and capitation rate adjustments shall be compliant with				
50	42 C.F.R. 438.6(c)(1)(iii) and subject to CMS approval. Prior to submitting the State Plan				
51	Amendment or making the managed care contract changes, Chesapeake Regional Hospital				
52	shall enter into an agreement with the department to transfer the non-federal share for these				
53	payments. The department shall have the authority to implement these reimbursement				
54	changes consistent with the effective date(s) approved by the Centers for Medicare and				
55	Medicaid (CMS). No payments shall be made without CMS approval.				
56	8.a. There is hereby appropriated sum-sufficient nongeneral funds for the department to pay				
57	the state share of supplemental payments for nursing homes owned by Type One hospitals				

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1	(consisting of state-owned teaching hospitals) as provided in the State Plan for Medical				
2	Assistance Services. The total supplemental payment shall be based on the difference				
3	between the Upper Payment Limit of 42 CFR § 447.272 as approved by CMS and all				
4	other Medicaid payments subject to such limit made to such nursing homes. DMAS shall				
5	enter into a transfer agreement with any Type One hospital whose nursing home qualifies				
6	for such supplemental payments, under which the Type One hospital shall provide the				
7	state share in order to match federal Medicaid funds for the supplemental payments. The				
8	department shall have the authority to implement these reimbursement changes consistent				
9	with the effective date in the State Plan amendment approved by CMS and prior to				
10	completion of any regulatory process in order to effect such changes.				
11	b. The department shall adjust capitation payments to Medicaid managed care				
12	organizations to fund a minimum fee schedule compliant with requirements in 42 C.F.R. §				
13	438.6(c)(1)(iii) at a level consistent with the State Plan amendment authorized above for				
14	nursing homes owned by Type One hospitals. The department shall revise its contracts				
15	with managed care organizations to incorporate these supplemental capitation payments				
16	and provider payment requirements. DMAS shall enter into a transfer agreement with any				
17	Type One hospitals whose nursing home qualifies for such supplemental payments, under				
18	which the Type One hospital shall provide the state share in order to match federal				
19	Medicaid funds for the supplemental payments. The department shall have the authority to				
20	implement these reimbursement changes consistent with the effective date approved by				
21	CMS. No payment shall be made without approval from CMS.				
22	YY. The Department of Medical Assistance Services shall amend the State Plan for				
23	Medical Assistance to provide coverage for cessation services for tobacco users, including				
24	pharmacology, group and individual counseling, and other treatment services including				
25	the most current version of or an official update to the Clinical Health Guideline "Treating				
26	Tobacco Use and Dependence" published by the Public Health Service of the U.S.				
27	Department of Health and Human Services. These services shall be subject to copayment				
28	requirements. The department shall have authority to implement this reimbursement				
29	change effective July 1, 2014 and prior to the completion of any regulatory process				
30	undertaken in order to effect such changes.				
31	ZZ. The Department of Medical Assistance Services shall have the authority to implement				
32	Section 1902(a)(10)(A)(i)(IX) of the federal Social Security Act to provide Medicaid				
33	benefits up until the age of 26 to individuals who are or were in foster care at least until				
34	the age of 18 in any state.				
35	AAA.1.a The Department of Medical Assistance Services shall amend the Medicaid				
36	demonstration project (Project Number 11-W-00297/3) to modify eligibility provided				
37	through the project to individuals with serious mental illness to be effective July 1, 2015.				
38	Income eligibility shall be modified to limit services to seriously mentally ill adults with				
39	effective household incomes up to 60 percent of the federal poverty level (FPL). All				
40	individuals enrolled in this Medicaid demonstration project with incomes between 61%				
41	and 100% of the Federal Poverty Level as of May 15, 2015 who continue to meet other				
42	program eligibility rules, shall maintain enrollment in the demonstration until their next				
43	eligibility renewal period or July 1, 2016, whichever comes first. Benefits shall include the				
44	following services: (i) primary care office visits including diagnostic and treatment				
45	services performed in the physician's office, (ii) outpatient specialty care, consultation,				
46	and treatment, (iii) outpatient hospital including observation and ambulatory diagnostic				
47	procedures, (iv) outpatient laboratory, (v) outpatient pharmacy, (vi) outpatient				
48	telemedicine, (vii) medical equipment and supplies for diabetic treatment, (viii) outpatient				
49	psychiatric treatment, (ix) mental health case management, (x) psychosocial rehabilitation				
50	assessment and psychosocial rehabilitation services, (xi) mental health crisis intervention,				
51	(xii) mental health crisis stabilization, (xiii) therapeutic or diagnostic injection, (xiv)				
52	behavioral telemedicine, (xv) outpatient substance abuse treatment services, and (xvi)				
53	intensive outpatient substance abuse treatment services. Care coordination, Recovery				
54	Navigation (peer supports), crisis line and prior authorization for services shall be				
55	provided through the agency's Behavioral Health Services Administrator.				
56	b. The Department of Medical Assistance Services shall amend the Medicaid				
57	demonstration project described in paragraph AAA.1.a. to increase the income eligibility				
58	for adults with serious mental illness from 60 to 80 percent of the federal poverty level				

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1	effective July 1, 2016 and from 80 to 100 percent of the federal poverty level effective			
2	October 1, 2017. Effective October 1, 2017, the department shall amend the Medicaid			
3	demonstration project to include the provision of addiction recovery and treatment services,			
4	including partial day hospitalization and residential treatment services. The department shall			
5	have authority to implement necessary changes upon federal approval and prior to the			
6	completion of any regulatory process undertaken in order to effect such changes.			
7	c. The Department of Medical Assistance Services, in cooperation with the Department of			
8	Social Services and the League of Social Service Executives, shall provide information and			
9	conduct outreach activities with the Department of Corrections and local and regional jails to			
10	increase access to the Medicaid demonstration waiver for individuals with serious mental			
11	illness who are preparing to be released from custody, or are under the supervision of state or			
12	local community corrections programs.			
13	d. The Department of Medical Assistance Services, in cooperation with the Department of			
14	Social Services and the League of Social Service Executives, shall provide information and			
15	conduct outreach activities with the Department of Corrections and local and regional jails to			
16	increase access to the Medicaid demonstration waiver for individuals with serious mental			
17	illness who are preparing to be released from custody, or are under the supervision of state or			
18	local community corrections programs.			
19	2. The Department of Medical Assistance Services is authorized to amend the State Plan			
20	under Title XIX of the Social Security Act to add coverage for comprehensive dental services			
21	to pregnant women receiving services under the Medicaid program to include: (i) diagnostic,			
22	(ii) preventive, (iii) restorative, (iv) endodontics, (v) periodontics, (vi) prosthodontics both			
23	removable and fixed, (vii) oral surgery, and (viii) adjunctive general services.			
24	3. The Department of Medical Assistance Services is authorized to amend the FAMIS MOMS			
25	and FAMIS Select demonstration waiver (No. 21-W-00058/3) for FAMIS MOMS enrollees			
26	to add coverage for dental services to align with pregnant women's coverage under Medicaid.			
27	4. The Department of Medical Assistance Services is authorized to amend the State Plan			
28	under Title XXI of the Social Security Act to plan to allow enrollment for dependent children			
29	of state employees who are otherwise eligible for coverage.			
30	5. The department shall have authority to implement necessary changes upon federal approval			
31	and prior to the completion of any regulatory process undertaken in order to effect such			
32	changes.			
33	BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical			
34	Assistance Services to eliminate the requirement for pending, reviewing and reducing fees for			
35	emergency room claims for 99283 codes. The department shall have the authority to			
36	implement this reimbursement change effective July 1, 2015, and prior to the completion of			
37	any regulatory process undertaken in order to effect such change.			
38	CCC. The Department of Medical Assistance Services shall amend the State Plan for Medical			
39	Assistance to increase the supplemental physician payments for practice plans affiliated with			
40	a freestanding children's hospital with more than 50 percent Medicaid inpatient utilization in			
41	fiscal year 2009 to the maximum allowed by the Centers for Medicare and Medicaid Services.			
42	The department shall have the authority to implement these reimbursement changes effective			
43	July 1, 2015, and prior to completion of any regulatory process undertaken in order to effect			
44	such change.			
45	DDD. The Department of Medical Assistance Services (DMAS) shall amend its July 1, 2016,			
46	managed care contracts in order to conform to the requirement pursuant to House Bill 1942 /			
47	Senate Bill 1262, passed during the 2015 Regular Session, for prior authorization of drug			
48	benefits.			
49	EEE.1. Out of this appropriation, \$1,400,000 the first year and \$2,350,000 the second year			
50	from the general fund and \$1,400,000 the first year and \$2,250,000 the second year from			
51	nongeneral funds shall be used for supplemental payments to fund the second and third years			
52	of graduate medical education for 15 funded slots for residents who began their residencies in			
53	July 2017, the first and second years of graduate medical education of 13 funded slots for			
54	residents beginning their residencies in July 2018, the first year of graduate medical education			

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1	of 20 funded slots for residencies in July 2019, and two one year post graduate fellowships			
2	in July 2019.			
3	2. The supplemental payment for each qualifying residency slot shall be \$100,000			
4	annually minus any Medicare residency payment for which the sponsoring institution is			
5	eligible. For any residency program at a facility whose Medicaid payments are capped by			
6	the Centers for Medicare and Medicaid Services, the supplemental payments for each			
7	qualifying residency slot shall be \$50,000 from the general fund annually minus any			
8	Medicare residency payments for which the residency program is eligible. Supplemental			
9	payments shall be made for up to four years for each qualifying resident. Payments shall			
10	be made quarterly following the same schedule used for other medical education			
11	payments.			
12	3.The Department of Medical Assistance Services shall submit a State Plan amendment			
13	based on the authorization in EEE.1. of this item to make supplemental payments for			
14	graduate medical education residency slots. The supplemental payments are subject to			
15	federal Centers for Medicare and Medicaid Services approval. The department shall have			
16	the authority to promulgate emergency regulations to implement this amendment within			
17	280 days or less from the enactment of this Act.			
18	4.a. Effective July 1, 2017, the department shall make supplemental payments to the			
19	following sponsoring institutions for the specified number of primary care residencies:			
20	Sentara Norfolk General (2 residencies), Carilion Medical Center (6 residencies), Centra			
21	Lynchburg General Hospital (1 residency), Riverside Regional Medical Center (2			
22	residencies), Bon Secours St. Francis Medical Center (2 residencies). The department			
23	shall make supplemental payments to Carilion Medical Center for 2 psychiatry			
24	residencies.			
25	b. Effective July 1, 2018, the department shall make supplemental payments to the			
26	following sponsoring institutions for the specified number of primary care residencies:			
27	Sentara Norfolk General (1 residency), Maryview Hospital (1 residency) and Carilion			
28	Medical Center (6 residencies). The department shall make supplemental payments to			
29	Carilion Medical Center for 2 psychiatric residencies and to Sentara Norfolk General for 1			
30	OB/GYN residency and 2 psychiatric residencies.			
31	c. Effective July 1, 2019, the department shall make supplemental payments to the			
32	following sponsoring institutions for the specified number of primary care residencies:			
33	Sentara Norfolk General (1 residency), Maryview Hospital (1 residency), Carilion			
34	Medical Center (6 residencies), Centra Health (2 residencies), and Riverside Regional			
35	Medical Center (2 residencies). The department shall make supplemental payments to			
36	Inova Fairfax Hospital for 1 General Surgery residency and to Carilion Medical Center for			
37	2 psychiatric residencies. The department shall make supplemental payments to Sentara			
38	Norfolk General for 2 psychiatric residencies, 1 OB/GYN residency, and 2 urology			
39	residencies. The department shall make supplemental payments to the University of			
40	Virginia Health System for a one year fellowship in Addiction Medicine and to the			
41	Virginia Commonwealth University Health System for a one year fellowship in Addiction			
42	Medicine.			
43	5. Preference shall be given for residency slots located in underserved areas. Applications			
44	for slots that involve multiple medical care providers collaborating in training residents			
45	and that involve providing residents the opportunity to train in underserved areas are			
46	encouraged. A majority of the new residency slots funded each year shall be for primary			
47	care. The department shall adopt criteria for primary care, high need specialties and			
48	underserved areas as developed by the Virginia Health Workforce Development			
49	Authority. Beginning July 1, 2018, the department shall also review and consider			
50	applications from non-hospital sponsoring institutions, such as Federally Qualified Health			
51	Centers (FQHCs).			
52	6. If the number of qualifying residency slots exceeds the available number of			
53	supplemental payments, the Virginia Health Workforce Development Authority shall			
54	determine which new residency slots to fund based on priorities developed by the			
55	authority.			
56	7. The sponsoring institution will be eligible for the supplemental payments as long as it			

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1	maintains the number of residency slots in total and by category as a result of the increase.			
2	The sponsoring institutions must certify by June 1 each year that they continue to meet the			
3	criteria for the supplemental payments and report any changes during the year to the number			
4	of residents.			
5	8. The department shall require all sponsoring institutions receiving Medicaid medical			
6	education funding to report annually by September 15 on the number of residents in total and			
7	by specialty/subspecialty. Medical education funding includes payments for graduate medical			
8	education (GME) and indirect medical education (IME).			
9	9. The Virginia Health Workforce Authority shall study options to help institutions in			
10	underserved and rural areas acquire and maintain specialists and instructors vital to maximize			
11	the quality of residency programs and report to the Chairmen of the House Appropriations			
12	and Senate Finance Committees by November 1, 2018.			
13	FFF.1. The Department of Medical Assistance Services, in consultation with the appropriate			
14	stakeholders, shall amend the state plan for medical assistance and/or seek federal authority			
15	through an 1115 demonstration waiver, as soon as feasible, to provide coverage of inpatient			
16	detoxification, inpatient substance abuse treatment, residential detoxification, residential			
17	substance abuse treatment, and peer support services to Medicaid individuals in the Fee-for-			
18	Service and Managed Care Delivery Systems.			
19	2. The Department of Medical Assistance Services shall have the authority to make			
20	programmatic changes in the provision of all Substance Abuse Treatment Outpatient,			
21	Community Based and Residential Treatment services (group homes and facilities) for			
22	individuals with substance abuse disorders in order to ensure parity between the substance			
23	abuse treatment services and the medical and mental health services covered by the			
24	department and to ensure comprehensive treatment planning and care coordination for			
25	individuals receiving behavioral health and substance use disorder services. The department			
26	shall ensure appropriate utilization and cost efficiency, and adjust reimbursement rates within			
27	the limits of the funding appropriated for this purpose based on current industry standards.			
28	The department shall consider all available options including, but not limited to, service			
29	definitions, prior authorization, utilization review, provider qualifications, and reimbursement			
30	rates for the following Medicaid services: substance abuse day treatment for pregnant women,			
31	substance abuse residential treatment for pregnant women, substance abuse case management,			
32	opioid treatment, substance abuse day treatment, and substance abuse intensive outpatient.			
33	Any amendments to the State Plan or waivers initiated under the provisions of this paragraph			
34	shall not exceed funding appropriated in this Act for this purpose. The department shall have			
35	the authority to promulgate regulations to implement these changes within 280 days or less			
36	from the enactment date of this Act.			
37	3. The Department of Medical Assistance Services shall amend the State Plan for Medical			
38	Assistance and any waivers thereof to include peer support services to children and adults			
39	with mental health conditions and/or substance use disorders. The department shall work with			
40	its contractors, the Department of Behavioral Health and Developmental Services, and			
41	appropriate stakeholders to develop service definitions, utilization review criteria and provider			
42	qualifications. Any amendments to the State Plan or waivers initiated under the provisions of			
43	this paragraph shall not exceed funding appropriated in this Act for this purpose. The			
44	department shall have the authority to promulgate regulations to implement these changes			
45	within 280 days or less from the enactment date of this Act.			
46	4. The Department of Medical Assistance Services shall, prior to the submission of any state			
47	plan amendment or waivers to implement paragraphs FFF.1., FFF.2., and FFF.3., submit a			
48	plan detailing the changes in provider rates, new services added, other programmatic changes,			
49	and a certification of budget neutrality to the Director, Department of Planning and Budget			
50	and the Chairmen of the House Appropriation and Senate Finance Committees.			
51	GGG. The Department of Medical Assistances shall amend the State Plan for Medical			
52	Assistance to convert the specialized care rates to a prospective rate consistent with the			
53	existing cost-based methodology by adding inflation to the per diem costs subject to existing			
54	ceilings for direct, indirect and ancillary costs from the most recent settled cost report prior to			
55	the state fiscal year for which the rates are being established. The same inflation adjustment			
56	shall apply to plant costs for specialized care facilities that do not have prospective capital			
57	rates that are based on fair rental value. The department shall use the state fiscal year rate			

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1	methodology recently adopted for regular nursing facilities. Partial year inflation shall be				
2	applied to per diem costs if the provider fiscal year end is different than the state fiscal				
3	year. Ceilings shall also be maintained by state fiscal year. The department shall have the				
4	authority to implement these changes effective July 1, 2016, and prior to completion of				
5	any regulatory process to effect such changes.				
6	HHH. The Department of Medical Assistance Services (DMAS), in consultation with the				
7	appropriate stakeholders, shall seek federal authority via a state plan amendment to cover				
8	low-dose computed tomography (LDCT) lung cancer screenings for high-risk adults. The				
9	department shall promulgate emergency regulations to implement this amendment within				
10	280 days or less from the enactment of this Act.				
11	III. The Department of Medical Assistance Services shall not expend any appropriation for				
12	an approved Delivery System Reform Incentive Program (DSRIP) §1115 waiver unless				
13	the General Assembly appropriates the funding. The department shall notify the Chairmen				
14	of the House Appropriations and Senate Finance Committees within 15 days of any final				
15	negotiated waiver agreement with the Centers for Medicare and Medicaid Services.				
16	JJJ. Effective July 1, 2017, the Department of Medical Assistance Services shall amend				
17	the managed care regulations to specify that all contracts with health plans in a Medicaid				
18	managed care delivery model, including long-term services and supports, require				
19	reimbursement to nursing facility and specialized care services at no less than the				
20	Medicaid established per diem rate for Medicaid covered days, using the department's				
21	methodologies, unless the managed care organization and the nursing facility or				
22	specialized care services provider mutually agree to an alternative payment. The				
23	department shall have authority to implement this provision prior to the completion of any				
24	regulatory process in order to effect such change.				
25	KKK.1. The Department of Medical Assistance Services shall monitor the capacity				
26	available under the Upper Payment Limit (UPL) for all hospital supplemental payments				
27	and adjust payments accordingly when the UPL cap is reached. The department shall				
28	make an adjustment to stay under the UPL cap by reducing or eliminating as necessary				
29	supplemental payments to hospitals based on when the first supplemental payments were				
30	actually made so that the newest supplemental payments to hospitals would be impacted				
31	first and so on.				
32	2. The Department of Medical Assistance Services shall have the authority to implement				
33	reimbursement changes deemed necessary to meet the requirements of this paragraph prior				
34	to the completion of any regulatory process in order to effect such changes.				
35	LLL.1By October 1, 2019, the Department of Medical Assistance Services shall require				
36	consumer-directed aides providing personal care, respite care and companion services in				
37	the Medicaid Commonwealth Coordinated Care (CCC) Plus Waiver and Developmental				
38	Disability waiver programs and the Early and Periodic Screening Diagnosis and Treatment				
39	(EPSDT) program to utilize an Electronic Visit Verification (EVV) system. The				
40	department is authorized to contract with a vendor to provide access to an EVV system for				
41	use by consumer-directed aides.				
42	2. For personal care, respite care and companion services agencies, the department shall				
43	work with the appropriate stakeholders to develop standards for electronic visit				
44	verification systems and certification requirements to ensure EVV systems used by such				
45	agencies meet all federal requirements and are capable of providing the necessary data the				
46	department may require.				
47	3. Nothing stated above shall apply to respite services provided by a DBHDS licensed				
48	provider in a DBHDS licensed program site such as a group home, sponsored residential				
49	home, supervised living, supported living or similar facility/location licensed to provide				
50	respite, as allowed by the Centers for Medicare and Medicaid.				
51	4. The department shall ensure that implementation of electronic visit verification				
52	complies with all requirements of the federal Centers of Medicare and Medicaid Services.				
53	The department shall have authority to implement these provisions prior to the completion				
54	of any regulatory process in order to effect such changes.				

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1	MMM.I. Effective July 1, 2017, the Department of Medical Assistance Services shall amend				
2	the State Plan for Medical Assistance to increase the formula for indirect medical education				
3	(IME) for freestanding children's hospitals with greater than 50 percent Medicaid utilization				
4	in 2009 as a substitute for DSH payments. The formula for these hospitals for indirect medical				
5	education for inpatient hospital services provided to Medicaid patients but reimbursed by				
6	capitated managed care providers shall be identical to the formula for Type One hospitals.				
7	The IME payments shall continue to be limited such that total payments to freestanding				
8	children's hospitals with greater than 50 percent Medicaid utilization do not exceed the federal				
9	uncompensated care cost limit to which disproportionate share hospital payments are				
10	subject,excluding third party reimbursement for Medicaid eligible patients. The department				
11	shall have the authority to implement these changes effective July 1, 2017, and prior to				
12	completion of any regulatory action to effect such changes.				
13	<i>2. The Department of Medical Assistance Services (DMAS) shall have the authority to create</i>				
14	<i>additional hospital supplemental payments for freestanding children's hospitals with greater</i>				
15	<i>than 50 percent Medicaid utilization in 2009 to replace payments that have been reduced due</i>				
16	<i>to the federal regulation on the definition of uncompensated care costs effective June 2, 2017.</i>				
17	<i>These new payments shall equal what would have been paid to the freestanding children's</i>				
18	<i>hospitals under the current disproportionate share hospital (DSH) formula without regard to</i>				
19	<i>the uncompensated care cost limit. These additional hospital supplemental payments shall</i>				
20	<i>take precedence over supplemental payments for private acute care hospitals. If the federal</i>				
21	<i>regulation is voided, DMAS shall continue DSH payments to the impacted hospitals and</i>				
22	<i>adjust the additional hospital supplemental payments authorized in this paragraph</i>				
23	<i>accordingly. The department shall have the authority to implement these changes prior to</i>				
24	<i>completion of any regulatory process undertaken in order to effectuate such change.</i>				
25	NNN. Effective July 1, 2019, the Department of Medical Assistance Services shall increase				
26	the rates for agency and consumer directed personal care, respite and companion services in				
27	the home and community based services waivers and Early Periodic Screening, and Diagnosis				
28	and Treatment (EPSDT) program by two percent. The department shall have the authority to				
29	implement these changes prior to completion of any regulatory process undertaken in order to				
30	effect such change.				
31	OOO. The Department of Planning and Budget, in cooperation with the Department of				
32	Medical Assistance Services, the Department of Social Services and other agencies as				
33	necessary, shall transfer appropriations across items, service areas and agencies within the				
34	budget to properly account for the costs and savings of the implementation of Medicaid				
35	coverage of newly eligible individuals pursuant to the Patient Protection and Affordable Care				
36	Act, including the Training, Education, Employment and Opportunity Program (TEEOP),				
37	consistent with the intent of the General Assembly.				
38	PPP. For the period beginning September 1, 2016 until 180 days after publication and				
39	distribution of the Developmental Disabilities Waivers provider manual by the Department of				
40	Medical Assistance Services (DMAS), retraction of payment from Developmental Disabilities				
41	Waivers providers following an audit by DMAS or one of its contractors is only permitted				
42	when the audit points identified are supported by the Code of Virginia, regulations, DMAS				
43	general providers manuals, or DMAS Medicaid Memos in effect during the date of services				
44	being audited.				
45	QQQ. The Department of Medical Assistance Services shall review of the rates paid to				
46	residential psychiatric treatment facilities and determine if those rates are appropriate for				
47	those facilities. The department shall require residential psychiatric treatment facilities to				
48	submit cost reports to be used to conduct its review. The department shall report its findings				
49	to the Chairmen of the House Appropriations and Senate Finance Committees by October 1,				
50	2019.				
51	RRR. The Department of Medical Assistance Services shall submit a report annually on all				
52	supplemental payments made to hospitals through the Medicaid program. This report shall				
53	include information for each hospital and by type of supplemental payment (Disproportionate				
54	Share Hospital, Graduate Medical Education, Indirect Medical Education, Upper Payment				
55	Limit program, and others). The report shall include total Medicaid payments from all sources				
56	and calculate the percent of overall payments that are supplemental payments. Furthermore, it				
57	shall include a description of each type of supplemental payment and the methodology used to				

ITEM 303.	Item Details(\$)		Appropriations(\$)	
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1	calculate the payments. Each report shall reflect the data for the prior three fiscal years and			
2	shall be submitted to the Chairmen of the House Appropriations and Senate Finance			
3	Committees by September 1 each year.			
4	SSS. Effective July 1, 2018, the Department of Medical Assistance Services shall amend			
5	the State Plan for Medical Assistance to make the following changes. The department			
6	shall: (i) eliminate eligibility for Disproportionate Share Hospital (DSH) payments for			
7	Children's National Medical Center (CNMC); (ii) increase the annual indirect medical			
8	education (IME) payments for CNMC by the amount of DSH the hospital was eligible for			
9	in fiscal year 2018; and (iii) reduce the Type 2 DSH allocation by this same amount. The			
10	department shall have the authority to implement these changes effective July 1, 2018, and			
11	prior to completion of any regulatory action to effect such change.			
12	TTT.1. The Department of Medical Assistance Services shall work with stakeholders to			
13	review and adjust medical necessity criteria for Medicaid-funded nursing services			
14	including private duty nursing, skilled nursing, and home health. The department shall			
15	adjust the medical necessity criteria to reflect advances in medical treatment, new			
16	technologies, and use of integrated care models including behavioral supports. The			
17	department shall have the authority to amend the necessary waiver(s) and the State Plan			
18	under Titles XIX and XXI of the Social Security Act to include changes to services			
19	covered, provider qualifications, medical necessity criteria, and rates and rate			
20	methodologies for private duty nursing. The adjustments to these services shall meet the			
21	needs of members and maintain budget neutrality by not requiring any additional			
22	expenditure of general fund beyond the current projected appropriation for such nursing			
23	services.			
24	2. The department shall have authority to implement these changes to be effective July 1,			
25	2019. The department shall also have authority to promulgate any emergency regulations			
26	required to implement these necessary changes within 280 days or less from the enactment			
27	dated of this act. The department shall submit a report and estimates of any projected cost			
28	savings to the Chairmen of the House Appropriations and Senate Finance Committees 30			
29	days prior to implementation of such changes.			
30	3. The department shall work with stakeholders to review changes to services covered,			
31	provider qualifications, rates and rate methodologies for private duty nursing services, and			
32	make recommendations to the Chairmen of the House Appropriations and Senate Finance			
33	Committees by December 15, 2018.			
34	UUU. Effective July 1, 2018, the Department of Medical Assistance Services shall explore			
35	private sector technology based platforms and service delivery options to allow qualified,			
36	licensed providers to deliver the Consumer-Directed Agency with Choice model in the			
37	Commonwealth of Virginia. The department shall work with stakeholders to examine this			
38	model of care and assess the changes that would be required including the services			
39	covered, provider qualifications, medical necessity criteria, reimbursement methodologies			
40	and rates to implement the model. The department shall submit a report on its findings to			
41	the Chairmen of the House Appropriations and Senate Finance Committees by December			
42	1, 2018.			
43	VVV. Effective July 1, 2019, the department shall amend the State Plan for Medical			
44	Assistance to clarify payment rules for new nursing homes or renovations that qualify for			
45	mid-year rate adjustments, to include the following:			
46	1. For any facility whose Fair Rental Value report has less than 12 months of experience,			
47	the department shall develop an occupancy schedule that represents average statewide			
48	occupancy by month of operation for use in calculating the per diem rate in lieu of a			
49	minimum occupancy requirement or actual occupancy.			
50	2. Any new beds or renovations placed in service between the reporting year and the rate			
51	year shall be treated as a mid-year rate adjustment. No new rate will be made after April			
52	30. Rate updates that fall between May 1 and June 30 shall be effective July 1 of the same			
53	year.			
54	3. The department shall annualize real estate taxes, property taxes and property insurance			
55	costs that do not represent a full year's cost.			

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1	4. Costs shall be based on currently available documentation at the time but are subject to				
2	audit. The department may use any reasonable method to estimate costs for which there is				
3	inadequate documentation. Any adjustments based on subsequent documentation or audit for				
4	a current rate year shall be applied beginning with the next rate year.				
5	5. The department shall have 15 days from the date of the provider's submission to determine				
6	if the filing is complete for purposes of setting a rate for a new or renovated facility. The				
7	facility shall have 15 days from the date the filing is deemed incomplete to submit the				
8	required information. The deadline for setting the rate shall be extended for 30 days after the				
9	filing is deemed complete.				
10	6. Providers may propose a phased renovation subject to approval by the department. The				
11	phased renovation may include reductions to available beds. Any modifications to the				
12	proposed renovation are also subject to approval by the department.				
13	7. The department shall have the authority to implement these reimbursement changes				
14	effective July 1, 2019 and prior to the completion of any regulatory process undertaken in				
15	order to effect such change.				
16	WWW. The Department of Medical Assistance Services shall amend the State Plan for				
17	Medical Assistance and any relevant waivers thereof to modify reimbursement for Hospice				
18	services provided to patients residing in facilities to include at least 100 percent of the				
19	relevant Medicaid facility rate for that individual, a component commonly referred to as				
20	"room and board." To the extent allowed under federal law and regulation, the Department				
21	shall further amend the State plan and/or relevant waivers thereof to pay this "room and				
22	board" rate in effect with no discount applied to the facility directly, thus eliminating the				
23	Hospice from its role in passing-through this facility payment to the facility. To the extent				
24	federal approval of this direct payment component is dependent on whether it is in the State				
25	Plan or in relevant waivers, the Department shall implement the direct payment where federal				
26	approval is achieved. The department shall have authority to implement these changes				
27	effective July 1, 2019 and prior to the completion of any regulatory process undertaken in				
28	order to effect such change.				
29	XXX. Effective July 1, 2019, the Department of Medical Assistance Services shall increase				
30	the telehealth originating site facility fee to 100 percent of the Medicare rate and shall reflect				
31	changes annually based on any changes in the Medicare rate. The department shall exempt				
32	Federally Qualified Health Centers and Rural Health Centers from this reimbursement				
33	change. The department shall have the authority to implement these changes prior to				
34	completion of any regulatory process undertaken in order to effect such change.				
35	YYY.1. The Department of Medical Assistance Services shall work with the Department of				
36	Behavioral Health and Developmental Services and stakeholders to develop the continuum of				
37	evidence-based, trauma-informed, and cost-effective mental health services recommended by				
38	the University of Colorado Farley Center for Health Policy that will result in the best				
39	outcomes for Medicaid and FAMIS members. This continuum shall include community				
40	mental health rehabilitation services (including early intervention services) and integrated				
41	behavioral health in primary care and school settings.				
42	2. The department shall develop the necessary waiver(s) and the State Plan amendments under				
43	Titles XIX and XXI of the Social Security Act to fulfill this item, including but not limited to,				
44	changes to the medical necessity criteria, services covered, provider qualifications, and				
45	reimbursement methodologies and rates for Community Mental Health and Rehabilitation				
46	Services. The department shall work with its contractors, the Department of Behavioral				
47	Health and Developmental Services, and appropriate stakeholders to develop service				
48	definitions, utilization review criteria, provider qualifications, and rates and reimbursement				
49	methodologies. The department shall also work with its actuary to model the fiscal impact of				
50	the proposed continuum.				
51	3. Prior to the submission of any state plan amendment or waivers to implement these				
52	changes, the Department of Medical Assistance Services and Department of Behavioral				
53	Health and Developmental Services shall submit a plan detailing the changes in provider				
54	rates, new services added and any other programmatic or cost changes to the Chairmen of the				
55	House Appropriations and Senate Finance Committees. The departments shall submit this				
56	report no later than December 1, 2019.				

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1	4. Upon approval of the 2020 General Assembly and the federal Centers for Medicare and				
2	Medicaid Services, the department shall have authority to implement these changes.				
3	ZZZ. The Department of Medical Assistance Services shall amend the State Plan for				
4	Medical Assistance to increase reimbursement for Critical Access Hospitals by using an				
5	adjustment factor or percent of cost reimbursement of 100% for inpatient operating and				
6	capital rates and outpatient rates effective July 1, 2019. The department shall have the				
7	authority to implement these changes effective July 1, 2019 and prior to completion of any				
8	regulatory action to effect such change.				
9	AAAA. The Department of Medical Assistance Services shall pursue any and all				
10	alternatives and cost based reimbursement models to allow a private hospital in rural				
11	Southwest Virginia that has closed in the last five years to recoup capital startup costs and				
12	minimize operating losses for the next five years, including but not limited to optimizing				
13	federal matching dollars in accordance with federal law.				
14	BBBB. The Department of Medical Assistance Services and the Department of Behavioral				
15	Health and Developmental Services shall recognize the Certified Employment Support				
16	Professional (CESP) and Association of Community Rehabilitation Educators (ACRE)				
17	certifications in lieu of competency requirements for supported employment staff in the				
18	Medicaid Community Living, Family and Individual Support and Building Independence				
19	Waiver programs and shall allow providers that are Department for the Aging and				
20	Rehabilitative Services vendors that hold a national three-year accreditation from the				
21	Commission on Accreditation of Rehabilitation Facilities (CARF) to be deemed qualified				
22	to meet employment staff competency requirements, provided the provider submits the				
23	results from their CARF surveys including recommendations received to the Department				
24	of Behavioral Health and Developmental Services so that the agency can verify that there				
25	are no recommendations for the standards that address staff competency.				
26	CCCC. Effective July 1, 2019, the Department of Medical Assistance Services shall				
27	amend the State Plan for Medical Assistance to increase the practitioner rates for primary				
28	care services by five percent and rates for Emergency Department services by one percent				
29	to reflect the equivalent of 70 percent of the 2018 Medicare rates. The department shall				
30	ensure through its contracts with managed care organizations that the rate increase is				
31	reflected in their rates to providers. The department shall have the authority to implement				
32	these reimbursement changes prior to the completion of the regulatory process.				
33	DDDD. Effective July 1, 2019, the Department of Medical Assistance Services shall				
34	amend the State Plan for Medical Assistance to create a separate service category for				
35	psychiatric services and to increase practitioner rates for psychiatric services by 21 percent				
36	to reflect the equivalent of 100 percent of the 2018 Medicare rates. All practitioners who				
37	bill these services shall receive new rates. The department shall have the authority to				
38	implement these reimbursement changes prior to the completion of the regulatory process.				
39	EEEE. The Department of Medical Assistance Services shall develop a methodology for				
40	Disproportionate Share Hospital (DSH) payments that recognizes and creates incentives				
41	for private hospitals in providing medical services for individuals subject to temporary				
42	detention orders (TDOs). The methodology shall factor in utilization related to TDOs in				
43	the DSH methodology. The department shall have the authority to modify the State Plan				
44	for Medical Assistance and to implement the changes in the DSH methodology effective				
45	January 1, 2019 and prior to the completion of the regulatory process. The department				
46	shall report on the details of the methodology, and the potential impact on allocations to				
47	hospitals, to the Chairmen of the House Appropriations and Senate Finance Committees				
48	by December 1, 2019.				
49	FFFF. Notwithstanding any other provision of law, any unexpended general fund				
50	appropriation remaining in this item on the last day of each fiscal year shall revert to the				
51	general fund and shall not be reappropriated in the following fiscal year.				
52	GGGG. The Department of Medical Assistance Services shall amend its contracts with				
53	managed care organizations to require written notification and training to agency-directed				
54	personal care providers at least 60 days prior to the implementation of all changes to				
55	Quality Management Review and prior authorization policies and processes consistent				

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1	with state and federal regulations.				
2	304. Not set out.				
3	305. Medical Assistance Services for Low Income				
4	Children (46600).....			\$187,688,174	\$204,876,631
5					\$199,730,527
6	Reimbursements for Medical Services Provided to				
7	Low-Income Children (46601).....	\$187,688,174	\$204,876,631		
8			\$199,730,527		
9	Fund Sources: General.....	\$21,802,581	\$40,866,198		
10			\$39,882,173		
11	Federal Trust.....	\$165,885,593	\$164,010,433		
12			\$159,848,354		
13	Authority: Title 32.1, Chapters 9, 10 and 13, Code of Virginia; P.L. 89-97, as amended, Titles				
14	XIX and XXI, Social Security Act, Federal Code.				
15	To the extent that appropriations in this Item are insufficient, the Department of Planning and				
16	Budget shall transfer general fund appropriation, as needed, from Children's Health Insurance				
17	Program Delivery (44600) and Medicaid Program Services (45600), if available, into this				
18	Item to be used as state match for federal Title XXI funds.				
19	306. Not set out.				
20	307. Not set out.				
21	Total for Department of Medical Assistance Services.			\$12,602,316,686	\$15,705,558,966
22					\$15,139,171,470
23	General Fund Positions.....	257.52	259.52		
24	Nongeneral Fund Positions.....	273.48	275.48		
25	Position Level.....	531.00	535.00		
26	Fund Sources: General.....	\$5,008,158,914	\$5,159,981,592		
27			\$4,905,164,791		
28	Special.....	\$2,305,332	\$2,334,320		
29	Dedicated Special Revenue.....	\$701,952,445	\$1,097,071,653		
30			\$1,149,011,487		
31	Federal Trust.....	\$6,889,899,995	\$9,446,171,401		
32			\$9,082,660,872		
33	§ 1-13. DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENTAL SERVICES (720)				
34	308. Not set out.				
35	309. A. It is the intent of the General Assembly that the Department of Behavioral Health and				
36	Developmental Services proceed in transforming its system of care into a model that				
37	embodies best practices and state-of-the art services. The consumer-driven system of services				
38	and supports shall promote self-determination, empowerment, recovery, resilience, health,				
39	and the highest possible level of consumer participation in all aspects of community life. The				
40	transformed system shall include investments in a suitable array and adequate quantity of				
41	community-based services, with an emphasis on consumer choice and the appropriate use of				
42	facility resources. State facilities shall be redesigned to ensure high quality care, efficient				
43	operation, and capacity necessary for persons most in need of such care. Amounts authorized				
44	herein, and in related legislation, shall be used to support the transformation of the system of				
45	care and to promote the provision of behavioral health and developmental services in the most				
46	efficient and appropriate setting. The Department of Behavioral Health and Developmental				
47	Services may consider the use of public-private partnerships to deliver behavioral health and				
48	intellectual disability services as part of the comprehensive behavioral health and intellectual				
49	disability system of care, in facilities that are being planned for renovation or replacement.				
50	These partnerships may include contracts with private entities for facility operations, unless				
51	the Department of Behavioral Health and Developmental Services can demonstrate that				

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1	continued state operation of the facility is at least as cost effective and provides at least an				
2	equivalent or higher level quality care than operation by a private entity.				
3	B. Notwithstanding any law to the contrary, on July 1, of each year, excluding July 1,				
4	2019, the State Comptroller shall transfer to the general fund any special revenue fund				
5	balance accumulated by the Department of Behavioral Health and Developmental				
6	Services in excess of \$25,000,000. <i>Any special revenue fund allotted for the</i>				
7	<i>implementation of electronic health records shall not be counted in the balance.</i>				
8	C.1. Notwithstanding §4-5.10, §4-5.09 of this Act and paragraph C. of § 2.2-1156, Code				
9	of Virginia, the Department of Behavioral Health and Developmental Services is hereby				
10	authorized to deposit the entire proceeds of the sales of surplus land at state-owned				
11	behavioral health and intellectual disability facilities into a revolving trust fund. The trust				
12	fund may initially be used for expenses associated with restructuring such facilities.				
13	Remaining proceeds after such expenses shall be dedicated to continuing services for				
14	current patients as facility services are restructured. Thereafter, the fund will be used to				
15	enhance services to individuals with mental illness, intellectual disability and substance				
16	abuse problems.				
17	2. Expenditures from the Behavioral Health and Developmental Services Trust Fund shall				
18	be subject to appropriation through an appropriations bill passed by the General				
19	Assembly.				
20	3. Any remaining balances in the Behavioral Health and Developmental Services Trust				
21	Fund shall be carried forward to the subsequent fiscal year.				
22	D. Any funds appropriated in this Act for the purpose of complying with the settlement				
23	agreement with the United States Department of Justice pursuant to civil action no:				
24	3:12cv059-JAG that remain unspent at the end of the fiscal year may be carried forward				
25	into the subsequent fiscal year in order to continue implementation of the agreement's				
26	requirements.				
27	310.	Administrative and Support Services (49900).....		\$97,756,222	\$97,715,780
28					\$114,261,995
29		General Management and Direction (49901).....	\$20,525,179	\$20,599,429	
30				\$22,692,473	
31		Information Technology Services (49902).....	\$33,621,717	\$33,621,717	
32				\$48,074,888	
33		Architectural and Engineering Services (49904).....	\$2,935,876	\$2,685,876	
34		Collection and Locator Services (49905).....	\$3,079,686	\$3,079,686	
35		Human Resources Services (49914).....	\$548,566	\$548,566	
36		Planning and Evaluation Services (49916).....	\$3,626	\$3,626	
37		Program Development and Coordination (49933)....	\$37,041,572	\$37,176,880	
38		Fund Sources: General.....	\$53,429,075	\$54,594,797	
39				\$56,687,841	
40		Special.....	\$15,568,328	\$15,318,328	
41				\$29,771,499	
42		Dedicated Special Revenue.....	\$1,200,000	\$0	
43		Federal Trust.....	\$27,558,819	\$27,802,655	
44	Authority: Title 16.1, Article 18, and Title 37.2, Chapters 2, 3, 4, 5, 6 and 7, and Title 2.2,				
45	Chapters 26 and 53 Code of Virginia; P.L. 102-119, Federal Code.				
46	A. The Commissioner, Department of Behavioral Health and Developmental Services				
47	shall, at the beginning of each fiscal year, establish the current capacity for each facility				
48	within the system. When a facility becomes full, the commissioner or his designee shall				
49	give notice of the fact to all sheriffs.				
50	B. The Commissioner, Department of Behavioral Health and Developmental Services				
51	shall work in conjunction with community services boards to develop and implement a				
52	graduated plan for the discharge of eligible facility clients to the greatest extent possible,				
53	utilizing savings generated from statewide gains in system efficiencies.				
54	C. Notwithstanding § 4-5.09 of this act and paragraph C of § 2.2-1156, Code of Virginia,				

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1	the Department of Behavioral Health and Developmental Services is hereby authorized to				
2	deposit the entire proceeds of the sales of surplus land at state-owned behavioral health and				
3	intellectual disability facilities into a revolving trust fund. The trust fund may initially be used				
4	for expenses associated with restructuring such facilities. Remaining proceeds after such				
5	expenses shall be dedicated to continuing services for current patients as facility services are				
6	restructured.				
7	D. The Department of Behavioral Health and Developmental Services shall identify and				
8	create opportunities for public-private partnerships and develop the incentives necessary to				
9	establish and maintain an adequate supply of acute-care psychiatric beds for children and				
10	adolescents.				
11	E. The Department of Behavioral Health and Developmental Services, in cooperation with the				
12	Department of Juvenile Justice, where appropriate, shall identify and create opportunities for				
13	public-private partnerships and develop the incentives necessary to establish and maintain an				
14	adequate supply of residential beds for the treatment of juveniles with behavioral health				
15	treatment needs, including those who are mentally retarded, aggressive, or sex offenders, and				
16	those juveniles who need short-term crisis stabilization but not psychiatric hospitalization.				
17	F. Out of this appropriation, \$656,538 the first year and \$730,788 the second year from the				
18	general fund shall be provided for placement and restoration services for juveniles found to be				
19	incompetent to stand trial pursuant to Title 16.1, Chapter 11, Article 18, Code of Virginia.				
20	G. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the				
21	general fund shall be used to pay for legal and medical examinations needed for individuals				
22	living in the community and in need of guardianship services.				
23	H. Out of this appropriation, \$2,751,776 the first year and \$2,938,500 the second year from				
24	the general fund shall be provided for services for the civil commitment of sexually violent				
25	predators including the following: (i) clinical evaluations and court testimony for sexually				
26	violent predators who are being considered for release from state correctional facilities and				
27	who will be referred to the Clinical Review Committee for psycho-sexual evaluations prior to				
28	the state seeking civil commitment, (ii) conditional release services, including treatment, and				
29	(iii) costs associated with contracting with a Global Positioning System service to closely				
30	monitor the movements of individuals who are civilly committed to the sexually violent				
31	predator program but conditionally released.				
32	I. Out of this appropriation, \$146,871 the first year and \$146,871 the second year from the				
33	general fund shall be used to operate a real-time reporting system for public and private acute				
34	psychiatric beds in the Commonwealth.				
35	J. The Department of Behavioral Health and Developmental Services shall submit a report to				
36	the Governor and the Chairmen of the House Appropriations and Senate Finance Committees				
37	no later than December 1 of each year for the preceding fiscal year that provides information				
38	on the operation of Virginia's publicly-funded behavioral health and developmental services				
39	system. The report shall include a brief narrative and data on the numbers of individuals				
40	receiving state facility services or CSB services, including purchased inpatient psychiatric				
41	services, the types and amounts of services received by these individuals, and CSB and state				
42	facility service capacities, staffing, revenues, and expenditures. The annual report also shall				
43	describe major new initiatives implemented during the past year and shall provide information				
44	on the accomplishment of systemic outcome and performance measures during the year.				
45	K. Out of this appropriation, \$500,000 the first year and \$500,000 the second year from the				
46	general fund shall be used for a comprehensive statewide suicide prevention program. The				
47	Commissioner of the Department of Behavioral Health and Developmental Services				
48	(DBHDS), in collaboration with the Departments of Health, Education, Veterans Services,				
49	Aging and Rehabilitative Services, and other partners shall develop and implement a				
50	statewide program of public education, evidence-based training, health and behavioral health				
51	provider capacity-building, and related suicide prevention activity.				
52	L.1. Beginning October 1, 2013, the Commissioner of the Department of Behavioral Health				
53	and Developmental Services shall provide quarterly reports to the House Appropriations and				
54	Senate Finance Committees on progress in implementing the plan to close state training				
55	centers and transition residents to the community. The reports shall provide the following				

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1	information on each state training center: (i) the number of authorized representatives who			
2	have made decisions regarding the long-term type of placement for the resident they			
3	represent and the type of placement they have chosen; (ii) the number of authorized			
4	representatives who have not yet made such decisions; (iii) barriers to discharge; (iv) the			
5	general fund and nongeneral fund cost of the services provided to individuals transitioning			
6	from training centers; and (v) the use of increased Medicaid reimbursement for congregate			
7	residential services to meet exceptional needs of individuals transitioning from state			
8	training centers.			
9	2. At least six months prior to the closure of a state intellectual disabilities training center,			
10	the Commissioner of Behavioral Health and Developmental Services shall complete a			
11	comprehensive survey of each individual residing in the facility slated for closure to			
12	determine the services and supports the individual will need to receive appropriate care in			
13	the community. The survey shall also determine the adequacy of the community to			
14	provide care and treatment for the individual, including but not limited to, the			
15	appropriateness of current provider rates, adequacy of waiver services, and availability of			
16	housing. The Commissioner shall report quarterly findings to the Governor and Chairmen			
17	of the House Appropriations and Senate Finance Committees.			
18	3. The department shall convene quarterly meetings with authorized representatives,			
19	families, and service providers in Health Planning Regions I, II, III and IV to provide a			
20	mechanism to (i) promote routine collaboration between families and authorized			
21	representatives, the department, community services boards, and private providers; (ii)			
22	ensure the successful transition of training center residents to the community; and (iii)			
23	gather input on Medicaid waiver redesign to better serve individuals with intellectual and			
24	developmental disability.			
25	4. In the event that provider capacity cannot meet the needs of individuals transitioning			
26	from training centers to the community, the department shall work with community			
27	services boards and private providers to explore the feasibility of developing (i) a limited			
28	number of small community group homes or intermediate care facilities to meet the needs			
29	of residents transitioning to the community, and/or (ii) a regional support center to provide			
30	specialty services to individuals with intellectual and developmental disabilities whose			
31	medical, dental, rehabilitative or other special needs cannot be met by community			
32	providers. The Commissioner shall report on these efforts to the House Appropriations			
33	and Senate Finance Committees as part of the quarterly report, pursuant to paragraph L.1.			
34	M.1. A joint subcommittee of the House Appropriations and Senate Finance Committees,			
35	in collaboration with the Secretary of Health and Human Resources and the Department of			
36	Behavioral Health and Developmental Services, shall continue to monitor and review the			
37	closure plans for the three remaining training centers scheduled to close by 2020. As part			
38	of this review process the joint subcommittee may evaluate options for those individuals			
39	in training centers with the most intensive medical and behavioral needs to determine the			
40	appropriate types of facility or residential settings necessary to ensure the care and safety			
41	of those residents is appropriately factored into the overall plan to transition to a more			
42	community-based system. In addition, the joint subcommittee may review the plans for			
43	the redesign of the Intellectual Disability, Developmental Disability and Day Support			
44	Waivers.			
45	2. To assist the joint subcommittee, the Department of Behavioral Health and			
46	Developmental Services shall provide a quarterly accounting of the costs to operate and			
47	maintain each of the existing training centers at a level of detail as determined by the joint			
48	subcommittee. The quarterly reports for the first, second and third quarter shall be due to			
49	the joint subcommittee 20 days after the close of the quarter. The fourth quarter report			
50	shall be due on August 15 of each year.			
51	3. The Department of Behavioral Health and Developmental Services shall provide an			
52	update to the Special Joint Subcommittee to Consult on the Plan to Close State Training			
53	Centers no later than June 30, 2019, regarding any Public-Private Partnerships for CVTC			
54	that may allow continued operation in some form, whether such proposal has been			
55	officially proposed or not. The Commissioner of the Department of Behavioral Health and			
56	Developmental Services shall provide all information and analysis related to any proposals			
57	received under the Public-Private Education Facilities and Infrastructure Act to the Joint			

ITEM 310.		Item Details(\$)		Appropriations(\$)	
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1	Subcommittee.				
2	4. The Department of Behavioral Health and Developmental Services shall provide a report to				
3	the Joint Subcommittee regarding all remaining residents at Central Virginia Training Center				
4	by April 30, 2019. The report shall provide data that provides details on the needs of those				
5	individuals that remain and what services they would need in the community. The department				
6	shall also provide data regarding the number of behavioral specialists in the Commonwealth				
7	available to meet the needs of individuals with developmental disabilities in Virginia's waiver				
8	program and an update on the overall crisis system for children and adults with developmental				
9	disabilities, including data regarding the need for these services, current services available,				
10	and outcomes for those using the current system.				
11	N. The Department of Behavioral Health and Developmental Services in collaboration with				
12	the Department of Medical Assistance Services shall provide a detailed report for each fiscal				
13	year on the budget, expenditures, and number of recipients for each specific intellectual				
14	disability (ID) and developmental disability (DD) service provided through the Medicaid				
15	program or other programs in the Department of Behavioral Health and Developmental				
16	Services. This report shall also include the overall budget and expenditures for the ID, DD				
17	and Day Support waivers separately. The Department of Medical Assistance Services shall				
18	provide the necessary information to the Department of Behavioral Health and Developmental				
19	Services 90 days after the end of each fiscal year. This information shall be published on the				
20	Department of Behavioral Health and Developmental Services' website within 120 days after				
21	the end of each fiscal year.				
22	O. Effective July 1, 2015, the Department of Behavioral Health and Developmental Services				
23	shall not charge any fee to Community Services Boards or private providers for use of the				
24	knowledge center, an on-line training system.				
25	P. Out of this appropriation, \$600,000 the first year and \$600,000 the second year from the				
26	general fund shall be used to provide mental health first aid training and certification to				
27	recognize and respond to mental or emotional distress. Funding shall be used to cover the cost				
28	of personnel dedicated to this activity, training, manuals, and certification for all those				
29	receiving the training.				
30	Q. Out of this appropriation, \$752,170 the second year from the general fund is provided to				
31	establish community support teams responsible for the development and oversight of a				
32	continuum of integrated community settings for individuals leaving state hospitals.				
33	R. The Department of Behavioral Health and Developmental Services and the Department of				
34	Medical Assistance Services shall recognize Certified Employment Support Professional				
35	(CESP) and Association of Community Rehabilitation Educators (ACRE) certifications in				
36	lieu of competency requirements for supported employment staff in the developmental				
37	disability Medicaid waiver programs to allow providers that are Department of Aging and				
38	Rehabilitative Services (DARS) vendors that hold a national three-year accreditation from the				
39	National Council on Accreditation of Rehabilitation Facilities (CARF) to be deemed qualified				
40	to meet employment competency requirements.				
41	S. Out of this appropriation, \$250,000 the first year from special funds is designated to				
42	conduct the next phase of Environmental Site Assessment (ESA) at the Central Virginia				
43	Training Center to assess the presence of contaminants in the soil and ground water from the				
44	high and medium priority findings presented in the Site Specific Environmental Conditions				
45	Assessment that was performed by EEE Consulting, Inc, in July 2017. The Department of				
46	Behavioral Health and Developmental Services shall be responsible for conducting and				
47	reporting results of the assessment by December 1, 2018, to the Governor and General				
48	Assembly. The department may request assistance from the Department of General Services				
49	in procuring the services for this assessment.				
50	T. The Department of Behavioral Health and Developmental Services is authorized to receive				
51	unsolicited proposals and to solicit proposals under the Public-Private Education Facilities				
52	and Infrastructure Act (PPEA), Chapter 22.1 of Title 56, Code of Virginia, as amended, to				
53	partner with private not-for-profit entities described under Section 501(c)(3) of the federal				
54	Internal Revenue Code to provide the necessary level of care for residents at the Central				
55	Virginia Training Center, which could include either intermediate care or a nursing facility				
56	level of care. The department shall provide to proposers such relevant information, including				

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1	financial information, capital assets of the training center, operational details, information			
2	regarding current medical and long-term care needs of training center residents, in			
3	accordance with federal law, and other information as may be reasonably requested, in			
4	order to assist proposers in developing and submitting a proposal. Proposals may include			
5	managing or leasing state property, including some or all of the buildings at the training			
6	center and may also include other facility options offsite from the training center. Review			
7	and approval, if any, of proposals shall follow the requirements of Chapter 22.1 of Title			
8	56, Code of Virginia, and shall include information provided by the Department of			
9	Treasury as to state funding of the training center and the financial consequences related			
10	to such funding of entering into a comprehensive agreement under the PPEA. If a proposal			
11	is recommended for approval, after review and consideration by the Secretary of Health			
12	and Human Resources, the Department Behavioral Health and Developmental Services			
13	shall notify the Chairmen of the House Appropriations and Senate Finance Committees at			
14	least thirty days prior to the award of same and execution of any related comprehensive			
15	agreement with details regarding the recommended proposal, and any operational,			
16	financial and legal impacts associated with it, including general fund effects.			
17	U.1. The Department of General Services (DGS), with the cooperation of the Department			
18	of Behavioral Health and Developmental Services (DBHDS), shall work with James City			
19	County to identify the amount of acreage needed on the Eastern State Hospital site to be			
20	purchased or leased at fair market value by James City County for the co-location of a			
21	new facility for Old Town Medical Center and Colonial Behavior Health and the the			
22	development of a community project that serves as a residence for 25 families impacted			
23	by a member with serious mental illness by Hope Family Village Corporation.			
24	2. As part of this process, DGS will work with James City County to update the James			
25	City County comprehensive plan to assist with a master development plan, including the			
26	subject acres, of the entire site to maximize the economic development opportunities,			
27	expedite the rezoning process and the receipt of funds for DBHDS Mental Health Trust			
28	fund from the sale(s) of surplus property.			
29	V. The Department of Behavioral Health and Developmental Services for each fiscal year			
30	shall report the number of waiver slots, by waiver, that becomes available for reallocation			
31	during the year. In addition, the department shall report on the allocation of emergency			
32	waiver slots and reserve slots, which shall include how many slots were allocated in the			
33	year and for which waiver. The information on reserve slots shall indicate for which			
34	waiver the reserve slot was used and the waiver from which the individual moved that was			
35	granted the slot. Furthermore, the report shall show the allocations by each Community			
36	Services Board from new waiver slots, emergency slots and reserve slots for the year. The			
37	department shall submit this report for the prior fiscal year, ending June 30, by September			
38	1 of each year.			
39	W. The Department of Behavioral Health and Developmental Services in conjunction with			
40	the Department of the Treasury shall report on the outstanding bonds related to the future			
41	closure of the Southwest Virginia Training Center and the Central Virginia Training			
42	Center. The report shall indicate the anticipated outstanding bond balance for the date of			
43	the planned facility closure based on facility funding as of the date of the report and the			
44	anticipated outstanding balance each year thereafter until such time as all bonds would be			
45	repaid on those facilities. The department shall submit the report to the Chairmen of the			
46	House Appropriations and Senate Finance Committees by September 1, 2018.			
47	X.1. Out of this appropriation, \$75,000 the second year from the general fund is provided			
48	for compensation to individuals who were involuntarily sterilized pursuant to the Virginia			
49	Eugenical Sterilization Act and who were living as of February 1, 2015. Any funds that			
50	are appropriated but remain unspent at the end of the fiscal year shall be carried forward			
51	into the subsequent fiscal year in order to provide compensation to individuals who			
52	qualify for compensation.			
53	2. A claim may be submitted on behalf of an individual by a person lawfully authorized to			
54	act on the individual's behalf. A claim may be submitted by the estate of or personal			
55	representative of an individual who died on or after February 1, 2015.			
56	3. Reimbursement shall be contingent on the individual or their representative providing			
57	appropriate documentation and information to certify the claim under guidelines			

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1	established by the department.			
2	4. Reimbursement per verified claim shall be \$25,000 and shall be contingent on funding			
3	being available, with disbursements being prioritized based on the date at which sufficient			
4	documentation is provided.			
5	5. Should the funding provided in the paragraph be exhausted prior to the end of the fiscal			
6	year, the department may use available special fund revenue balances to provide			
7	compensation. The department shall report to the Governor and the Chairmen of the House			
8	Appropriations and Senate Finance Committees on a quarterly basis on the number of			
9	additional individuals who have applied.			
10	Y.1. The Department of Behavioral Health and Developmental Services, in consultation with			
11	the Department of Medical Assistance Services, shall, on a monthly basis, monitor the fiscal			
12	impact of Medicaid expansion on community services boards. The Department of Behavioral			
13	Health and Developmental Services shall require community services boards to submit			
14	monthly expenditure reports documenting additional federal revenues received as a result of			
15	Medicaid expansion on a timely basis. In the event that the reduction in general fund			
16	appropriation allocated to a community services board in this Act in anticipation of additional			
17	revenues from Medicaid expansion exceeds, by more than ten percent, the total additional			
18	revenue collections as of May 15, 2019, the Commissioner, Department of Behavioral Health			
19	and Developmental Services, may allocate up to \$7,000,000 from available special fund			
20	revenue balances to address shortfalls, on a pro rata basis, if necessary.			
21	2. Prior to the distribution of any special revenue fund balances for this purpose, the			
22	Department shall notify the Secretary of Finance and the Chairmen of the House			
23	Appropriations and Senate Finance Committees.			
24	3. The Department of Behavioral Health and Developmental Services, in consultation with the			
25	Department of Medical Assistance Services, shall submit a letter to the Secretary of Health			
26	and Human Resources and the Chairmen of the House Appropriations and Senate Finance			
27	Committees by May 15, 2019, and each fiscal quarter thereafter, that reports on: (i) the state			
28	general fund reductions taken by each Community Services Board (CSB) or Behavioral			
29	Health Authority (BHA) in fiscal year 2019 in anticipation of projected savings from the			
30	expansion of Medicaid eligibility to existing CSB clients who were previously uninsured; (ii)			
31	the actual Medicaid-generated reimbursements realized by each CSB/BHA in fiscal year 2019			
32	as a result of the expansion of Medicaid eligibility to existing CSB clients who were			
33	previously uninsured; (iii) the state general fund reductions to be taken by each CSB/BHA in			
34	fiscal year 2020 in anticipation of projected savings from the expansion of Medicaid			
35	eligibility; and (iv) the amount of Medicaid reimbursements that each CSB/BHA would have			
36	to achieve in order to meet the anticipated general fund savings/budget reductions in fiscal			
37	year 2020, as well as any actions the Department proposes to take to address any shortfalls			
38	and to ensure continuity in the provision of services. The Department of Medical Assistance			
39	Services shall require the managed care organizations to report encounter data impacting			
40	Community Services Boards on a monthly basis, with the data submitted no later than 20 days			
41	after the end of each month in order to determine the revenue impact to fulfill the intent of			
42	this paragraph.			
43	Z. Upon approval by the 2020 General Assembly, the Department of Behavioral Health and			
44	Developmental Services shall have the authority to promulgate regulations to: (i) ensure that			
45	licensing regulations support high quality community-based mental health services and align			
46	with changes being made to the Medicaid behavioral health regulations that support evidence-			
47	based, trauma-informed, prevention-focused and cost-effective services for individuals served			
48	across the lifespan; and (ii) incorporate the American Society of Addiction Medicine Levels			
49	of Care Criteria or an equivalent set of criteria into substance use licensing regulations to			
50	ensure the provision of outcome-oriented and strengths-based care in the treatment of			
51	addiction.			
52	AA. The Department of Behavioral Health and Development Services and the Department of			
53	Medical Assistance Services shall not implement the proposed individualized supports budget			
54	process for the Medicaid Community Living, Family and Individual Support and Building			
55	Independence Waiver programs without the explicit authorization of the General Assembly			
56	through legislation or authorizing budget language.			

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1	BB. The Department of Behavioral Health and Developmental Services shall report on the				
2	allocation and funding for Programs of Assertive Community Treatment (PACT) in the				
3	Commonwealth. The report shall include information on the cost of each team, the cost				
4	per individual served and the cost effectiveness of each PACT in diverting individuals				
5	from state and local hospitalization and stabilizing individuals in the community. The				
6	department shall provide the report to the Chairmen of the House Appropriations and				
7	Senate Finance Committees by November 1, 2019.				
8	CC.1. The Department of Behavioral Health and Developmental Services shall establish a				
9	workgroup, which shall include the Virginia Hospital and Healthcare Association, other				
10	state agencies, and other stakeholders as deemed necessary by the department, to examine				
11	the impact of Temporary Detention Order admissions on the state behavioral health				
12	hospitals. The workgroup shall develop options to relieve the census pressure on state				
13	behavioral health hospitals, which shall include options for diverting more admissions to				
14	private hospitals and other opportunities to increase community services that may reduce				
15	the number of Temporary Detention Orders. The workgroup shall develop an action plan,				
16	that includes actions that can be implemented immediately and other actions that may				
17	require action by the 2020 General Assembly. The action plan shall take into account the				
18	need to take short-term actions to relieve the census pressure on state behavioral health				
19	hospitals in order to develop a plan for the right sizing of the state behavioral health				
20	hospital system. The department shall report its findings to the Governor and the				
21	Chairmen of the House Appropriations and Senate Finance Committees by October 15,				
22	2019.				
23	2. In conjunction with the workgroup in paragraph CC.1., the Department of Behavioral				
24	Health and Developmental Services shall develop a conceptual plan to "right size" the				
25	state behavioral health hospital system, including future capacity and distribution of				
26	capacity, that aligns with the action plan that is recommended by the workgroup. The				
27	department shall submit the plan to the Governor and the Chairmen of the House				
28	Appropriations and Senate Finance Committees by November 1, 2019.				
29	3. As part of the plan in paragraph CC.2., the Department of Behavioral Health and				
30	Developmental Services shall include a proposal for construction of a new Central State				
31	Hospital. The plan shall establish the scope of the new hospital within a "right sized"				
32	system and the appropriate timeline to coincide with efforts to relieve census pressures on				
33	the state mental health hospital system.				
34	DD. The Department of Behavioral Health and Developmental Services shall work with				
35	the Fairfax-Falls Church Community Services Board, and the provider, to ensure that				
36	future openings for the Miller House in Falls Church allow residents of Falls Church, that				
37	have been allocated a developmental disability waiver slot, be given first choice in the				
38	Miller House, if the group home is appropriate to meet their needs. In addition, the				
39	department shall work with the Community Services Board and the City of Falls Church				
40	to explore options for establishing a special allocation within the Community Services				
41	Board allocation of waiver slots for Falls Church residents who are on the Priority One				
42	waiting list and could live in the Miller House when future openings occur in the group				
43	home.				
44	4. Also as part of the plan in paragraph CC.2., DBHDS, in consultation with the				
45	Department of General Services, shall address the feasibility of relocating forensic beds to				
46	state-owned property other than the current Central State Hospital location authorized in				
47	C-48.10. The analysis shall at a minimum address the issue of cost and timeline for				
48	construction.				
49	EE. The Department of Behavioral Health and Developmental Services shall lease 25				
50	acres of land at Eastern State Hospital to Hope Family Village Corporation for one dollar				
51	for the development of a village of residence and common areas to create a culture of self-				
52	care and neighborly support for families and their loved ones impacted by serious mental				
53	illness. The department shall work with the Hope Family Village Corporation to identify a				
54	25 acre plot of land that is suitable for the project.				
55	FF. The Department of Behavioral Health and Developmental Services shall report a				
56	detailed accounting, annually, of the agency's organization and operations. This report				
57	shall include an organizational chart that shows all full- and part-time positions (by job				

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1	title) employed by the agency as well as the current management structure and unit			
2	responsibilities. The report shall also provide a summary of organization changes			
3	implemented over the previous year. The report shall be made available on the department's			
4	website by August 15, of each year.			
5	GG. The Department of Behavioral Health and Developmental Services shall facilitate a			
6	mental health coordination workgroup in the Northern Virginia region so that public and			
7	private providers of services and advocates for such services may collectively determine how			
8	to develop the most effective and most comprehensive services for persons who need such			
9	services. This mental health coordination workgroup shall seek agreement on how the			
10	services provided can best promote mental health, help people receive services needed when			
11	they are needed, provide intensive treatment when needed, ensure that crisis care is provided,			
12	provide care management in ways that help maintain mental health, and provide the			
13	supportive services necessary for individuals with mental health needs to live fully within the			
14	community. Participants in the workgroup shall include but not be limited to community			
15	services boards, state facilities and programs, private hospitals, partial hospitalization and			
16	crisis stabilization programs, residential treatment facilities, private community providers,			
17	criminal justice personnel, consumers and advocates for consumers, and others. The			
18	department shall facilitate the initiation of the workgroup and once it is fully operational shall			
19	allow it to operate independently, however the department may continue to participate in the			
20	workgroup to provide assistance as needed. The department shall report on the composition,			
21	participation and any actions of the workgroup to the Chairmen of the House Appropriations			
22	and Senate Finance Committees by November 30, 2019.			
23	311.	Central Office Managed Community and Individual		
24		Health Services (44400).....		\$12,960,077
25		Individual and Developmental Disability Services		\$19,030,992
26		(44401).....	\$4,810,077	\$5,800,992
27		Mental Health Services (44402).....	\$8,150,000	\$11,630,000
28		Substance Abuse Services (44403).....	\$0	\$1,600,000
29		Fund Sources: General.....	\$12,960,077	\$19,030,992
30	Authority: Title 16.1, Article 18, and Title 37.2, Chapters 2, 3, 4, 5, 6 and 7, and Title 2.2,			
31	Chapters 26 and 53 Code of Virginia; P.L. 102-119, Federal Code.			
32	A. Out of this appropriation, \$3,900,000 the first year and \$5,200,000 the second year from			
33	the general fund shall be used for Developmental Disability Health Support Networks in			
34	regions served, or previously served, by Southside Virginia Training Center, Central Virginia			
35	Training Center, Northern Virginia Training Center, and Southwestern Virginia Training			
36	Center.			
37	B. Out of this appropriation, \$565,000 the first year and \$565,000 the second year from the			
38	general fund shall be used to provide community-based services to individuals transitioning			
39	from state training centers to community settings who are not eligible for Medicaid.			
40	C. Out of this appropriation, \$2,900,000 the first year and \$2,900,000 the second year from			
41	the general fund shall be used to address census issues at state facilities by providing			
42	community-based services for those individuals determined clinically ready for discharge or			
43	for the diversion of admissions to state facilities by purchasing acute inpatient or community-			
44	based psychiatric services at private facilities.			
45	D. Out of this appropriation, \$1,750,000 the first year and \$1,750,000 the second year from			
46	the general fund is provided for the development or acquisition of clinically appropriate			
47	housing options to provide comprehensive community-based care for individuals in state			
48	hospitals who have complex and resource-intensive needs who have been clinically			
49	determined able to move from a hospital to a more integrated setting. In addition, \$250,000			
50	the second year from the general fund is provided for a community support team to assist			
51	housing providers in addressing the complex needs of residents who have been discharged			
52	from state facilities or individuals who are at risk of institutionalization.			
53	E. Out of this appropriation, \$2,500,000 the first year and \$4,500,000 the second year from			
54	the general fund shall be provided to the Department of Behavioral Health and Developmental			
55	Services to provide alternative transportation for adults and children under a temporary			

ITEM 311.		Item Details(\$)		Appropriations(\$)		
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020	
1	detention order. The department shall structure the contract to phase in the program over a					
2	three-year period such that in year three the contract will result in the provision of services					
3	statewide. The department shall report on the disbursement of the funds to the Governor					
4	and Chairmen of the House Appropriations and Senate Finance Committees no later than					
5	November 1, 2018. Annually, thereafter on October 1, the department shall report to the					
6	Governor and Chairmen of the House Appropriations and Senate Finance Committees on					
7	the effectiveness and outcomes of the program funding.					
8	F. Out of this appropriation, \$1,230,000 the second year from the general fund shall be					
9	provided to the Department of Behavioral Health and Developmental Services to contract					
10	with the Virginia Mental Health Access Program to develop integrated mental health					
11	services for children.					
12	G. Out of this appropriation, \$1,600,000 the second year from the general fund shall be					
13	used to purchase and distribute additional REVIVE! kits and associated doses of naloxone					
14	used to treat emergency cases of opioid overdose or suspected opioid overdose.					
15	<i>H. Upon passage of this Act, the Department of Behavioral Health and Developmental</i>					
16	<i>Services shall establish a workgroup, including stakeholders as deemed necessary by the</i>					
17	<i>Department, to examine and identify possible alternative treatment services and sites for</i>					
18	<i>minors that otherwise would be placed at the Commonwealth Center for Children and</i>					
19	<i>Adolescents (CCCA). The work group shall also examine underlying systemic issues that</i>					
20	<i>are contributing to the increase in admissions and projected admissions at CCCA and</i>					
21	<i>identify potential strategies and recommendations for reducing admissions to CCCA. The</i>					
22	<i>membership of the work group shall include representatives from the Department of</i>					
23	<i>Medical Assistance Services, the Department of Juvenile Justice, the Office of Children's</i>					
24	<i>Services, Community Services Boards, the Virginia Hospital and Healthcare Association,</i>					
25	<i>and other relevant stakeholders. The work group will submit its findings to the Governor</i>					
26	<i>and the Chairmen of the House Appropriations and Senate Finance Committees by June</i>					
27	<i>15, 2020.</i>					
28	Total for Department of Behavioral Health and					
29	Developmental Services.....			\$114,797,435	\$121,800,944	
30					\$138,347,159	
31	General Fund Positions.....	399.75	423.50			
32			451.50			
33	Nongeneral Fund Positions.....	31.25	31.25			
34	Position Level.....	431.00	454.75			
35			482.75			
36	Fund Sources: General.....	\$70,014,613	\$78,224,286			
37			\$80,317,330			
38	Special.....	\$15,664,192	\$15,414,192			
39			\$29,867,363			
40	Dedicated Special Revenue.....	\$1,200,000	\$0			
41	Federal Trust.....	\$27,918,630	\$28,162,466			
42	Grants to Localities (790)					
43	312. Financial Assistance for Health Services (44500)....			\$465,217,537	\$504,170,491	
44					\$505,418,309	
45	Community Substance Abuse Services (44501).....	\$116,094,031	\$121,844,031			
46	Community Mental Health Services (44506).....	\$267,125,162	\$287,571,247			
47	Community Developmental Disability Services					
48	(44507).....	\$81,998,344	\$94,755,213			
49			\$96,003,031			
50	Fund Sources: General.....	\$371,417,537	\$411,670,491			
51			\$412,918,309			
52	Dedicated Special Revenue.....	\$3,800,000	\$2,500,000			
53	Federal Trust.....	\$90,000,000	\$90,000,000			
54	Authority: Title 37.2, Chapters 5 and 6; Title 2.2, Chapter 53, Code of Virginia.					

ITEM 312.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	A. It is the intent of the General Assembly that community mental health, intellectual			
2	disability and substance abuse services are to be improved throughout the state. Funds			
3	provided in this Item shall not be used to supplant the funding effort provided by localities for			
4	services existing as of June 30, 1996.			
5	B. Further, it is the intent of the General Assembly that funds appropriated for this Item may			
6	be used by Community Services Boards to purchase, develop, lease, or otherwise obtain, in			
7	accordance with §§ 37.2-504 and 37.2-605, Code of Virginia, real property necessary to the			
8	provision of residential services funded by this Item.			
9	C. Out of the appropriation for this Item, funds are provided to Community Services Boards			
10	in an amount sufficient to reimburse the Virginia Housing Development Authority for			
11	principal and interest payments on residential projects for the mentally disabled financed by			
12	the Housing Authority.			
13	D. The Department of Behavioral Health and Developmental Services shall make payments to			
14	the Community Services Boards from this Item in twenty-four equal semimonthly			
15	installments, except for necessary budget revisions or the operational phase-in of new			
16	programs.			
17	E. Failure of a board to participate in Medicaid covered services and to meet all requirements			
18	for provider participation shall result in the termination of a like amount of state grant			
19	support.			
20	F. Community Services Boards may establish a line of credit loan for up to three months'			
21	operating expenses to assure adequate cash flow.			
22	G. Out of this appropriation \$190,000 the first year and \$190,000 the second year from the			
23	general fund shall be provided to Virginia Commonwealth University for the continued			
24	operation and expansion of the Virginia Autism Resource Center.			
25	H.1. Out of this appropriation, \$18,587,143 the first year and \$19,761,265 \$21,009,083 the			
26	second year from the general fund shall be provided for Virginia's Part C Early Intervention			
27	System for infants and toddlers with disabilities.			
28	2. By November 15 of each year, the department shall report to the Chairmen of the House			
29	Appropriations and Senate Finance Committees on the (a) total revenues used to support Part			
30	C services, (b) total expenses for all Part C services, (c) total number of infants, toddlers and			
31	families served using all Part C revenues, and (d) services provided to those infants, toddlers,			
32	and families.			
33	I. Out of this appropriation \$6,148,128 the first year and \$6,148,128 the second year from the			
34	general fund shall be provided for mental health services for children and adolescents with			
35	serious emotional disturbances and related disorders, with priority placed on those children			
36	who, absent services, are at-risk for custody relinquishment, as determined by the Family and			
37	Assessment Planning Team of the locality. The Department of Behavioral Health and			
38	Developmental Services shall provide these funds to Community Services Boards through the			
39	annual Performance Contract. These funds shall be used exclusively for children and			
40	adolescents, not mandated for services under the Comprehensive Services Act for At-Risk			
41	Youth, who are identified and assessed through the Family and Assessment Planning Teams			
42	and approved by the Community Policy and Management Teams of the localities. The			
43	department shall provide these funds to the Community Services Boards based on an			
44	individualized plan of care methodology.			
45	J. The Commissioner, Department of Behavioral Health and Developmental Services shall			
46	allocate \$1,000,000 the first year and \$1,000,000 the second year from the federal Community			
47	Mental Health Services Block Grant for two specialized geriatric mental health services			
48	programs. One program shall be located in Health Planning Region II and one shall be located			
49	in Health Planning Region V. The programs shall serve elderly populations with mental			
50	illness who are transitioning from state mental health geriatric units to the community or who			
51	are at risk of admission to state mental health geriatric units. The commissioner is authorized			
52	to reduce the allocation in each year in an amount proportionate to any reduction in the			
53	federal Community Mental Health Services Block Grant funds awarded to the			
54	Commonwealth.			

ITEM 312.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	K. The Commissioner, Department of Behavioral Health and Developmental Services				
2	shall allocate \$750,000 the first year and \$750,000 the second year from the federal				
3	Community Mental Health Services Block Grant for consumer-directed programs offering				
4	specialized mental health services that promote wellness, recovery and improved self-				
5	management. The commissioner is authorized to reduce the allocation in each year in an				
6	amount proportionate to any reduction in the federal Community Mental Health Services				
7	Block Grant funds awarded to the Commonwealth.				
8	L. Out of this appropriation, \$2,197,050 the first year and \$2,197,050 the second year				
9	from the general fund shall be used for jail diversion and reentry services. Funds shall be				
10	distributed to community-based contractors based on need and community preparedness				
11	as determined by the commissioner.				
12	M. Out of this appropriation, \$2,400,000 the first year and \$2,400,000 the second year				
13	from the general fund shall be used for treatment and support services for substance use				
14	disorders, including individuals with acquired brain injury and co-occurring substance use				
15	disorders. Funded services shall focus on recovery models and the use of best practices.				
16	N. Out of this appropriation, \$2,780,645 the first year and \$2,780,645 the second year				
17	from the general fund shall be used to provide outpatient clinician services to children				
18	with mental health needs. Each Community Services Board shall receive funding as				
19	determined by the commissioner to increase the availability of specialized mental health				
20	services for children. The department shall require that each Community Services Board				
21	receiving these funds agree to cooperate with Court Service Units in their catchment areas				
22	to provide services to mandated and nonmandated children, in their communities, who				
23	have been brought before Juvenile and Domestic Relations Courts and for whom				
24	treatment services are needed to reduce the risk these children pose to themselves and				
25	their communities or who have been referred for services through family assessment and				
26	planning teams through the Comprehensive Services Act for At-Risk Youth and Families.				
27	O. Out of this appropriation, \$17,701,997 the first year and \$17,701,997 the second year				
28	from the general fund shall be used to provide emergency services, crisis stabilization				
29	services, case management, and inpatient and outpatient mental health services for				
30	individuals who are in need of emergency mental health services or who meet the criteria				
31	for mental health treatment set forth pursuant to §§ 19.2-169.6 , 19.2-176 , 19.2-177.1 ,				
32	37.2-808 , 37.2-809 , 37.2-813 , 37.2-815 , 37.2-816 , 37.2-817 and 53.1-40.2 of the Code of				
33	Virginia. Funding provided in this item also shall be used to offset the fiscal impact of (i)				
34	establishing and providing mandatory outpatient treatment, pursuant to House Bill 499				
35	and Senate Bill 246, 2008 Session of General Assembly; and (ii) attendance at involuntary				
36	commitment hearings by community services board staff who have completed the				
37	prescreening report, pursuant to §§ 19.2-169.6 , 19.2-176 , 19.2-177.1 , 37.2-808 , 37.2-809 ,				
38	37.2-813 , 37.2-815 , 37.2-816 , 37.2-817 and 53.1-40.2 of the Code of Virginia.				
39	P. Out of this appropriation, \$10,056,250 the first year and \$10,475,000 the second year				
40	from the general fund shall be used to provide community crisis intervention services in				
41	each region for individuals with intellectual or developmental disabilities and co-occurring				
42	mental health or behavioral disorders.				
43	Q. Out of this appropriation, \$1,900,000 the first year and \$1,900,000 the second year				
44	from the general fund shall be used to expand community-based services in Health				
45	Planning Region V. These funds shall be used for services intended to delay or deter				
46	placement, or provide discharge assistance for patients in a state mental health facility.				
47	R. Out of this appropriation, \$2,000,000 the first year and \$2,000,000 the second year				
48	from the general fund shall be used to expand crisis stabilization and related services				
49	statewide intended to delay or deter placement in a state mental health facility.				
50	S. Out of this appropriation, \$8,400,000 the first year and \$8,400,000 the second year				
51	from the general fund shall be used to provide child psychiatry and children's crisis				
52	response services for children with mental health and behavioral disorders. These funds,				
53	divided among the health planning regions based on the current availability of the				
54	services, shall be used to hire or contract with child psychiatrists who can provide direct				
55	clinical services, including crisis response services, as well as training and consultation				
56	with other children's health care providers in the health planning region such as general				

ITEM 312.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	practitioners, pediatricians, nurse practitioners, and community service boards staff, to			
2	increase their expertise in the prevention, diagnosis, and treatment of children with mental			
3	health disorders. Funds may also be used to create new or enhance existing community-based			
4	crisis response services in a health planning region, including mobile crisis teams and crisis			
5	stabilization services, with the goal of diverting children from inpatient psychiatric			
6	hospitalization to less restrictive services in or near their communities. The Department of			
7	Behavioral Health and Developmental Services shall report annually on the use and impact of			
8	this funding to the Chairmen of the House Appropriations and Senate Finance Committees by			
9	October 1.			
10	T.1. Out of this appropriation, \$10,500,000 the first year and \$10,500,000 the second year			
11	from the general fund shall be used for up to 32 drop-off centers to provide an alternative to			
12	incarceration for people with serious mental illness and individuals with acquired brain injury			
13	and co-occurring serious mental health illness. Priority for new funding shall be given to			
14	programs that have implemented Crisis Intervention Teams pursuant to § 9.1-102 and § 9.1-			
15	187 et seq. of the Code of Virginia and have undergone planning to implement drop-off			
16	centers.			
17	2. Out of this appropriation, \$900,000 the first year and \$1,800,000 the second year from the			
18	general fund is provided for grants to establish Crisis Intervention assessment centers in six			
19	unserved rural communities.			
20	3. Out of this appropriation, \$657,648 the first year and \$657,648 the second year from the			
21	general fund is provided for grants to establish CIT training programs in six rural			
22	communities.			
23	U. Out of this appropriation, \$2,375,000 the first year and \$2,750,000 the second year from			
24	the general fund shall be used to develop and implement crisis services for children with			
25	intellectual or developmental disabilities.			
26	V. Out of this appropriation, \$29,758,441 the first year and \$37,298,441 the second year from			
27	the general fund shall be used to provide community-based services or acute inpatient services			
28	in a private facility to individuals residing in state hospitals who have been determined			
29	clinically ready for discharge, and for continued services for those individuals currently being			
30	served under a discharge assistance plan. Of this appropriation, \$1,305,000 the first year and			
31	\$1,305,000 the second year shall be allocated for individuals currently or previously residing			
32	at Western State Hospital.			
33	W. Out of this appropriation, \$620,000 the first year and \$620,000 the second year from the			
34	general fund shall be used to expand access to telepsychiatry and telemedicine services.			
35	X. Out of this appropriation, \$4,000,000 the first year and \$4,000,000 the second year from			
36	the general fund shall be used to increase availability of community-based mental health			
37	outpatient services for youth and young adults.			
38	Y. Out of this appropriation, \$500,000 the first year and \$500,000 the second year from the			
39	general fund shall be used to increase mental health inpatient treatment purchased in			
40	community hospitals. Priority shall be given to regions that exhaust available resources before			
41	the end of the year in order to ensure treatment is provided in the community and do not result			
42	in more restrictive placements.			
43	Z. Out of this appropriation, \$10,496,105 the first year and \$17,083,710 the second year from			
44	the general fund is provided for programs for permanent or transitional housing for			
45	individuals with serious mental illness. Of this amount, \$8,970,500 the first year and			
46	\$8,970,500 the second year shall be used for permanent supportive housing to support rental			
47	subsidies and services to be administered by community services boards or private entities to			
48	provide stable, supportive housing for persons with serious mental illness. Remaining			
49	amounts may be used to expand permanent supportive housing programs or to provide			
50	transitional housing supports for individuals with serious mental illness being discharged from			
51	state facilities into the community. The Department of Behavioral Health and Developmental			
52	Services shall report on the number of individuals who are discharged from state behavioral			
53	health hospitals who receive supportive housing services, the number of individuals who are			
54	on the hospitals' extraordinary barrier list who could receive supportive housing services, and			
55	the number of individuals in the community who receive supportive housing services and			

ITEM 312.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	whether they are at risk of institutionalization. In addition, the department shall report on				
2	the average length of stay in permanent supportive housing for individuals receiving such				
3	services and report how the funding is reinvested when individuals discontinue receiving				
4	such services. The report shall be provided to the Chairmen of the House Appropriations				
5	and Senate Finance Committee by November 30, 2019.				
6	AA. Out of this appropriation, \$400,000 the first year and \$400,000 the second year is				
7	provided for rental subsidies and associated costs for individuals served through the				
8	Rental Choice VA program.				
9	BB. Out of this appropriation, \$5,308,836 the first year and \$7,897,833 the second year				
10	from the general fund shall be used for a program of rental subsidies for individuals with				
11	intellectual and developmental disabilities.				
12	CC. Out of this appropriation, \$3,800,000 the first year from the Behavioral Health and				
13	Developmental Services Trust Fund is provided for the development of provider capacity				
14	for individuals with medically complex support needs or those individuals who have				
15	multiple diagnoses.				
16	DD. Out of this appropriation, \$10,795,651 the first year and \$10,795,651 the second year				
17	from the general fund shall be provided to Community Service Boards and Behavioral				
18	Health Authorities to implement same day access for community behavioral health				
19	services. The Department of Behavioral Health and Developmental Services shall report				
20	annually by October 1 to the Governor and Chairmen of the House Appropriations and				
21	Senate Finance Committees on the effectiveness and outcomes of the program funding.				
22	EE. Out of this appropriation, \$5,000,000 the first year from the federal State Targeted				
23	Response to the Opioid Crisis Grant and \$5,000,000 the second year from the general fund				
24	is provided to increase access to medication assisted treatment for individuals with				
25	substance use disorders who are addicted to opioids. In expending this amount, the				
26	department shall ensure that preferred drug classes shall include non-narcotic, non-				
27	addictive, injectable prescription drug treatment regimens. The department shall ensure				
28	that a portion of the funding is used for non-narcotic, non-addictive, prescription drug				
29	treatment regimens for individuals who are: (i) on probation; (ii) in an institution, prison,				
30	or jail; or (iii) not able for clinical or other reasons to participate in buprenorphine or				
31	methadone based drug treatment regimens.				
32	FF. Out of this appropriation, \$1,000,000 the first year and \$1,000,000 the second year				
33	from the general fund is provided for community detoxification and sobriety services for				
34	individuals in crisis.				
35	GG. Out of this appropriation, \$880,000 the first year and \$880,000 the second year from				
36	the general fund is provided for one regional, multi-disciplinary team for older adults. This				
37	team shall provide clinical, medical, nursing, and behavioral expertise and psychiatric				
38	services to nursing facilities and assisted living facilities.				
39	HH. Out of this appropriation, \$3,720,000 the first year and \$7,440,000 the second year				
40	from the general fund is provided for primary care outpatient screening services at				
41	Community Services Boards and Behavioral Health Authorities as required by Chapter				
42	607, 2017 Acts of Assembly.				
43	II. Out of this appropriation, \$15,000,000 the second year from the general fund is				
44	provided to begin phasing in an expansion of outpatient mental health and substance abuse				
45	services at Community Services Boards and Behavioral Health Authorities pursuant to the				
46	System Transformation, Excellence and Performance in Virginia (STEP-VA) process and				
47	Chapters 607 and 683, 2017 Acts of Assembly.				
48	JJ. Out of this appropriation, \$2,000,000 the second year from the general fund is provided				
49	to begin phasing in an expansion of detoxification services at Community Services Boards				
50	and Behavioral Health Authorities, pursuant to the System Transformation, Excellence				
51	and Performance in Virginia (STEP-VA) process and Chapters 607 and 683, 2017 Acts of				
52	Assembly.				
53	KK. Out of this appropriation, \$826,200 the first year and \$1,652,400 the second year				
54	from the general fund shall be used to provide permanent supportive housing to pregnant				

ITEM 312.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	or parenting women with substance use disorders.			
2	LL. Out of this appropriation, \$11,025,231 the first year and \$11,025,231 the second year			
3	from the general fund shall be used to divert admissions from state hospitals by purchasing			
4	acute inpatient or community-based psychiatric services at private facilities.			
5	MM. Out of this appropriation, \$1,600,000 the first year and \$1,600,000 the second year from			
6	the general fund is provided for discharge planning at jails for individuals with serious mental			
7	illness. Funding shall be used to create staff positions in Community Services Boards and will			
8	be implemented at two jails with a high percentage of inmates with serious mental illness.			
9	NN. Out of this appropriation, \$708,663 the first year and \$708,663 the second year from the			
10	general fund is provided to establish an Intercept 2 diversion program in up to three rural			
11	communities. The funding shall be used for staffing and to provide access to treatment			
12	services.			
13	OO. Out of this appropriation, \$1,100,000 the first year and \$1,100,000 the second year from			
14	the general fund is provided to establish the Appalachian Telemental Health Initiative, a			
15	telemental health pilot program. Any funds that remain unspent at the end of each fiscal year			
16	shall be carried forward to the subsequent fiscal year.			
17	PP. Out of this appropriation, \$200,000 the first year and \$200,000 the second year from the			
18	general fund shall be provided to the Department of Behavioral Health and Developmental			
19	Services to contract with Best Buddies Virginia to expand inclusion services for people with			
20	intellectual and developmental disabilities to the Richmond and Virginia Beach areas of the			
21	state.			
22	QQ. Out of this appropriation, \$7,800,000 the second year from the general fund is provided			
23	for crisis services at Community Services Boards and Behavioral Health Authorities pursuant			
24	to the System Transformation, Excellence and Performance in Virginia (STEP-VA) process			
25	and Chapters 607 and 683, 2017 Acts of Assembly.			
26	RR. Out of this appropriation, \$200,000 the second year from the general fund is provided to			
27	the Fairfax-Falls Church Community Services Board to fully fund its Program of Assertive			
28	Community Treatment (PACT) Team.			
29	SS. Out of this appropriation, \$750,000 the second year from the Behavioral Health and			
30	Developmental Services Trust Fund shall be expended for one-time expenditures for			
31	developmental disability services across the Commonwealth. Priority shall be given to			
32	projects that serve critical service gaps for individuals with developmental disability in the			
33	Northern Virginia region (Region 2) who have been discharged from state training centers or			
34	who are at risk of institutional placement. The department shall collaborate with Community			
35	Services Boards and private providers, to determine the best use of such funds to address			
36	critical needs on a one-time basis, for individuals with developmental disabilities. The			
37	department shall report on the allocation of these funds to the Chairmen of the House			
38	Appropriations and Senate Finance Committees by no later than September 15, 2019.			
39	Total for Grants to Localities.....		\$465,217,537	\$504,170,491
40				\$505,418,309
41	Fund Sources: General.....	\$371,417,537	\$411,670,491	
42			\$412,918,309	
43	Dedicated Special Revenue.....	\$3,800,000	\$2,500,000	
44	Federal Trust.....	\$90,000,000	\$90,000,000	
45	313.	Not set out.		
46	314.	Not set out.		
47	315.	Not set out.		
48	316.	Not set out.		
49	317.	Not set out.		

ITEM 318.		Item Details(\$)		Appropriations(\$)		
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020	
1	318.	Not set out.				
2	Intellectual Disabilities Training Centers (793)					
3	319.	Not set out.				
4	320.	Not set out.				
5	321.	State Health Services (43000).....		\$69,918,683	\$69,918,683	
6					\$65,418,683	
7		Inpatient Medical Services (43007).....	\$32,095,261	\$32,095,261		
8		State Intellectual Disabilities Training Center				
9		Services (43010).....	\$37,823,422	\$37,823,422		
10				\$33,323,422		
11		Fund Sources: General.....	\$15,066,431	\$15,066,431		
12				\$10,566,431		
13		Special.....	\$54,852,252	\$54,852,252		
14	Authority: Title 37.2, Chapters 1 through 11, Code of Virginia.					
15	The Commissioner of Behavioral Health and Developmental Services shall comply with					
16	all relevant state and federal laws and Supreme Court decisions that govern the discharge					
17	of residents from state intellectual disability training centers and the granting of					
18	intellectual disability waiver slots.					
19	322.	Not set out.				
20	323.	Not set out.				
21		Total for Intellectual Disabilities Training Centers..		\$139,946,912	\$136,904,289	
22					\$132,404,289	
23		General Fund Positions.....	1,092.00	1,092.00		
24		Nongeneral Fund Positions.....	665.00	665.00		
25		Position Level.....	1,757.00	1,757.00		
26		Fund Sources: General.....	\$31,636,176	\$28,593,553		
27				\$24,093,553		
28		Special.....	\$108,110,736	\$108,110,736		
29		Federal Trust.....	\$200,000	\$200,000		
30	Virginia Center for Behavioral Rehabilitation (794)					
31	324.	Not set out.				
32	325.	Secure Confinement (35700).....		\$12,098,368	\$18,159,479	
33					\$13,159,479	
34		Forensic and Behavioral Rehabilitation Security				
35		(35707).....	\$12,098,368	\$18,159,479		
36				\$13,159,479		
37		Fund Sources: General.....	\$12,098,368	\$18,159,479		
38				\$13,159,479		
39	Authority: Title 37.2, Chapter 9, Code of Virginia.					
40	326.	Not set out.				
41	327.	Not set out.				

ITEM 328.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	328.	Facility Administrative and Support Services			
2		(49800).....		\$14,245,696	\$15,945,696
3					\$14,445,696
4		General Management and Direction (49801).....		\$2,164,423	\$3,864,423
5					\$2,364,423
6		Information Technology Services (49802).....		\$28,765	\$28,765
7		Food and Dietary Services (49807).....		\$3,079,145	\$3,079,145
8		Housekeeping Services (49808).....		\$428,210	\$428,210
9		Physical Plant Services (49815).....		\$8,446,716	\$8,446,716
10		Training and Education Services (49825).....		\$98,437	\$98,437
11		Fund Sources: General.....		\$14,245,696	\$15,945,696
12					\$14,445,696
13		Authority: Title 37.2, Chapters 1 through 11, Code of Virginia.			
14		A. In the event that services are not available in Virginia to address the specific needs of an			
15		individual committed for treatment at the VCBR or conditionally released, or additional			
16		capacity cannot be met at the VCBR, the Commissioner is authorized to seek such services			
17		from another state.			
18		B: Out of the amounts appropriated in this Item and Item 325, \$7,761,111 the second year			
19		from the general fund is provided for the staffing, equipment, and other costs of operating 72			
20		new beds at the expanded VCBR beginning in August, 2019.			
21		C. Out of this appropriation, \$540,000 the first year and \$540,000 the second year from the			
22		general fund is provided for the treatment costs of residents diagnosed with hepatitis. The			
23		facility shall make efforts to use certified federal 340B providers for the dispensing of any			
24		associated pharmaceuticals.			
25		D. Within 15 days of any appropriation transfer to the Virginia Center for Behavioral			
26		Rehabilitation from any other sub-agency within the Department of Behavioral Health and			
27		Developmental Services, the Department of Planning and Budget shall notify the Chairmen of			
28		the House Appropriations and Senate Finance Committees. The notice shall include the			
29		amount, fund source and reason for the transfer with an explanation of why the funding being			
30		transferred has no impact on the sub-agency from which it is transferred.			
31		Total for Virginia Center for Behavioral			
32		Rehabilitation.....		\$40,338,435	\$48,194,740
33					\$41,694,740
34		General Fund Positions.....		631.50	778.50
35					659.50
36		Position Level.....		631.50	778.50
37					659.50
38		Fund Sources: General.....		\$40,338,435	\$48,194,740
39					\$41,694,740
40		Grand Total for Department of Behavioral Health			
41		and Developmental Services.....		\$1,150,422,872	\$1,217,429,732
42					\$1,224,223,765
43		General Fund Positions.....		5,971.25	6,497.00
44					6,406.00
45		Nongeneral Fund Positions.....		1,298.25	1,309.25
46		Position Level.....		7,269.50	7,806.25
47					7,715.25
48		Fund Sources: General.....		\$823,286,584	\$919,479,922
49					\$911,820,784
50		Special.....		\$203,817,658	\$176,887,344
51					\$191,340,515
52		Dedicated Special Revenue.....		\$5,000,000	\$2,500,000
53		Federal Trust.....		\$118,318,630	\$118,562,466
54	329.	Not set out.			

ITEM 330.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	330.	Not set out.			
2	331.	Not set out.			
3	332.	Not set out.			
4	333.	Not set out.			
5	334.	Not set out.			
6	335.	Not set out.			
7	336.	Not set out.			
8	337.	Not set out.			
9	338.	Not set out.			
10	§ 1-14. DEPARTMENT OF SOCIAL SERVICES (765)				
11	339.	Program Management Services (45100).....		\$42,408,598	\$44,554,972
12					\$43,845,249
13		\$4,986,679	\$4,986,679		
14					
15		\$12,541,044	\$12,541,044		
16			\$12,457,475		
17					
18		\$8,491,978	\$9,436,422		
19			\$10,492,054		
20					
21		\$9,992,656	\$11,194,586		
22			\$10,112,800		
23					
24		\$6,396,241	\$6,396,241		
25			\$5,796,241		
26		\$16,701,948	\$18,078,365		
27			\$17,670,988		
28		\$100,000	\$100,000		
29		\$25,606,650	\$26,376,607		
30			\$26,074,261		
31	Authority: Title 2.2, Chapter 54; Title 63.2, Chapters 2 and 21, Code of Virginia; Title VI,				
32	Subtitle B, P.L. 97-35, as amended; P.L. 103-252, as amended; P.L. 104-193, as amended,				
33	Federal Code.				
34	A. The Department of Social Services, in collaboration with the Office of Children's				
35	Services, shall provide training to local staff serving on Family Assessment and Planning				
36	Teams and Community Policy and Management Teams. Training shall include, but need				
37	not be limited to, the federal and state requirements pertaining to the provision of the				
38	foster care services funded under § 2.2-5211, Code of Virginia. The training shall also				
39	include written guidance concerning which services remain the financial responsibility of				
40	the local departments of social services. Training shall be provided on a regional basis at				
41	least once per year. Written guidance shall be updated and provided to local Office of				
42	Children's Services teams whenever there is a change in allowable expenses under federal				
43	or state guidelines. In addition, the Department of Social Services shall provide ongoing				
44	local oversight of its federal and state requirements related to the provision of services				
45	funded under § 2.2-5211, Code of Virginia.				
46	B.1. By November 1 of each year, the Department of Planning and Budget, in cooperation				
47	with the Department of Social Services, shall prepare and submit a forecast of				

ITEM 339.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	expenditures for cash assistance provided through the Temporary Assistance for Needy			
2	Families (TANF) program, mandatory child day care services under TANF, foster care			
3	maintenance and adoption subsidy payments, upon which the Governor's budget			
4	recommendations will be based, for the current and subsequent two years to the Chairmen of			
5	the House Appropriations and Senate Finance Committees.			
6	2. The forecast of expenditures shall detail the incremental general fund and federal fund			
7	adjustments required by the forecast each year in the biennial budget. The Department of			
8	Planning and Budget shall convene a meeting on or before October 15 of each year with the			
9	appropriate staff from the Department of Social Services, and the House Appropriations and			
10	Senate Finance Committees to review current trends and assumptions used in the forecasts			
11	prior to their finalization.			
12	C. The Department of Social Services shall provide administrative support and technical			
13	assistance to the Family and Children's Trust Fund (FACT) Board of Trustees established in			
14	Sections 63.2-2100 through 63.2-2103, Code of Virginia.			
15	D. Out of this appropriation, \$1,829,111 the first year and \$1,829,111 the second year from			
16	the general fund and \$1,829,111 the first year and \$1,829,111 the second year from			
17	nongeneral funds shall be provided to fund the Supplemental Nutrition Assistance Program			
18	(SNAP) Electronic Benefit Transfer (EBT) contract cost.			
19	E.1. Out of this appropriation, ten positions and the associated funding shall be dedicated to			
20	providing on-going financial oversight of foster care services. Each of the ten positions, with			
21	two working out of each regional office, shall assess and review all foster care spending to			
22	ensure that state and federal standards are met. None of these positions shall be used for			
23	quality, information technology, or clerical functions.			
24	2. By September 1 of each year, the department shall report to the Governor, the Chairmen of			
25	the House Appropriations and Senate Finance Committees, and the Director, Department of			
26	Planning and Budget regarding the foster care program's statewide spending, error rates and			
27	compliance with state and federal reviews.			
28	<i>F. Out of this appropriation, \$187,549 the second year from the Temporary Assistance for</i>			
29	<i>Needy Families block grant shall be provided to manage the two-year summer feeding pilot</i>			
30	<i>program, beginning June 2020 and ending August 2022.</i>			
31	340.	Financial Assistance for Self-Sufficiency Programs		
32		and Services (45200).....		\$267,327,852
33				\$280,389,941
34		Temporary Assistance for Needy Families (TANF)		\$270,076,970
35		Cash Assistance (45201).....	\$65,706,200	\$66,744,124
36				\$62,984,242
37		Temporary Assistance for Needy Families (TANF)		
38		Employment Services (45212).....	\$21,657,833	\$21,657,833
39		Supplemental Nutrition Assistance Program		
40		Employment and Training (SNAPET) Services		
41		(45213).....	\$4,562,444	\$1,017,741
42		Temporary Assistance for Needy Families (TANF)		
43		Child Care Subsidies (45214).....	\$57,807,905	\$58,676,773
44				\$55,651,909
45		At-Risk Child Care Subsidies (45215).....	\$110,235,948	\$124,635,948
46		Unemployed Parents Cash Assistance (45216).....	\$7,357,522	\$7,657,522
47				\$4,129,297
48		Fund Sources: General.....	\$81,518,741	\$81,818,741
49				\$78,290,516
50		Federal Trust.....	\$185,809,111	\$198,571,200
51				\$191,786,454
52	Authority: Title 2.2, Chapter 54; Title 63.2, Chapters 1 through 7, Code of Virginia; Title VI,			
53	Subtitle B, P.L. 97-35, as amended; P.L. 103-252, as amended; P.L. 104-193, as amended,			
54	Federal Code.			
55	†05,902,723A. It is hereby acknowledged that as of June 30, 2017 there existed with the			
56	federal government an unexpended balance of \$123,754,882 in federal Temporary Assistance			

ITEM 340.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	for Needy Families (TANF) block grant funds which are available to the Commonwealth			
2	of Virginia to reimburse expenditures incurred in accordance with the adopted State Plan			
3	for the TANF program. Based on projected spending levels and appropriations in this act,			
4	the Commonwealth's accumulated balance for authorized federal TANF block grant funds			
5	is estimated at \$136,288,696 on June 30, 2018; \$124,901,366 on June 30, 2019; and			
6	\$105,902,723 \$132,893,708 on June 30, 2020.			
7	B. No less than 30 days prior to submitting any amendment to the federal government			
8	related to the State Plan for the Temporary Assistance for Needy Families program, the			
9	Commissioner of the Department of Social Services shall provide the Chairmen of the			
10	House Appropriations and Senate Finance Committees as well as the Director,			
11	Department of Planning and Budget written documentation detailing the proposed policy			
12	changes. This documentation shall include an estimate of the fiscal impact of the proposed			
13	changes and information summarizing public comment that was received on the proposed			
14	changes.			
15	C. Notwithstanding any other provision of state law, the Department of Social Services			
16	shall maintain a separate state program, as that term is defined by federal regulations			
17	governing the Temporary Assistance for Needy Families (TANF) program, 45 C.F.R. §			
18	260.30, for the purpose of providing welfare cash assistance payments to able-bodied two-			
19	parent families. The separate state program shall be funded by state funds and operated			
20	outside of the TANF program. Able-bodied two-parent families shall not be eligible for			
21	TANF cash assistance as defined at 45 C.F.R. § 260.31 (a)(1), but shall receive benefits			
22	under the separate state program provided for in this paragraph. Although various			
23	conditions and eligibility requirements may be different under the separate state program,			
24	the basic benefit payment for which two-parent families are eligible under the separate			
25	state program shall not be less than what they would have received under TANF. The			
26	Department of Social Services shall establish regulations to govern this separate state			
27	program.			
28	D. As a condition of this appropriation, the Department of Social Services shall disregard			
29	the value of one motor vehicle per assistance unit in determining eligibility for cash			
30	assistance in the Temporary Assistance for Needy Families (TANF) program and in the			
31	separate state program for able-bodied two-parent families.			
32	E. The Department of Social Services, in collaboration with local departments of social			
33	services, shall maintain minimum performance standards for all local departments of			
34	social services participating in the Virginia Initiative for Employment, Not Welfare			
35	(VIEW) program. The department shall allocate VIEW funds to local departments of			
36	social services based on these performance standards and VIEW caseloads. The allocation			
37	formula shall be developed and revised in cooperation with the local social services			
38	departments and the Department of Planning and Budget.			
39	F. A participant whose Temporary Assistance for Needy Families (TANF) financial			
40	assistance is terminated due to the receipt of 24 months of assistance as specified in §			
41	63.2-612, Code of Virginia, or due to the closure of the TANF case prior to the completion			
42	of 24 months of TANF assistance, excluding cases closed with a sanction for			
43	noncompliance with the Virginia Initiative for Employment Not Welfare program, shall be			
44	eligible to receive employment and training assistance for up to 12 months after			
45	termination, if needed, in addition to other transitional services provided pursuant to §			
46	63.2-611, Code of Virginia.			
47	G. The Department of Social Services, in conjunction with the Department of Correctional			
48	Education, shall identify and apply for federal, private and faith-based grants for pre-			
49	release parenting programs for non-custodial incarcerated parent offenders committed to			
50	the Department of Corrections, including but not limited to the following grant programs:			
51	Promoting Responsible Fatherhood and Healthy Marriages, State Child Access and			
52	Visitation Block Grant, Serious and Violent Offender Reentry Initiative Collaboration,			
53	Special Improvement Projects, § 1115 Social Security Demonstration Grants, and any new			
54	grant programs authorized under the federal Temporary Assistance for Needy Families			
55	(TANF) block grant program.			
56	H.1. Out of this appropriation, \$10,703,748 the first year and \$10,703,748 the second year			
57	from nongeneral funds is included for Head Start wraparound child care services.			

ITEM 340.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	2. Included in this Item is funding to carry out the former responsibilities of the Virginia				
2	Council on Child Day Care and Early Childhood Programs. Nongeneral fund appropriations				
3	allocated for uses associated with the Head Start program shall not be transferred for any				
4	other use until eligible Head Start families have been fully served. Any remaining funds may				
5	be used to provide services to enrolled low-income families in accordance with federal and				
6	state requirements. Families, who are working or in education and training programs, with				
7	income at or below the poverty level, whose children are enrolled in Head Start wraparound				
8	programs paid for with the federal block grant funding in this Item shall not be required to pay				
9	fees for these wraparound services.				
10	I. Out of this appropriation, \$2,647,305 the first year and \$2,647,305 the second year from the				
11	general fund and \$72,503,762 the first year and \$72,503,762 the second year from federal				
12	funds shall be provided to support state child care programs which will be administered on a				
13	sliding scale basis to income eligible families. The sliding fee scale and eligibility criteria are				
14	to be set according to the rules and regulations of the State Board of Social Services, except				
15	that the income eligibility thresholds for child care assistance shall account for variations in				
16	the local cost of living index by metropolitan statistical areas. The Department of Social				
17	Services shall make the necessary amendments to the Child Care and Development Funds				
18	Plan to accomplish this intent. Funds shall be targeted to families who are most in need of				
19	assistance with child care costs. Localities may exceed the standards established by the state				
20	by supplementing state funds with local funds.				
21	J. Out of this appropriation, \$600,000 the first year and \$600,000 the second year from				
22	nongeneral funds shall be used to provide scholarships to students in early childhood				
23	education and related majors who plan to work in the field, or already are working in the field,				
24	whether in public schools, child care or other early childhood programs, and who enroll in a				
25	state community college or a state supported senior institution of higher education.				
26	K. Out of this appropriation, \$505,000 the first year and \$505,000 the second year from				
27	nongeneral funds shall be used to provide training of individuals in the field of early				
28	childhood education.				
29	L. Out of this appropriation, \$300,000 the first year and \$300,000 the second year from				
30	nongeneral funds shall be used to provide child care assistance for children in homeless and				
31	domestic violence shelters.				
32	M. Out of this appropriation, the Department of Social Services shall use \$4,800,000 the first				
33	year and \$4,800,000 the second year from the federal Temporary Assistance to Needy				
34	Families (TANF) block grant to provide to each TANF recipient with two or more children in				
35	the assistance unit a monthly TANF supplement equal to the amount the Division of Child				
36	Support Enforcement collects up to \$200, less the \$100 disregard passed through to such				
37	recipient. The TANF child support supplement shall be paid within two months following				
38	collection of the child support payment or payments used to determine the amount of such				
39	supplement. For purposes of determining eligibility for medical assistance services, the TANF				
40	supplement described in this paragraph shall be disregarded. In the event there are sufficient				
41	federal TANF funds to provide all other assistance required by the TANF State Plan, the				
42	Commissioner may use unobligated federal TANF block grant funds in excess of this				
43	appropriation to provide the TANF supplement described in this paragraph.				
44	N. The Board of Social Services shall combine Groups I and II for the purposes of Temporary				
45	Assistance to Needy Families cash benefits and use the Group II rates for the new group.				
46	O. The Department of Social Services, in cooperation with the University of Virginia's Center				
47	for Advanced Study of Teaching and Learning, shall (i) develop a list of research-based, age-				
48	appropriate curricula to be available as a resource for child care providers participating in the				
49	child care subsidy program, and (ii) develop, publish and maintain a list of professional				
50	development courses and providers to be available as resources for child care professionals				
51	participating in the child care subsidy program.				
52	P. The Department of Social Services shall submit a plan on the intended allocation and				
53	spending of additional federal Child Care and Development Fund monies to improve access to				
54	and quality of child day care in Virginia that are received pursuant to the Consolidated				
55	Appropriations Act of 2018, PL 115-141. The plan shall be submitted to the Chairmen of the				

ITEM 340.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	House Appropriations and Senate Finance Committees by September 1, 2018.			
2	Q.1. Out of this appropriation \$925,000 the first year and \$325,000 the second year from			
3	the federal Child Care and Development Fund (CCDF) shall be provided to implement a			
4	pilot program in cooperation with the University of Virginia Center for Advanced Study			
5	of Teaching and Learning (UVA CASTL) to improve early childhood classrooms in faith-			
6	based and private child day care centers. The pilot program shall implement UVA CASTL			
7	developed curricula, professional development and coaching modules to improve			
8	Kindergarten readiness in these centers.			
9	2. Out of the amounts provided in O.1., \$525,000 the first year shall be used to implement			
10	the pilot program in 50 early childhood classrooms in faith-based and private child day			
11	care centers and \$400,000 the first year from the federal CCDF shall be provided to			
12	develop a version of the Virginia Kindergarten Readiness Program for the pilot program to			
13	use in assessing four-year-olds in these early childhood classrooms.			
14	3. Out of the amounts provided in O.1., \$325,000 the second year shall be used to			
15	implement an evaluation of the pilot program.			
16	R. The Department of Social Services shall increase the Temporary Assistance for Needy			
17	Families (TANF) cash benefits by five percent effective July 1, 2019.			
18	S. The Commissioner, Department of Social Services, shall develop a comprehensive plan			
19	for the Temporary Assistance to Needy Families (TANF) block grant and make			
20	recommendations to ensure the block grant is being used in the most effective manner to			
21	best support low-income families in achieving self-sufficiency. The Commissioner shall:			
22	(i) review and evaluate the current uses of TANF block grant funds; (ii) assess the			
23	effectiveness of current TANF benefits in assisting families; (iii) evaluate the			
24	effectiveness of the discretionary uses of TANF in meeting the four goals of the TANF			
25	program and whether such uses have outcome measures; and (iv) provide estimates for the			
26	costs of any recommendations in the plan. The Commissioner shall consult with			
27	stakeholders in developing the plan, and shall submit the plan to the Joint Subcommittee			
28	for Health and Human Resources Oversight by October 1, 2019.			
29	<i>T. Out of this appropriation, \$2,532,800 the second year from the Temporary Assistance</i>			
30	<i>for Needy Families block grant shall be provided for a two-year summer feeding program</i>			
31	<i>pilot. This pilot shall provide fifty dollars for each of the months of June, July, and August</i>			
32	<i>on a qualifying child's family electronic benefits transaction (EBT) card. The funding shall</i>			
33	<i>be used to purchase meals for qualifying low-income children in areas that are currently</i>			
34	<i>unserved by but summer feeding programs. The pilot shall end on August 31, 2022. The</i>			
35	<i>department shall report on annual program performance and shall include monthly</i>			
36	<i>expenditures, number of children served, and localities in which children were served.</i>			
37	<i>This report shall be provided to the Governor, Director of the Department of Planning</i>			
38	<i>and Budget, and the Chairmen of the House Appropriations and Senate Finance</i>			
39	<i>committees by November 1 of each year.</i>			
40	341. Financial Assistance for Local Social Services			
41	Staff (46000).....		\$479,100,482	\$488,984,442
42				\$497,124,841
43	Local Staff and Operations (46010).....	\$479,100,482	\$488,984,442	
44			\$497,124,841	
45	Fund Sources: General.....	\$124,596,629	\$125,400,386	
46	Dedicated Special Revenue.....	\$6,508,986	\$8,659,655	
47	Federal Trust.....	\$347,994,867	\$354,924,401	
48			\$363,064,800	
49	Authority: Title 63.2, Chapters 1 through 7 and 9 through 16, Code of Virginia; P.L. 104-			
50	193, Titles IV A, XIX, and XXI, Social Security Act, Federal Code, as amended.			
51	A. The amounts in this Item shall be expended under regulations of the Board of Social			
52	Services to reimburse county and city welfare/social services boards pursuant to § 63.2-			
53	401, Code of Virginia, and subject to the same percentage limitations for other			
54	administrative services performed by county and city public welfare/social services boards			
55	and superintendents of public welfare/social services pursuant to other provisions of the			

ITEM 341.	Item Details(\$)		Appropriations(\$)		
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020	
1	Code of Virginia, as amended.				
2	B. Pursuant to the provisions of §§ 63.2-403, 63.2-406, 63.2-407, 63.2-408, and 63.2-615				
3	Code of Virginia, all moneys deducted from funds otherwise payable out of the state treasury				
4	to the counties and cities pursuant to the provisions of § 63.2-408, Code of Virginia, shall be				
5	credited to the applicable general fund account.				
6	C. Included in this appropriation are funds to reimburse local social service agencies for				
7	eligibility workers who interview applicants to determine qualification for public assistance				
8	benefits which include but are not limited to: Temporary Assistance for Needy Families				
9	(TANF); Supplemental Nutrition Assistance Program (SNAP); and Medicaid.				
10	D. Included in this appropriation are funds to reimburse local social service agencies for				
11	social workers who deliver program services which include but are not limited to: child and				
12	adult protective services complaint investigations; foster care and adoption services; and adult				
13	services.				
14	E. Out of the federal fund appropriation for local social services staff, amounts estimated at				
15	\$72,000,000 the first year and \$72,000,000 the second year shall be set aside for allowable				
16	local costs which exceed available general fund reimbursement and amounts estimated at				
17	\$22,000,000 the first year and \$22,000,000 the second year shall be set aside to reimburse				
18	local governments for allowable costs incurred in administering public assistance programs.				
19	F. Out of this appropriation, \$562,260 the first year and \$562,260 the second year from the				
20	general fund and \$540,211 the first year and \$540,211 the second year from nongeneral funds				
21	is provided to cover the cost of the health insurance credit for retired local social services				
22	employees.				
23	G. The Department of Social Services shall work with local departments of social services on				
24	a pilot project in the western region of the state to evaluate the available data collected by				
25	local departments on facilitated care arrangements. The department shall, based on the				
26	findings from the pilot project, determine the most appropriate mechanism for collecting and				
27	reporting such data on a statewide basis.				
28	H.1. Out of this appropriation, \$4,527,969 the first year and \$4,527,969 the second year from				
29	the general fund shall be available for the reinvestment of adoption general fund savings as				
30	authorized in Title IV, parts B and E of the federal Social Security Act (P.L. 110-351).				
31	2. Of the amount in paragraph H.1. above, \$1,333,031 the first year and \$1,333,031 the				
32	second year from the general fund shall be used to provide Child Protective Services (CPS)				
33	assessments and investigations in response to all reports of children born exposed to				
34	controlled substances regardless of whether the substance had been prescribed to the mother				
35	when she has sought or gained substance abuse counseling or treatment.				
36	342.	Child Support Enforcement Services (46300).....		\$775,255,087	\$774,455,087
37					\$768,829,314
38		Support Enforcement and Collection Services			
39		(46301).....	\$110,348,778	\$109,548,778	
40				\$103,923,005	
41		Public Assistance Child Support Payments (46302)....	\$11,000,000	\$11,000,000	
42		Non-Public Assistance Child Support Payments			
43		(46303).....	\$653,906,309	\$653,906,309	
44		Fund Sources: General.....	\$17,157,242	\$16,882,124	
45				\$15,444,157	
46		Special.....	\$691,388,199	\$691,663,317	
47		Federal Trust.....	\$66,709,646	\$65,909,646	
48				\$61,721,840	
49		Authority: Title 20, Chapters 2 through 3.1 and 4.1 through 9; Title 63.2, Chapter 19, Code of			
50		Virginia; P.L. 104-193, as amended; P.L. 105-200, P.L. 106-113, Federal Code.			
51		A. Any net revenue from child support enforcement collections, after all disbursements are			
52		made in accordance with state and federal statutes and regulations, and after the state's share			
53		of the cost of administering the program is paid, shall be estimated and deposited into the			

ITEM 342.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	general fund by June 30 of the fiscal year in which it is collected. Any additional moneys			
2	determined to be available upon final determination of a fiscal year's costs of			
3	administering the program shall be deposited to the general fund by September 1 of the			
4	subsequent fiscal year in which it is collected.			
5	B. In determining eligibility and amounts for cash assistance, pursuant to the Personal			
6	Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193,			
7	the department shall continue to disregard up to \$100 per month in child support payments			
8	and return to recipients of cash assistance up to \$100 per month in child support payments			
9	collected on their behalf.			
10	C. The state share of amounts disbursed to recipients of cash assistance pursuant to			
11	paragraph B of this Item shall be considered part of the Commonwealth's required			
12	Maintenance of Effort spending for the federal Temporary Assistance for Needy Families			
13	program established by the Social Security Act.			
14	D. The department shall expand collections of child support payments through contracts			
15	with private vendors. However, the Department of Social Services and the Office of the			
16	Attorney General shall not contract with any private collection agency, private attorney, or			
17	other private entity for any child support enforcement activity until the State Board of			
18	Social Services has made a written determination that the activity shall be performed			
19	under a proposed contract at a lower cost than if performed by employees of the			
20	Commonwealth.			
21	E. The Division of Child Support Enforcement, in cooperation with the Department of			
22	Medical Assistance Services, shall identify cases for which there is a medical support			
23	order requiring a noncustodial parent to contribute to the medical cost of caring for a child			
24	who is enrolled in the Medicaid or Family Access to Medical Insurance Security (FAMIS)			
25	Programs. Once identified, the division shall work with the Department of Medical			
26	Assistance Services to take appropriate enforcement actions to obtain medical support or			
27	repayments for the Medicaid program.			
28	343. Adult Programs and Services (46800).....		\$39,661,169	\$40,660,209
29	Auxiliary Grants for the Aged, Blind, and Disabled			
30	(46801).....	\$20,998,969		\$21,998,009
31	Adult In-Home and Supportive Services (46802).....	\$6,822,995		\$6,822,995
32	Domestic Violence Prevention and Support			
33	Activities (46803).....	\$11,839,205		\$11,839,205
34	Fund Sources: General.....	\$22,456,141		\$23,455,181
35	Federal Trust.....	\$17,205,028		\$17,205,028
36	Authority: Title 63.2, Chapters 1, 16 and 22, Code of Virginia; Title XVI, federal Social			
37	Security Act, as amended.			
38	A.1.a. Effective January 1, 2019, the Department of Social Services, in collaboration with			
39	the Department for Aging and Rehabilitative Services, is authorized to base approved			
40	licensed assisted living facility rates for individual facilities on an occupancy rate of 85			
41	percent of licensed capacity, not to exceed a maximum rate of \$1,292 per month, which			
42	rate is also applied to approved adult foster care homes, unless modified as indicated			
43	below. The department may add a 15 percent differential to the maximum amount for			
44	licensed assisted living facilities and adult foster care homes in Planning District Eight.			
45	b. Effective July 1, 2019, the Department of Social Services, in collaboration with the			
46	Department for Aging and Rehabilitative Services, is authorized to base approved licensed			
47	assisted living facility rates for individual facilities on an occupancy rate of 85 percent of			
48	licensed capacity, not to exceed a maximum rate of \$1,317 per month, which rate is also			
49	applied to approved adult foster care homes, unless modified as indicated below. The			
50	department may add a 15 percent differential to the maximum amount for licensed assisted			
51	living facilities and adult foster care homes in Planning District Eight.			
52	c. Effective January 1, 2020, the Department of Social Services, in collaboration with the			
53	Department for Aging and Rehabilitative Services, is authorized to base approved			
54	licensed assisted living facility rates for individual facilities on an occupancy rate of 85			

ITEM 343.	Item Details(\$)		Appropriations(\$)		
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1	<i>percent of licensed capacity, not to exceed a maximum rate of \$1,329 per month, which rate is</i>				
2	<i>also applied to approved adult foster care homes, unless modified as indicated below. The</i>				
3	<i>department may add a 15 percent differential to the maximum amount for licensed assisted</i>				
4	<i>living facilities and adult foster care homes in Planning District Eight.</i>				
5	2. Effective January 1, 2013, the monthly personal care allowance for auxiliary grant				
6	recipients who reside in licensed assisted living facilities and approved adult foster care				
7	homes shall be \$82 per month, unless modified as indicated below.				
8	3. The Department of Social Services, in collaboration with the Department for Aging and				
9	Rehabilitative Services, is authorized to increase the assisted living facility and adult foster				
10	care home rates and/or the personal care allowance cited above on January 1 of each year in				
11	which the federal government increases Supplemental Security Income or Social Security				
12	rates or at any other time that the department determines that an increase is necessary to				
13	ensure that the Commonwealth continues to meet federal requirements for continuing				
14	eligibility for federal financial participation in the Medicaid program. Any such increase is				
15	subject to the prior concurrence of the Department of Planning and Budget. Within thirty days				
16	after its effective date, the Department of Social Services shall report any such increase to the				
17	Governor and the Chairmen of the House Appropriations and Senate Finance Committees				
18	with an explanation of the reasons for the increase.				
19	4. The Department of Social Services, in collaboration with the Department for Aging and				
20	Rehabilitative Services and the Department of Behavioral Health and Developmental				
21	Services, shall report annually by August 15, the number of individuals receiving an Auxiliary				
22	Grant supportive housing slot that were discharged from a state behavioral health hospital in				
23	the prior 12 months. The report shall be submitted to the Chairmen of the House				
24	Appropriations and Senate Finance Committees.				
25	B. Out of this appropriation, \$4,185,189 the first year and \$4,185,189 in the second year from				
26	the federal Social Services Block Grant shall be allocated to provide adult companion services				
27	for low-income elderly and disabled adults.				
28	C. The toll-free telephone hotline operated by the Department of Social Services to receive				
29	child abuse and neglect complaints shall also be publicized and used by the department to				
30	receive complaints of adult abuse and neglect.				
31	D. Out of this appropriation, \$248,750 the first year and \$248,750 the second year from the				
32	general fund and \$1,346,792 the first year and \$1,346,792 the second year from federal				
33	Temporary Assistance for Needy Families (TANF) funds shall be provided as a grant to local				
34	domestic violence programs for purchase of crisis and core services for victims of domestic				
35	violence, including 24-hour hotlines, emergency shelter, emergency transportation, and other				
36	crisis services as a first priority.				
37	E. Out of this appropriation, \$75,000 the first year and \$75,000 the second year from the				
38	general fund and \$400,000 the first year and \$400,000 the second year from nongeneral funds				
39	shall be provided for the purchase of services for victims of domestic violence as stated in §				
40	63.2-1615, Code of Virginia, in accordance with regulations promulgated by the Board of				
41	Social Services.				
42	F. Out of this appropriation \$1,100,000 the first year and \$1,100,000 the second year from the				
43	general fund and \$2,500,000 the first year and \$2,500,000 the second year from federal				
44	Temporary Assistance to Needy Families (TANF) funds shall be provided as a grant to local				
45	domestic violence programs for services.				
46	G. The Director, Department of Planning and Budget, shall, on or before June 30, 2019,				
47	unallot \$2,000,000 from the general fund in this item, which reflects unused balances in the				
48	auxiliary grants program.				
49	344.	Child Welfare Services (46900).....		\$234,910,203	\$238,176,201
50					\$244,038,538
51		Foster Care Payments (46901).....	\$62,854,331	\$63,509,506	
52				\$59,997,600	
53		Supplemental Child Welfare Activities (46902).....	\$36,763,186	\$38,723,749	
54		Adoption Subsidy Payments (46903).....	\$135,292,686	\$135,942,946	
55				\$145,317,189	

ITEM 344.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Fund Sources: General.....	\$118,060,119	\$119,412,176		
2			\$120,700,059		
3	Special.....	\$1,425,030	\$2,434,593		
4	Dedicated Special Revenue.....	\$585,265	\$585,265		
5	Federal Trust.....	\$114,839,789	\$115,744,167		
6			\$120,318,621		
7	Authority: Title 63.2, Chapters 1, 2, 4 and 8 through 15, Code of Virginia; P.L. 100-294,				
8	P.L. 101-126, P.L. 101-226, P.L. 105-89, P.L. 110-351, P.L. 111-320, as amended,				
9	Federal Code.				
10	A. Expenditures meeting the criteria of Title IV-E of the Social Security Act shall be fully				
11	reimbursed except that expenditures otherwise subject to a standard local matching share				
12	under applicable state policy, including local staffing, shall continue to require local				
13	match. The commissioner shall ensure that local social service boards obtain				
14	reimbursement for all children eligible for Title IV-E coverage.				
15	B. The commissioner, in cooperation with the Department of Planning and Budget, shall				
16	establish a reasonable, automatic adjustment for inflation each year to be applied to the				
17	room and board maximum rates paid to foster parents. However, this provision shall apply				
18	only in fiscal years following a fiscal year in which salary increases are provided for state				
19	employees.				
20	C. Out of this appropriation, \$500,000 the first year and \$500,000 the second year from				
21	the general fund shall be provided for the purchase of services for victims child abuse and				
22	neglect prevention activities as stated in § 63.2-1502, Code of Virginia, in accordance				
23	with regulations promulgated by the Board of Social Services.				
24	D. Out of this appropriation, \$180,200 the first year and \$180,200 the second year from				
25	the general fund and \$99,800 the first year and \$99,800 the second year from nongeneral				
26	funds shall be provided to continue respite care for foster parents.				
27	E. Notwithstanding the provisions of §§ 63.2-1300 through 63.2-1303, Code of Virginia,				
28	adoption assistance subsidies and supportive services shall not be available for children				
29	adopted through parental placements, except parental placements where the legal guardian				
30	is a child placing agency at the time of the adoption. This restriction does not apply to				
31	existing adoption assistance agreements.				
32	F.1. Out of this appropriation, \$1,500,000 the first year and \$1,500,000 the second year				
33	from the general fund shall be provided to implement pilot programs that increase the				
34	number of foster care children adopted.				
35	2. Beginning July 1, 2017, the department shall provide an annual report, not later than 45				
36	days after the end of the state fiscal year, on the use and effectiveness of this funding				
37	including, but not limited to, the additional number of special needs children adopted from				
38	foster care as a result of this effort and the types of ongoing supportive services provided,				
39	to the Governor, Chairmen of House Appropriations and Senate Finance Committees, and				
40	the Director, Department of Planning and Budget.				
41	G. Out of this appropriation, \$18,293,004 the first year and \$17,625,719 \$14,864,476 the				
42	second year from the general fund and \$7,000,000 the first year and \$7,000,000 the				
43	second year from nongeneral funds shall be provided for special needs adoptions.				
44	H. Out of this appropriation \$54,830,250 the first year and \$54,830,250 \$61,019,627 the				
45	second year from the general fund and \$54,830,250 the first year and \$54,830,250				
46	\$61,019,627 the second year from nongeneral funds shall be provided for Title IV-E				
47	adoption subsidies.				
48	I. The Commissioner, Department of Social Services, shall ensure that local departments				
49	that provide independent living services to persons between 18 and 21 years of age make				
50	certain information about and counseling regarding the availability of independent living				
51	services is provided to any person who chooses to leave foster care or who chooses to				
52	terminate independent living services before his twenty-first birthday. Information shall				
53	include the option for restoration of independent living services following termination of				

ITEM 344.		Item Details(\$)		Appropriations(\$)	
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1	independent living services, and the processes whereby independent living services may be				
2	restored should he choose to seek restoration of such services in accordance with § 63.2-905.1				
3	of the Code of Virginia.				
4	J.1. Notwithstanding the provisions of § 63.2-1302, Code of Virginia, the Department of				
5	Social Services shall negotiate all adoption assistance agreements with both existing and				
6	prospective adoptive parents on behalf of local departments of social services. This provision				
7	shall not alter the legal responsibilities of the local departments of social services set out in				
8	Chapter 13 of Title 63.2, Code of Virginia, nor alter the rights of the adoptive parents to				
9	appeal.				
10	2. Out of this appropriation, \$342,414 the first year and \$342,414 the second year from the				
11	general fund and \$215,900 the first year and \$215,900 the second year from nongeneral funds				
12	shall be provided for five positions to execute these negotiations.				
13	K.1. The Department of Social Services shall partner with Patrick Henry Family Services to				
14	implement a pilot program in the area encompassing Planning District 11 (Amherst,				
15	Appomattox, Bedford, Campbell Counties and the City of Lynchburg) for the temporary				
16	placements of children for children and families in crisis.				
17	The pilot program will allow a parent or legal custodian of a minor, with the assistance of				
18	Patrick Henry Family Services, to delegate to another person by a properly executed power of				
19	attorney any powers regarding care, custody, or property of the minor for a temporary				
20	placement for a period that is not greater than 90 days. The program will allow for an option				
21	of a one-time 90 day extension.				
22	2. The department shall ensure that this pilot program meets the following specific				
23	programmatic and safety requirements outlined in 22 VAC 40-131 and 22 VAC 40-191:				
24	(i) The pilot program organization shall meet the background check requirements described in				
25	22 VAC 40-191.				
26	(ii) The pilot program organization shall develop and implement written policies and				
27	procedures for governing active and closed cases, admissions, monitoring the administration				
28	of medications, prohibiting corporal punishment, ensuring that children are not subjected to				
29	abuse or neglect, investigating allegations of misconduct toward children, implementing the				
30	child's back-up emergency care plan, assigning designated casework staff, management of all				
31	records, discharge policies, and the use of seclusion and restraint (22 VAC 40-131-90).				
32	(iii) The pilot program organization shall provide pre-service and ongoing training for				
33	temporary placement providers and staff (22 VAC 40-131-210 and 22 VAC 40-131-150).				
34	3. The Department of Social Services shall evaluate the pilot program and determine if this				
35	model of prevention is effective. A report of the evaluation findings and recommendations				
36	shall be submitted to the Governor, the Chairmen of the House Appropriations and Senate				
37	Finance Committees, and the Commission on Youth by December 1, 2017.				
38	L.1. Out of this appropriation, \$2,925,954 the first year and \$2,925,954 the second year from				
39	the general fund and \$2,886,611 the first year and \$2,886,611 the second year from				
40	nongeneral funds shall be available for the expansion of foster care and adoption assistance as				
41	authorized in the federal Foster Connections to Success and Increasing Adoptions Act of 2008				
42	(P.L. 110-351; P.L. 11-148).				
43	2. In order to implement the Fostering Futures program, the Department of Social Services				
44	shall set out the requirements for program participation in accordance with 42 U.S.C. 675 (8)				
45	(B) (iv) and shall provide the format of an agreement to be signed by the local department of				
46	social services and the youth. The definition of a child for the purpose of the Fostering				
47	Futures program shall be any natural person who has reached the age of 18 years but has not				
48	reached the age of 21. The Department of Social Services shall develop guidance setting out				
49	the requirements for local implementation including a requirement for six-month reviews of				
50	each case and reasons for termination of participation by a youth. The guidance shall also				
51	include a definition of a supervised independent living arrangement which does not include				
52	group homes or residential facilities. Implementation of this program includes the extension				
53	of adoption assistance to age 21 for youth who were adopted at age 16 or older and who meet				
54	the program participation requirements set out in guidance by the Department of Social				

ITEM 344.		Item Details(\$)		Appropriations(\$)	
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1	Services.				
2	3. The Department of Social Services shall issue guidance for the program's eligibility				
3	requirements and shall be available, on a voluntary basis, to an individual upon reaching				
4	the age of 18 who:				
5	(i) was in the custody of a local department of social services either:				
6	(a) prior to reaching 18 years of age, remained in foster care upon turning 18 years of age;				
7	or				
8	(b) immediately prior to commitment to the Department of Juvenile Justice and is				
9	transitioning from such commitment to self-sufficiency.				
10	(ii) and who is:				
11	(a) completing secondary education or an equivalent credential; or				
12	(b) enrolled in an institution that provides post-secondary or vocational education; or				
13	(c) employed for at least 80 hours per month; or				
14	(d) participating in a program or activity designed to promote employment or remove				
15	barriers to employment; or				
16	(e) incapable of doing any of the activities described in subdivisions (a) through (d) due to				
17	a medical condition, which incapability is supported by regularly updated information in				
18	the program participant's case plan.				
19	4. Implementation of extended foster care services shall be available for those eligible				
20	youth reaching age 18 on or after July 1, 2016.				
21	M.1. Out of this appropriation, \$7,517,668 the first year and \$7,517,668 the second year				
22	from the general fund and \$2,500,000 the first year and \$2,500,000 the second year from				
23	nongeneral funds shall be available for the reinvestment of adoption general fund savings				
24	as authorized in title IV, parts B and E of the federal Social Security Act (P.L. 110-351).				
25	2. Of the amounts in paragraph M.1. above, \$3,078,595 the first year and \$3,078,595 the				
26	second year from the general fund shall be used to develop a case management module for				
27	a comprehensive child welfare information system (CCWIS). In the development of the				
28	CCWIS, the department shall not create any future obligation that will require the				
29	appropriation of general fund in excess of that provided in this Act. Should additional				
30	appropriation, in excess of the amounts identified in this paragraph, be needed to complete				
31	development of this or any other module for the CCWIS, the department shall notify the				
32	Chairmen of the House Appropriations and Senate Finance Committees, and Director,				
33	Department of Planning and Budget.				
34	3. Beginning September 1, 2018, the department shall also provide semi-annual progress				
35	reports that includes current project summary, implementation status, accounting of				
36	project expenditures and future milestones. All reports shall be submitted to the Chairmen				
37	of the House Appropriations and Senate Finance Committees, and Director, Department of				
38	Planning and Budget.				
39	N. Out of this appropriation, \$1,009,563 the second year from nongeneral funds shall be				
40	used to fund ten positions that support the child protective services hotline.				
41	O. Out of this appropriation, \$50,000 the second year from the general fund and \$50,000				
42	the second year from nongeneral funds shall be used to fund one position that supports				
43	Virginia Fosters.				
44	P. Out of this appropriation, \$851,000 the second year from the general fund is provided				
45	for training, consultation and technical support, and licensing costs associated with				
46	establishing evidence-based programming as identified in the federal Family First				
47	Prevention Services Act (FFPSA) Evidence-Based Programs Clearinghouse.				
48	Q. The Department of Social Services shall immediately review all cases of children in				

ITEM 344.		Item Details(\$)		Appropriations(\$)	
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1	congregate care without a clinical need to be there and assist local departments in finding				
2	appropriate family-based settings. The department shall certify completion of the reviews by				
3	June 30, 2020, and by letter notify the General Assembly as such.				
4	345. Financial Assistance for Supplemental Assistance				
5	Services (49100).....			\$78,757,450	\$78,757,450
6					\$83,257,450
7	General Relief (49101).....	\$500,000	\$500,000		
8	Resettlement Assistance (49102).....	\$9,022,000	\$9,022,000		
9	Emergency and Energy Assistance (49103).....	\$69,235,450	\$69,235,450		
10			\$73,735,450		
11	Fund Sources: General.....	\$500,000	\$500,000		
12	Federal Trust.....	\$78,257,450	\$78,257,450		
13			\$82,757,450		
14	Authority: Title 2.2, Chapter 54; Title 63.2, Code of Virginia; Title VI, Subtitle B, P.L. 97-35,				
15	as amended; P.L. 104-193, as amended, Federal Code.				
16	346. Financial Assistance to Community Human Services				
17	Organizations (49200).....			\$48,700,789	\$53,657,967
18	Community Action Agencies (49201).....	\$18,638,048	\$19,763,048		
19	Volunteer Services (49202).....	\$3,866,340	\$3,866,340		
20	Other Payments to Human Services Organizations				
21	(49203).....	\$26,196,401	\$30,028,579		
22	Fund Sources: General.....	\$674,500	\$674,500		
23	Federal Trust.....	\$48,026,289	\$52,983,467		
24	Authority: Title 2.2, Chapter 54; Title 63.2, Code of Virginia; Title VI, Subtitle B, P.L. 97-35,				
25	as amended; P.L. 103-252, as amended; P.L. 104-193, as amended, Federal Code.				
26	A.1. All increased state or federal funds distributed to Community Action Agencies shall be				
27	distributed as follows: The funds shall be distributed to all local Community Action Agencies				
28	according to the Department of Social Services funding formula (75 percent based on low-				
29	income population, 20 percent based on number of jurisdictions served, and five percent				
30	based on square mileage served), adjusted to ensure that no agency receives less than 1.5				
31	percent of any increase.				
32	2. Out of this appropriation, \$185,725 the first year and \$185,725 the second year from the				
33	Temporary Assistance for Needy Families (TANF) block grant shall be provided to contract				
34	with the Virginia Community Action Partnership to provide outreach, education and tax				
35	preparation services via the Virginia Earned Income Tax Coalition and other community non-				
36	profit organizations to citizens who may be eligible for the federal Earned Income Tax Credit.				
37	The contract shall require the Virginia Community Action Partnership to report on its efforts				
38	to expand the number of Virginians who are able to claim the federal EITC, including the				
39	number of individuals identified who could benefit from the credit, the number of individuals				
40	counseled on the availability of federal EITC, and the number of individuals assisted with tax				
41	preparation to claim the federal EITC. The annual report from the Virginia Community				
42	Action Partnership shall also detail actual expenditures for the program including the sub-				
43	contractors that were utilized. This report shall be provided to the Governor and the Chairmen				
44	of the House Appropriations and Senate Finance Committees by December 1 each year.				
45	3. Out of this appropriation, \$6,250,000 the first year and \$6,250,000 the second year from the				
46	Temporary Assistance for Needy Families (TANF) block grant shall be provided to contract				
47	with local Community Action Agencies to provide an array of services designed to meet the				
48	needs of low-income individuals and families, including the elderly and migrant workers.				
49	Services may include, but are not limited to, child care, community and economic				
50	development, education, employment, health and nutrition, housing, and transportation.				
51	4. Out of this appropriation, \$1,125,000 the second year from the Temporary Assistance to				
52	Needy Families (TANF) block grant shall be provided for competitive grants to Community				
53	Action Agencies for a Two-Generation/Whole Family Pilot Project and for evaluation of the				
54	pilot project. Applicants selected for the pilot project shall provide a match of no less than 20				
55	percent of the grant, including in-kind services. The Department of Social Services shall				

ITEM 346.	Item Details(\$)		Appropriations(\$)	
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1	report to the General Assembly annually on the progress of the pilot project and shall			
2	complete a final report on the project no later than six years after the commencement of			
3	the project.			
4	B. The department shall continue to fund from this Item all organizations recognized by			
5	the Commonwealth as community action agencies as defined in §2.2-5400 et seq.			
6	C. Out of this appropriation, \$9,035,501 the first year and \$8,617,679 \$9,035,501 the			
7	second year from the Temporary Assistance for Needy Families (TANF) block grant shall			
8	be provided to contract with programs that follow the evidence-based Healthy Families			
9	America home visiting model that promotes positive parenting, improves child health and			
10	development, and reduces child abuse and neglect. The Department of Social Services			
11	shall use a portion of the funds from this item to contract with the statewide office of			
12	Prevent Child Abuse Virginia for providing the coordination, technical support, quality			
13	assurance, training and evaluation of the Virginia Healthy Families programs.			
14	E. Out of this appropriation, \$100,000 the first year and \$100,000 the second year from			
15	nongeneral funds shall be provided for the Child Abuse Prevention Play (the play)			
16	administered by Virginia Repertory Theatre. The contract shall include production and			
17	live performances of the play that teach child safety awareness to prevent child abuse.			
18	F. Out of this appropriation, \$70,000 the first year and \$70,000 the second year from the			
19	general fund shall be provided to contract with the Virginia Alzheimer's Association			
20	Chapters to provide dementia-specific training to long-term care workers in licensed			
21	nursing facilities, assisted living facilities and adult day care centers who deal with			
22	Alzheimer's disease and related disorders.			
23	G. Out of this appropriation, \$500,000 the first year and \$1,000,000 the second year from			
24	the Temporary Assistance for Needy Families (TANF) block grant shall be provided to			
25	contract with Northern Virginia Family Services (NVFS) to provide supportive services			
26	that address the basic needs of families in crisis, including the provision of food, financial			
27	assistance to prevent homelessness, access to health services, and adult workforce			
28	development programs. The contract shall require NVFS to provide an intake process that			
29	identifies the needs and appropriate services for those in crisis. Outcomes will be			
30	measured utilizing surveys provided to those who receive services and NVFS will report			
31	quarterly on survey results.			
32	H. Out of this appropriation, \$405,500 the first year and \$405,500 the second year from			
33	the general fund and \$1,136,500 the first year and \$1,136,500 the second year from the			
34	Temporary Assistance for Needy Families (TANF) block grant shall be provided to			
35	contract with child advocacy centers (CAC) to provide a comprehensive, multidisciplinary			
36	team response to allegations of child abuse in a dedicated, child-friendly setting. The			
37	contracts shall require CACs to provide forensic interviews, victim support and advocacy			
38	services, medical evaluations, and mental health services to victims of child abuse and			
39	neglect with the expected outcome of reducing child abuse and neglect. The department			
40	shall allocate four percent to Children's Advocacy Centers of Virginia (CACVA), the			
41	recognized chapter of the National Children's Alliance for Virginia's Child Advocacy			
42	Centers, for the purpose of assisting and supporting the development, continuation, and			
43	sustainability of community-coordinated, child-focused services delivered by children's			
44	advocacy centers (CACs). Of the remaining 96 percent, (i) 65 percent shall be distributed			
45	to a baseline allocation determined by the accreditation status of the CAC: (a) developing			
46	and associate centers 100 percent of base; (b) accredited centers 150 percent of base; and			
47	(c) accredited centers with satellite facilities 175 percent of base; and (ii) 35 percent shall			
48	be allocated according to established criteria to include: (a) 25 percent determined by the			
49	rate of child abuse per 1,000; (b) 25 percent determined by child population; and (c) 50			
50	percent determined by the number of counties and independent cities serviced.			
51	I.1. Out of this appropriation, \$1,250,000 the first year and \$1,250,000 the second year			
52	from the Temporary Assistance for Needy Families (TANF) block grant shall be provided			
53	to contract with the Virginia Early Childhood Foundation (VECF) to support the health			
54	and school readiness of Virginia's young children prior to school entry. These funds shall			
55	be matched with local public and private resources with a goal of leveraging a dollar for			
56	each state dollar provided.			

ITEM 346.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	2. Of the amounts in paragraph I.1. above, \$1,250,000 the first year and \$1,250,000 the			
2	second year from the Temporary Assistance for Needy Families (TANF) block grant shall be			
3	used to provide information and assistance to parents and families and to facilitate			
4	partnerships with both public and private providers of early childhood services. VECF will			
5	track and report statewide and local progress on a biennial basis. The Foundation shall			
6	account for the expenditure of these funds by providing the Governor, Secretary of Health and			
7	Human Resources, and the Chairmen of the House Appropriations and Senate Finance			
8	Committees with a certified audit and full report on Foundation initiatives and results not later			
9	than October 1 of each year for the preceding fiscal year ending June 30.			
10	3. On or before October 1 of each year, the foundation shall submit to the Governor and the			
11	Chairmen of the House Appropriations and Senate Finance Committees a report on the actual			
12	amount, by fiscal year, of private and local government funds received by the foundation.			
13	J. Out of this appropriation \$1,000,000 the first year and \$1,500,000 the second year from the			
14	Temporary Assistance to Needy Families (TANF) block grant shall be provided to the			
15	Virginia Alliance of Boys and Girls Clubs to expand community-based prevention and			
16	mentoring programs.			
17	K.1. Out of this appropriation, \$7,500,000 the first year and \$7,500,000 the second year from			
18	the Temporary Assistance to Needy Families (TANF) block grant the shall be provided for			
19	competitive grants for community employment and training programs designed to move low-			
20	income individuals out of poverty through programs designed to assist TANF recipients in			
21	obtaining and retaining competitive employment with the prospect of a career path and wage			
22	growth and other supportive services designed to break the cycle of poverty and permanently			
23	move individuals out of poverty. Of this amount, \$2.0 million shall be provided for			
24	competitive grants provided through Employment Services Organizations (ESOs).			
25	2.a. Out of this appropriation, \$3,000,000 the first year and \$3,000,000 the second year from			
26	the Temporary Assistance to Needy Families (TANF) block grant the shall be provided for a			
27	second round of grants for community employment and training programs designed to move			
28	low-income individuals out of poverty by obtaining and retaining competitive employment			
29	with the prospect of a career path and wage growth. The local match requirement shall be			
30	reduced to 10 percent, including in-kind services, for grant recipients located in Virginia			
31	counties or cities with high fiscal stress as defined by the Commission on Local Government			
32	fiscal stress index.			
33	b. Out of the amounts in 2.a., at least \$300,000 each year from the TANF block grant shall be			
34	provided through a contract with the City of Richmond, Office of Community Wealth for			
35	services provided through the Center for Workforce Innovation.			
36	3. The Department of Social Services shall award grants to qualifying programs through a			
37	memorandum of understanding which articulates performance measures and outcomes			
38	including the number of individuals participating in services, number of individuals hired into			
39	employment, the number of unique employers hiring individuals through organizational			
40	programs and activities, the average starting wage of individuals hired, reductions in the rate			
41	of poverty, as well as process measures such as how the program targets improvement in			
42	poverty over a 3-5 year period and fits in with long term community goals for reducing			
43	poverty. Grants shall require local matching funds of at least a 25 percent, including in-kind			
44	services.			
45	4. Community employment and training programs and ESOs shall report on annual program			
46	performance and outcome measures contained in the memorandum of understanding with the			
47	Department of Social Services. The department shall report on the implementation of the			
48	programs and any performance and outcome data collected through the memorandum of			
49	understanding by June 1 of each year.			
50	L. Out of this appropriation, \$100,000 the first year and \$100,000 the second year from the			
51	general fund shall be provided to contract with Youth for Tomorrow (YFT) to provide			
52	comprehensive residential, education and counseling services to at-risk youth of the			
53	Commonwealth of Virginia who have been sexually exploited, including victims of sex			
54	trafficking. The contract shall require YFT to provide individual assessments/individual			
55	service planning; individual and group counseling; room and board; coordination of medical			
56	and mental health services and referrals; independent living services for youth transitioning			

ITEM 346.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	out of foster care; active supervision; education; and family reunification services. Youth				
2	for Tomorrow shall submit monthly progress reports on activities conducted and progress				
3	achieved on outputs, outcomes and other functions/activities during the reporting period.				
4	On October 1 of each year, YFT shall provide an annual report to the Governor and the				
5	Chairmen of the House Appropriations and Senate Finance Committees that details				
6	program services, outputs and outcomes.				
7	M. Out of this appropriation, \$75,000 each year from the federal Temporary Assistance to				
8	Needy Families block grant shall be provided to contract with Visions of Truth				
9	Community Development Corporation in Portsmouth, Virginia. The funding will support				
10	the Students Taking Responsibility in Valuing Education (STRIVE) suspension/dropout				
11	prevention program.				
12	N. Out of this appropriation, \$250,000 the first year and \$600,000 the second year from				
13	the the federal Temporary Assistance to Needy Families block grant shall be provided to				
14	contract with Early Impact Virginia to continue its work in support of Virginia's voluntary				
15	home visiting programs. These funds may be used to hire three full-time staff, including a				
16	director and an evaluator, and to continue Early Impact Virginia's training partnerships.				
17	Early Impact Virginia shall have the authority and responsibility to determine,				
18	systematically track, and report annually on the key activities and outcomes of Virginia's				
19	home visiting programs; conduct systematic and statewide needs assessments for				
20	Virginia's home visiting programs at least once every three years; and to support				
21	continuous quality improvement, training, and coordination across Virginia's home				
22	visiting programs on an ongoing basis. Early Impact Virginia shall report on its findings to				
23	the Chairmen of the House Appropriations and Senate Finance Committees by July 1,				
24	2019 and annually thereafter.				
25	O. Out of this appropriation, \$500,000 the first year and \$500,000 the second year from				
26	the Temporary Assistance to Needy Families (TANF) block grant shall be provided to				
27	contract with the Laurel Center in Winchester to provide program services to survivors of				
28	domestic abuse and sexual violence in Winchester, Frederick County, Clarke County, and				
29	Warren County at the Center's residential facility for survivors.				
30	P. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the				
31	general fund shall be provided for the Department of Social Services to contract with				
32	Adoption Share, Inc. for the purpose of a pilot program to operate the Family-Match				
33	application, which is an online matching tool for state case workers to use in matching				
34	foster care children with the best families.				
35	Q. Out of this appropriation, \$200,000 the first year and \$100,000 the second year from				
36	the Temporary Assistance to Needy Families (TANF) block grant shall be provided to				
37	FACETS to provide homeless assistance services in Northern Virginia.				
38	R. Out of this appropriation, \$3,000,000 the second year from the TANF block grant shall				
39	be provided for one-time funding to contract with the Virginia Federation of Food Banks				
40	to provide child nutrition programs.				
41	347. Not set out.				
42	348. Administrative and Support Services (49900).....			\$113,072,876	\$115,794,025
43					\$122,904,570
44	General Management and Direction (49901).....	\$4,515,894	\$3,529,872		
45			\$5,022,773		
46	Information Technology Services (49902).....	\$84,987,828	\$88,694,999		
47			\$91,925,185		
48	Accounting and Budgeting Services (49903).....	\$9,732,964	\$9,732,964		
49	Human Resources Services (49914).....	\$5,318,017	\$5,318,017		
50			\$5,491,067		
51	Planning and Evaluation Services (49916).....	\$2,972,427	\$2,972,427		
52			\$3,969,605		
53	Procurement and Distribution Services (49918).....	\$3,104,631	\$3,104,631		
54			\$3,775,563		
55	Public Information Services (49919).....	\$2,211,522	\$2,211,522		
56			\$2,611,522		

ITEM 348.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Financial and Operational Audits (49929).....	\$229,593	\$229,593		
2			\$375,891		
3	Fund Sources: General.....	\$43,881,794	\$43,881,794		
4			\$45,991,513		
5	Special.....	\$175,000	\$175,000		
6	Dedicated Special Revenue.....	\$1,265,778	\$1,050,000		
7	Federal Trust.....	\$67,750,304	\$70,687,231		
8			\$75,688,057		
9	Authority: Title 63.2, Chapter 1; § 2.2-4000 et seq., Code of Virginia; P.L. 98-502, P.L. 104-				
10	156, P.L. 104-193, P.L. 104-327, P.L. 105-33, as amended, P.L. 105-89, Federal Code; Titles				
11	IV-A, IV-B, IV-D, IV-E, XIX, XX, XXI of the federal Social Security Act, as amended.				
12	A. The Department of Social Services shall require localities to report all expenditures on				
13	designated social services, regardless of reimbursement from state and federal sources. The				
14	Department of Social Services is authorized to include eligible costs in its claim for				
15	Temporary Assistance for Needy Families Maintenance of Effort requirements.				
16	B. It is the intent of the General Assembly that the Commissioner, Department of Social				
17	Services shall work with localities that seek to voluntarily merge and consolidate their				
18	respective local departments of social services. No funds appropriated under this act shall be				
19	used to require a locality to merge or consolidate local departments of social services.				
20	C.1. Out of this appropriation, \$473,844 the first year and \$473,844 the second year from the				
21	general fund and \$781,791 the first year and \$781,791 the second year from nongeneral funds				
22	shall be provided to support the statewide 2-1-1 Information and Referral System which				
23	provides resource and referral information on many of the specialized health and human				
24	resource services available in the Commonwealth, including child day care availability and				
25	providers in localities throughout the state, and publish consumer-oriented materials for those				
26	interested in learning the location of child day care providers.				
27	2. The Department of Social Services shall request that all state and local child-serving				
28	agencies within the Commonwealth be included in the Virginia Statewide Information and				
29	Referral System as well as any agency or entity that receives state general fund dollars and				
30	provides services to families and youth. The Secretary of Health and Human Resources, the				
31	Secretary of Education and Workforce, and the Secretary of Public Safety and Homeland				
32	Security shall assist in this effort by requesting all affected agencies within their secretariats				
33	to submit information to the statewide Information and Referral System and ensure that such				
34	information is accurate and updated annually. Agencies shall also notify the Virginia				
35	Information and Referral System of any changes in services that may occur throughout the				
36	year.				
37	3. The Department of Social Services shall communicate with child-serving agencies within				
38	the Commonwealth about the availability of the statewide Information and Referral System.				
39	This information shall also be communicated via the Department of Social Services' broadcast				
40	system on their agency-wide Intranet so that all local and regional offices can be better				
41	informed about the Statewide Information and Referral System. Information on the Statewide				
42	Information and Referral System shall also be included within the department's electronic				
43	mailings to all local and regional offices at least biannually.				
44	D.1. Within 30 days of awarding or amending any contract related to the Virginia Case				
45	Management System (VaCMS), the Department of Social Services (DSS) shall provide the				
46	Chairmen of the House Appropriations and Senate Finance Committees, and Director,				
47	Department of Planning and Budget with a copy of the contract, including any fiscal				
48	implications.				
49	2. Prior to the award of any contract that will potentially obligate the Commonwealth to future				
50	unappropriated spending, the department shall receive prior written concurrence from				
51	Director, Department of Planning and Budget. Any approved increases in funding requests				
52	shall be reported by DSS to the Chairmen of House Appropriations and Senate Finance				
53	Committees within 30 days.				
54	E.1. The Department of Social Services shall provide to the Chairmen of the House				
55	Appropriations and Senate Finance Committees a report on the implementation of the Asset				

ITEM 348.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Verification Service that is part of the Eligibility Modernization Project on or before				
2	September 1, 2016. It is the intent of the General Assembly to encourage financial				
3	institutions with branches in Virginia to work collaboratively with the department and its				
4	vendor in order to maximize participation in the Asset Verification Service program.				
5	2. The Department shall also develop a plan and submit it to the Chairmen of the House				
6	Appropriations and Senate Finance Committees to incorporate searchable national real				
7	estate records as part of the Asset Verification Service program as soon as the data are				
8	available.				
9	349. Not set out.				
10	350. Not set out.				
11	Total for Department of Social Services.....			\$2,107,914,409	\$2,144,249,980
12					\$2,153,214,794
13	General Fund Positions.....	624.00	638.00		
14	Nongeneral Fund Positions.....	1,198.50	1,213.50		
15	Position Level.....	1,822.50	1,851.50		
16	Fund Sources: General.....	\$429,427,587	\$433,983,740		
17			\$432,007,773		
18	Special.....	\$696,126,343	\$697,411,024		
19	Dedicated Special Revenue.....	\$8,360,029	\$10,294,920		
20	Federal Trust.....	\$974,000,450	\$1,002,560,296		
21			\$1,013,501,077		
22	§ 1-15. VIRGINIA BOARD FOR PEOPLE WITH DISABILITIES (606)				
23	351. Not set out.				
24	352. Financial Assistance for Individual and Family				
25	Services (49000).....			\$401,475	\$401,475
26					\$896,475
27	Financial Assistance to Localities for Individual				
28	and Family Services (49001).....	\$401,475	\$401,475		
29			\$896,475		
30	Fund Sources: Federal Trust.....	\$401,475	\$401,475		
31			\$896,475		
32	Authority: Title 51.5, Chapter 7, Code of Virginia.				
33	Total for Virginia Board for People with				
34	Disabilities.....			\$1,973,892	\$1,980,327
35					\$2,475,327
36	General Fund Positions.....	0.60	1.60		
37	Nongeneral Fund Positions.....	8.40	8.40		
38	Position Level.....	9.00	10.00		
39	Fund Sources: General.....	\$248,542	\$254,977		
40	Federal Trust.....	\$1,725,350	\$1,725,350		
41			\$2,220,350		
42	§ 1-16. DEPARTMENT FOR THE BLIND AND VISION IMPAIRED (702)				
43	353. Not set out.				
44	354. Not set out.				
45	355. Rehabilitation Assistance Services (45400).....			\$13,397,938	\$14,082,547
46					\$14,105,656

ITEM 355.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Low Vision Services (45401).....	\$441,285	\$441,285		
2			\$464,394		
3	Vocational Rehabilitation Services (45404).....	\$8,339,166	\$8,339,166		
4	Community Based Independent Living Services				
5	(45407).....	\$4,095,980	\$4,490,589		
6	Vending Stands, Cafeterias, and Snack Bars (45410)..	\$521,507	\$811,507		
7	Fund Sources: General.....	\$1,981,012	\$2,375,621		
8	Special.....	\$504,731	\$794,731		
9	Trust and Agency.....	\$150,000	\$150,000		
10			\$173,109		
11	Federal Trust.....	\$10,762,195	\$10,762,195		
12	Authority: § 51.5-1 and Title 51.5, Chapter 1, Code of Virginia; P.L. 93-516 and P.L. 93-112,				
13	Federal Code.				
14	A. It is the intent of the General Assembly that visually handicapped persons who have				
15	completed vocational training as food service managers through programs operated by the				
16	Department be considered for food service management position openings within the				
17	Commonwealth as they arise.				
18	B. 1.The annual federal vocational rehabilitation grant award that will be received by the				
19	Department for the Blind and Vision Impaired (DBVI) is estimated at \$11,442,719 for federal				
20	fiscal year 2018; \$11,442,719 for federal fiscal year 2019; and \$11,442,719 for federal fiscal				
21	year 2020. In addition to the base annual award amount, DBVI may request up to \$1,500,000				
22	of additional federal reallocation dollars in each of these years. Assuming these amounts, the				
23	annual 21.3 percent state matching requirement would equate to \$3,632,832 for federal fiscal				
24	year 2018; \$3,632,832 for federal fiscal year 2019; and \$3,632,832 for federal fiscal year				
25	2020.				
26	2. Based on the projection of federal award funding in paragraph A.2., DBVI shall not request				
27	federal vocational rehabilitation grant dollars in excess of \$12,942,719 for federal fiscal year				
28	2018; \$12,942,719 for federal fiscal year 2019; and \$12,942,719 for federal fiscal year 2020,				
29	without prior written concurrence from the Director, Department of Planning and Budget.				
30	Any approved increases in grant award requests shall be reported by DARS to the Chairmen				
31	of the House Appropriations and Senate Finance Committees within 30 days.				
32	356. Not set out.				
33	357. Not set out.				
34	358. Administrative and Support Services (49900).....			\$3,074,912	\$3,474,912
35					\$3,904,912
36	General Management and Direction (49901).....	\$2,277,309	\$2,677,309		
37			\$2,846,477		
38	Physical Plant Services (49915).....	\$797,603	\$797,603		
39			\$1,058,435		
40	Fund Sources: General.....	\$762,724	\$762,724		
41	Special.....	\$749,678	\$749,678		
42			\$1,169,678		
43	Enterprise.....	\$1,100,000	\$1,500,000		
44	Trust and Agency.....	\$40,000	\$40,000		
45			\$50,000		
46	Federal Trust.....	\$422,510	\$422,510		
47	Authority: Title 63.2, Chapter 4, Code of Virginia; P.L. 89-313, P.L. 93-112, and P.L. 97-35,				
48	Federal Code.				
49	Up to \$1,244,790 the first year and up to \$1,244,790 the second year is available for the				
50	Department for the Blind and Vision Impaired (DBVI) to contract with the Department for				
51	Aging and Rehabilitative Services (DARS) for the provision of shared administrative				
52	services. The scope of the services and specific costs shall be outlined in a memorandum of				
53	understanding (MOU) between DBVI and DARS subject to the approval of the respective				

ITEM 358.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	agency heads. Any revision to the MOU shall be reported by DARS to the Director,				
2	Department of Planning and Budget within 30 days.				
3	Total for Department for the Blind and Vision				
4	Impaired.....			\$72,367,576	\$73,052,185
5					\$73,505,294
6	General Fund Positions.....	62.60	62.60		
7	Nongeneral Fund Positions.....	92.40	92.40		
8	Position Level.....	155.00	155.00		
9	Fund Sources: General.....	\$6,138,137	\$6,532,746		
10	Special.....	\$1,254,409	\$1,544,409		
11			\$1,964,409		
12	Enterprise.....	\$51,868,817	\$51,868,817		
13	Trust and Agency.....	\$245,000	\$245,000		
14			\$278,109		
15	Federal Trust.....	\$12,861,213	\$12,861,213		
16	359. Not set out.				
17	360. Not set out.				
18	Grand Total for Department for the Blind and				
19	Vision Impaired.....			\$75,378,140	\$76,112,749
20					\$76,565,858
21	General Fund Positions.....	62.60	62.60		
22	Nongeneral Fund Positions.....	118.40	118.40		
23	Position Level.....	181.00	181.00		
24	Fund Sources: General.....	\$6,480,081	\$6,874,690		
25	Special.....	\$1,298,409	\$1,588,409		
26			\$2,008,409		
27	Enterprise.....	\$51,868,817	\$51,918,817		
28	Trust and Agency.....	\$265,000	\$265,000		
29			\$298,109		
30	Federal Trust.....	\$15,465,833	\$15,465,833		
31	TOTAL FOR OFFICE OF HEALTH AND				
32	HUMAN RESOURCES.....			\$17,314,135,280	\$20,529,702,088
33					\$19,986,670,850
34	General Fund Positions.....	8,586.90	9,132.15		
35			9,041.15		
36	Nongeneral Fund Positions.....	6,417.12	6,447.12		
37	Position Level.....	15,004.02	15,579.27		
38			15,488.27		
39	Fund Sources: General.....	\$6,810,384,164	\$7,073,904,882		
40			\$6,816,102,278		
41	Special.....	\$1,096,719,321	\$1,070,839,039		
42			\$1,085,712,210		
43	Enterprise.....	\$51,868,817	\$51,918,817		
44	Trust and Agency.....	\$1,390,987	\$1,390,987		
45			\$1,424,096		
46	Dedicated Special Revenue.....	\$861,325,686	\$1,256,555,500		
47			\$1,308,495,334		
48	Federal Trust.....	\$8,492,446,305	\$11,075,092,863		
49			\$10,723,018,115		

ITEM 361.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF NATURAL RESOURCES			
2	361.	Not set out.		
3	362.	Not set out.		
4	363.	Not set out.		
5	364.	Not set out.		
6	365.	Not set out.		
7	366.	Not set out.		
8	367.	Not set out.		
9	368.	Not set out.		
10	369.	Not set out.		
11	§ 1-17. DEPARTMENT OF GAME AND INLAND FISHERIES (403)			
12	370.	Wildlife and Freshwater Fisheries Management		
13		(51100).....		\$46,374,951
14				\$47,304,951
15		Wildlife Information and Education (51102).....	\$4,015,764	\$4,015,764
16				\$4,620,278
17		Enforcement of Recreational Hunting and Fishing		
18		Laws and Regulations (51103).....	\$15,322,891	\$15,322,891
19				\$16,464,226
20		Wildlife Management and Habitat Improvement		
21		(51106).....	\$27,036,296	\$27,966,296
22				\$25,706,999
23		Fund Sources: Dedicated Special Revenue.....	\$34,202,269	\$35,132,269
24				\$33,668,821
25		Federal Trust.....	\$12,172,682	\$12,172,682
26				\$13,122,682
27		Authority: Title 29.1, Chapters 1 through 6, Code of Virginia.		
28		Out of the amounts appropriated for this Item, \$20,000 the first year and \$20,000 the second		
29		year from nongeneral funds is provided for the Smith Mountain Lake Water Quality		
30		Monitoring Program.		
31	371.	Boating Safety and Regulation (62500).....		\$7,587,279
32				\$7,587,279
33		Boat Registration and Titling (62501).....	\$2,844,547	\$2,844,547
34				\$1,876,017
35		Boating Safety Information and Education (62502)....	\$362,359	\$362,359
36				\$685,908
37		Enforcement of Boating Safety Laws and		
38		Regulations (62503).....	\$4,380,373	\$4,380,373
39				\$3,796,094
40		Fund Sources: Dedicated Special Revenue.....	\$6,143,234	\$6,143,234
41				\$4,688,974
42		Federal Trust.....	\$1,444,045	\$1,444,045
43				\$1,669,045
44		Authority: Title 29.1, Chapters 7 and 8, Code of Virginia.		

ITEM 372.		Item Details(\$)		Appropriations(\$)		
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020	
1	372.	Administrative and Support Services (59900).....			\$9,869,535	\$9,869,535
2						\$11,612,243
3		General Management and Direction (59901).....	\$8,093,933	\$8,093,933		
4				\$7,253,679		
5		Information Technology Services (59902).....	\$1,775,602	\$1,775,602		
6				\$4,358,564		
7		Fund Sources: Dedicated Special Revenue.....	\$9,648,686	\$9,648,686		
8				\$11,191,394		
9		Federal Trust.....	\$220,849	\$220,849		
10				\$420,849		
11		Authority: Title 29.1, Chapter 1, Code of Virginia.				
12		A. The department shall recover the cost of reproduction, plus a reasonable fee per record,				
13		from persons or organizations requesting copies of computerized lists of licenses issued by				
14		the department.				
15		B. The department shall not further consolidate its regional offices, field offices, or close				
16		any of these offices in presently-served localities or enter into any lease for any new				
17		regional office without notification of the Chairman of the House Committee on				
18		Agriculture, Chesapeake, and Natural Resources and the Chairman of the Senate				
19		Committee on Agriculture, Conservation, and Natural Resources. The department shall				
20		not undertake any future reorganization of any division, reporting structures, regional or				
21		field offices, or any function it may perform without notifying the Chairmen of the House				
22		Committee on Agriculture, Chesapeake, and Natural Resources, the House Committee on				
23		Appropriations, the Senate Committee on Agriculture, Conservation, and Natural				
24		Resources, and the Senate Committee on Finance.				
25		C. Funds previously appropriated to the Lake Anna Advisory Committee for hydrilla				
26		control and removal may be used at the discretion of the Lake Anna Advisory Committee				
27		upon issues related to maintaining the health, safety, and welfare of Lake Anna.				
28	373.	A. Pursuant to §§ 29.1-101, 58.1-638, and 58.1-1410, Code of Virginia, deposits to the				
29		Game Protection Fund include an estimated \$15,500,000 the first year and \$15,500,000				
30		\$17,200,000 the second year from revenue originating from the general fund.				
31		B. Pursuant to § 29.1-101.01, Code of Virginia, the Department of Planning and Budget				
32		shall transfer such funds as designated by the Board of Game and Inland Fisheries from				
33		the Game Protection Fund (§ 29.1-101) to the Capital Improvement Fund (§ 29.1-101.01)				
34		up to an amount equal to 50 percent or less of the revenue deposited to the Game				
35		Protection Fund by § 3-1.01, subparagraph M, of this act.				
36		C. Out of the amounts transferred pursuant to § 3-1.01, subparagraph K, of this act,				
37		\$881,753 the first year and \$881,753 the second year from the Game Protection Fund shall				
38		be used for the enforcement of boating laws, boating safety education, and for improving				
39		boating access.				
40		Total for Department of Game and Inland Fisheries			\$63,831,765	\$64,761,765
41						
42		Nongeneral Fund Positions.....	496.00	496.00		
43		Position Level.....	496.00	496.00		
44		Fund Sources: Dedicated Special Revenue.....	\$49,994,189	\$50,924,189		
45				\$49,549,189		
46		Federal Trust.....	\$13,837,576	\$13,837,576		
47				\$15,212,576		
48	374.	Not set out.				
49	375.	Not set out.				

ITEM 376.		Item Details(\$)		Appropriations(\$)		
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020	
1	376.	Not set out.				
2	377.	Coastal Lands Surveying and Mapping (51000).....				\$2,929,820
3					\$2,757,820	
4		Coastal Lands and Bottomlands Management				
5		(51001).....				\$2,262,431
6					\$2,090,431	
7					\$2,179,494	
8		Marine Resources Surveying and Mapping (51002)....				\$667,389
9					\$667,389	
10		Fund Sources: General.....				\$1,858,641
11					\$1,686,641	
12					\$1,775,704	
13		Dedicated Special Revenue.....				\$889,179
14		Federal Trust.....				\$182,000
15		Authority: Title 28.2, Chapters 12, 13, 14, 15 and 16; Title 62.1, Chapters 16 and 19, Code of Virginia.				
16		A. Out of this appropriation, \$245,687 the first year and \$233,637 \$322,700 the second year from the general fund is designated for Virginia's share of an Army Corps of Engineers project to construct a seawall to preserve the harbor on Tangier Island.				
17		B. Out of this appropriation, \$160,000 the first year from the general fund is designated for completion of the public boat ramp project RF16-11/RF16-11a1, including all necessary and reasonable improvements as may be required for public access.				
18						
19						
20	378.	Not set out.				
21	379.	Not set out.				
22		Total for Marine Resources Commission.....				\$26,776,948
23					\$27,904,948	
24		General Fund Positions.....				135.50
25		Nongeneral Fund Positions.....				28.00
26		Position Level.....				163.50
27		Fund Sources: General.....				\$14,237,535
28					\$15,365,535	
29					\$15,454,598	
30		Special.....				\$7,324,652
31		Commonwealth Transportation.....				\$313,768
32		Dedicated Special Revenue.....				\$1,470,193
33		Federal Trust.....				\$3,430,800
34	380.	Not set out.				
35		TOTAL FOR OFFICE OF NATURAL RESOURCES.....				\$437,740,909
36					\$475,564,731	
37		General Fund Positions.....				1,030.50
38		Nongeneral Fund Positions.....				1,159.50
39		Position Level.....				2,190.00
40		Fund Sources: General.....				\$162,357,711
41					\$199,426,277	
42					\$199,515,340	
43		Special.....				\$45,500,430
44		Commonwealth Transportation.....				\$429,410
45		Enterprise.....				\$13,037,574
46		Trust and Agency.....				\$37,858,398
47		Dedicated Special Revenue.....				\$95,357,806
48					\$95,782,475	
49					\$94,407,475	
		Federal Trust.....				\$83,199,580
					\$83,189,580	
					\$84,564,580	

ITEM 381.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF PUBLIC SAFETY AND HOMELAND SECURITY			
2	381.	Not set out.		
3	382.	Not set out.		
4	383.	Not set out.		
5	§ 1-19. VIRGINIA ALCOHOLIC BEVERAGE CONTROL AUTHORITY (999)			
6	384.	Not set out.		
7	385.	Alcoholic Beverage Merchandising (80100).....	\$716,914,931	\$756,574,679
8				\$769,162,865
9		Administrative Services (80101).....	\$69,111,416	\$69,149,514
10				\$81,737,700
11		Alcoholic Beverage Control Retail Store		
12		Operations (80102).....	\$110,444,533	\$115,252,665
13		Alcoholic Beverage Purchasing, Warehousing and		
14		Distribution (80103).....	\$537,358,982	\$572,172,500
15		Fund Sources: Enterprise.....	\$716,914,931	\$756,574,679
16				\$769,162,865
17	Authority: § 4.1-100 through § 4.1-133, Code of Virginia.			
18	A. The Secretary of Finance shall chair an advisory committee to review the progress of			
19	the Alcoholic Beverage Control Authority in planning, financing, procuring, and			
20	implementing the information technology systems necessary to sustain the department's			
21	business enterprise. Members of this committee shall include the Secretary of Public			
22	Safety and Homeland Security; the Director, Department of Planning and Budget; the			
23	Director, Department of Accounts; the Chief Information Officer of the Commonwealth;			
24	the Auditor of Public Accounts; and the Staff Directors of the House Appropriations and			
25	Senate Finance Committees and/or their designees.			
26	B. Funds appropriated for services related to state lottery operations shall be used solely			
27	for lottery ticket purchases and prize payouts.			
28	C. The Alcoholic Beverage Control Board shall open additional stores in locations deemed			
29	to have the greatest potential for total increased sales in order to maximize profitability.			
30	D. Notwithstanding § 4.1-120, Code of Virginia, the Alcoholic Beverage Control Board			
31	may open certain government stores, as determined by the Board, for the sale of alcoholic			
32	beverages on New Year's Day and on Sundays after 10:00 a.m.			
33	E. Consistent with the provisions of Chapters 730 and 38, 2015 Acts of Assembly,			
34	members of the Board shall receive annually such salary, compensation, and			
35	reimbursement of expenses for the performance of their official duties as set forth in the			
36	general appropriation act for members of the House of Delegates when the General			
37	Assembly is not in session, except that the chairmen of the Board shall receive annually			
38	such salary, compensation, and reimbursement of expenses for the performance of his			
39	official duties as set forth in the general appropriation act for a member of the Senate of			
40	Virginia when the General Assembly is not in session.			
41	Total for Virginia Alcoholic Beverage Control			
42	Authority.....		\$737,002,906	\$776,662,654
43				\$789,250,840
44	Nongeneral Fund Positions.....		1,320.00	1,364.00
45	Position Level.....		1,320.00	1,364.00
46	Fund Sources: Enterprise.....		\$736,302,906	\$775,962,654
47				\$788,550,840

ITEM 385.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Federal Trust.....	\$700,000	\$700,000		
2	§ 1-20. DEPARTMENT OF CORRECTIONS (799)				
3	386. Not set out.				
4	387. Not set out.				
5	387.10 Not set out.				
6	388. Not set out.				
7	389. Not set out.				
8	390. Operation of Secure Correctional Facilities (39800)....			\$1,014,511,459	\$1,013,081,717
9					\$1,025,661,673
10	Supervision and Management of Inmates (39802).....	\$499,024,754	\$504,244,019		
11			\$505,238,350		
12	Rehabilitation and Treatment Services - Prisons				
13	(39803).....	\$44,026,754	\$44,172,440		
14	Prison Management (39805).....	\$73,063,102	\$73,063,102		
15	Food Services - Prisons (39807).....	\$43,926,300	\$43,926,300		
16	Medical and Clinical Services - Prisons (39810).....	\$221,312,692	\$214,517,999		
17			\$226,103,624		
18	Agribusiness (39811).....	\$10,481,833	\$10,481,833		
19	Correctional Enterprises (39812).....	\$50,303,706	\$50,303,706		
20	Physical Plant Services - Prisons (39815).....	\$72,372,318	\$72,372,318		
21	Fund Sources: General.....	\$956,711,582	\$958,940,834		
22			\$971,520,790		
23	Special.....	\$53,219,843	\$53,219,843		
24	Dedicated Special Revenue.....	\$3,658,994	\$0		
25	Federal Trust.....	\$921,040	\$921,040		
26	Authority: §§ 53.1-1, 53.1-5, 53.1-8, and 53.1-10, Code of Virginia.				
27	A. Included in this appropriation is \$1,195,000 in the first year and \$1,195,000 the second				
28	year from nongeneral funds for the purposes listed below. The source of the funds is				
29	commissions generated by prison commissary operations:				
30	1. \$170,000 the first year and \$170,000 the second year for Assisting Families of Inmates,				
31	Inc., to provide transportation for family members to visit offenders in prison and other				
32	ancillary services to family members;				
33	2. \$950,000 the first year and \$950,000 the second year for distribution to organizations that				
34	work to enhance faith-based services to inmates; and				
35	3. \$75,000 the first year and \$75,000 the second year for the "FETCH" program.				
36	B.1. The Department of Corrections is authorized to contract with other governmental entities				
37	to house male and female prisoners from those jurisdictions in facilities operated by the				
38	department.				
39	2. The State Comptroller shall continue to maintain the Contract Prisoners Special Revenue				
40	Fund on the books of the Commonwealth to reflect the activities of contracts between the				
41	Commonwealth of Virginia and other governmental entities for the housing of prisoners in				
42	facilities operated by the Virginia Department of Corrections.				
43	3. The Department of Corrections shall determine whether it may be possible to contract to				
44	house additional federal inmates or inmates from other states in space available within state				
45	correctional facilities. The department may, subject to the approval of the Governor, enter into				
46	such contracts, to the extent that sufficient bedspace may become available in state facilities				
47	for this purpose.				

ITEM 390.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	C. The Department of Corrections may enter into agreements with local and regional jails			
2	to house state-responsible offenders in such facilities and to effect transfers of convicted			
3	state felons between and among such jails. Such agreements shall be governed by the			
4	provisions of Item 67 of this act.			
5	D. To the extent that the Department of Corrections privatizes food services, the			
6	department shall also seek to maximize agribusiness operations.			
7	E. Notwithstanding the provisions of § 53.1-45, Code of Virginia, the Department of			
8	Corrections is authorized to sell on the open market and through the Virginia Farmers'			
9	Market Network any dairy, animal, or farm products of which the Commonwealth imports			
10	more than it exports.			
11	F. It is the intention of the General Assembly that § 53.1-47, the Code of Virginia,			
12	concerning articles and services produced or manufactured by persons confined in state			
13	correctional facilities, shall be construed such that the term "manufactured" articles shall			
14	include "remanufactured" articles.			
15	G. Out of this appropriation, \$921,040 the first year and \$921,040 the second year from			
16	nongeneral funds is included for inmate medical costs. The sources of the nongeneral			
17	funds are an award from the State Criminal Alien Assistance Program, administered by			
18	the U.S. Department of Justice.			
19	H.1. The Department of Corrections, in coordination with the Virginia Supreme Court,			
20	shall continue to operate a behavioral correction program. Offenders eligible for such a			
21	program shall be those offenders: (i) who have never been convicted of a violent felony as			
22	defined in § 17.1-805 of the Code of Virginia and who have never been convicted of a			
23	felony violation of §§ 18.2-248 and 18.2-248.1 of the Code of Virginia; (ii) for whom the			
24	sentencing guidelines developed by the Virginia Criminal Sentencing Commission would			
25	recommend a sentence of four years or more in facilities operated by the Department of			
26	Corrections; and (iii) whom the court determines require treatment for drug or alcohol			
27	substance abuse. For any such offender, the court may impose the appropriate sentence			
28	with the stipulation that the Department of Corrections place the offender in an intensive			
29	therapeutic community-style substance abuse treatment program as soon as possible after			
30	receiving the offender. Upon certification by the Department of Corrections that the			
31	offender has successfully completed such a program of a duration of 24 months or longer,			
32	the court may suspend the remainder of the sentence imposed by the court and order the			
33	offender released to supervised probation for a period specified by the court.			
34	2. If an offender assigned to the program voluntarily withdraws from the program, is			
35	removed from the program by the Department of Corrections for intractable behavior, fails			
36	to participate in program activities, or fails to comply with the terms and conditions of the			
37	program, the Department of Corrections shall notify the court, outlining specific reasons			
38	for the removal and shall reassign the defendant to another incarceration assignment as			
39	appropriate. Under such terms, the offender shall serve out the balance of the sentence			
40	imposed by the court, as provided by law.			
41	3. The Department of Corrections shall collect the data and develop the framework and			
42	processes that will enable it to conduct an in-depth evaluation of the program three years			
43	after it has been in operation. The department shall submit a report periodically on the			
44	program to the Chief Justice as he may require and shall submit a report on the			
45	implementation of the program and its usage to the Secretary of Public Safety and			
46	Homeland Security and the Chairmen of the House Appropriations and Senate Finance			
47	Committees by June 30 of each year.			
48	I. Included in the appropriation for this Item is \$250,000 the first year and \$250,000 the			
49	second year from nongeneral funds for a culinary arts program in which inmates are			
50	trained to operate food service activities serving agency staff and the general public. The			
51	source of the funds shall be revenues generated by the program. Any revenues so			
52	generated by the program shall not be subject to § 4-2.02 of this act and shall be used by			
53	the agency for the costs of operating the program. The State Comptroller shall continue to			
54	maintain the Inmate Culinary Arts Training Program Fund on the books of the			
55	Commonwealth to reflect the revenue and expenditures of this program.			

ITEM 390.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	J. The Department of Corrections shall continue to coordinate with the Department of				
2	Medical Assistance Services and the Department of Social Services to enroll eligible inmates				
3	in Medicaid. To the extent possible, the Department of Corrections shall work to identify				
4	potentially eligible inmates on a proactive basis, prior to the time inpatient hospitalization				
5	occurs. Procedures shall also include provisions for medical providers to bill the Department				
6	of Medical Assistance Services, rather than the Department of Corrections, for eligible inmate				
7	inpatient medical expenses. Due to the multiple payor sources associated with inpatient and				
8	outpatient health care services, the Department of Corrections and the Department of Medical				
9	Assistance Services shall consult with the applicable provider community to ensure that				
10	administrative burdens are minimized and payment for health care services is rendered in a				
11	prompt manner.				
12	K. Federal funds received by the Department of Corrections from the federal Residential				
13	Substance Abuse Treatment Program shall be exempt from payment of statewide and agency				
14	indirect cost recoveries into the general fund.				
15	L. Included in the appropriation for this item is funding for the first year and the second year				
16	from the general fund for six medical contract monitors. The persons filling these positions				
17	shall have the responsibility of closely monitoring the adequacy and quality of inmate medical				
18	services in those correctional facilities for which the department has contracted with a private				
19	vendor to provide inmate medical services.				
20	M. The Department of Corrections shall continue to operate a separate program for inmates				
21	under 18 years old who have been tried and convicted as adults and committed to the				
22	Department of Corrections. This separation of these offenders from the general prison				
23	population is required by the requirements of the federal Prison Rape Elimination Act.				
24	N. Included in the appropriation for this item is \$3,525,783 in the second year from the				
25	general fund for the Department of Corrections to use for initiatives to improve recruitment				
26	and retention of correctional personnel. Of this amount, \$1,051,567 is provided for targeted				
27	salary actions for correctional officers at Augusta Correctional Center.				
28	O. In the introduced budget for the biennium beginning on July 1, 2020, the Department of				
29	Planning and Budget shall create a new program within the Department of Corrections for the				
30	appropriations related to inmate healthcare. Appropriation under the service area for "Medical				
31	and Clinical Services - Prisons (39810)," shall be transferred to the new Item created pursuant				
32	to this paragraph. The program shall allocate the funding into appropriate service areas to				
33	identify: healthcare contracts; offsite care; medical transportation; medications; and other				
34	appropriate allocations.				
35	P. Included within the appropriation for this item is \$70,000 the second year from the general				
36	fund for the Sex Offender Residential Treatment Program.				
37	Q. The Department of Corrections and the VCU Health System and UVA Health System shall				
38	collaborate on a plan to ensure that inmates with long-term or high-cost prescription drug				
39	needs receive treatment from a federal 340-B covered entity. The Department shall begin				
40	development of the plan as soon as is practicable and report to the House Appropriations and				
41	Senate Finance Committees by January 1, 2020.				
42	R. The Department of Corrections shall convene a workgroup to develop a plan for a pilot				
43	partnership for a university health system to provide comprehensive health care for the				
44	inmates in at least one state correctional facility. The workgroup shall be co-chaired by the				
45	director of the Department of Corrections, the chief executive officer of the VCU Health				
46	System, and the executive vice president for health affairs at the University of Virginia. The				
47	workgroup shall jointly submit an interim update to the House Appropriations and Senate				
48	Finance Committees no later than November 1, 2019; and jointly submit a final plan for the				
49	pilot partnership no later than January 1, 2020. The plan shall include (i) the facility or				
50	facilities included in the pilot, (ii) staffing needs for providing health care services, (iii) the				
51	amount and structure of payment to the university, and (iv) how the effectiveness of the pilot				
52	project will be evaluated.				
53	391. Not set out.				

ITEM 391.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Total for Department of Corrections.....			\$1,269,716,607	\$1,276,972,490
2					\$1,289,552,446
3	General Fund Positions.....	12,269.00	12,308.00		
4	Nongeneral Fund Positions.....	233.50	233.50		
5	Position Level.....	12,502.50	12,541.50		
6	Fund Sources: General.....	\$1,202,416,730	\$1,210,583,896		
7					\$1,223,163,852
8	Special.....	\$59,192,063	\$61,939,774		
9	Dedicated Special Revenue.....	\$6,276,496	\$2,617,502		
10	Federal Trust.....	\$1,831,318	\$1,831,318		
11	392. Not set out.				
12	393. Not set out.				
13	394. Not set out.				
14	395. Not set out.				
15	396. Not set out.				
16	397. Not set out.				
17	398. Not set out.				
18	399. Not set out.				
19	400. Not set out.				
20	401. Not set out.				
21	402. Not set out.				
22	403. Not set out.				
23	404. Not set out.				
24	405. Not set out.				
25	406. Not set out.				
26	407. Not set out.				
27	408. Not set out.				
28	409. Not set out.				
29	410. Not set out.				
30	411. Not set out.				
31	412. Not set out.				
32	413. Not set out.				
33	414. Not set out.				

ITEM 414.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	415.	Not set out.			
2	416.	Not set out.			
3	417.	Not set out.			
4	418.	Not set out.			
5	419.	Not set out.			
6	420.	Not set out.			
7	421.	Not set out.			
8	422.	Not set out.			
9	423.	Not set out.			
10	TOTAL FOR OFFICE OF PUBLIC SAFETY AND				
11	HOMELAND SECURITY.....				
12				\$3,148,507,864	\$3,213,984,519
					\$3,239,152,661
13	General Fund Positions.....	17,574.32	17,638.32		
14	Nongeneral Fund Positions.....	2,509.18	2,562.18		
15	Position Level.....	20,083.50	20,200.50		
16	Fund Sources: General.....	\$2,022,308,156	\$2,049,150,389		
17			\$2,061,730,345		
18	Special.....	\$155,424,111	\$158,150,072		
19	Commonwealth Transportation.....	\$10,296,096	\$10,296,096		
20	Enterprise.....	\$736,302,906	\$775,962,654		
21			\$788,550,840		
22	Trust and Agency.....	\$4,818,130	\$4,818,130		
23	Dedicated Special Revenue.....	\$36,472,895	\$32,813,901		
24	Federal Trust.....	\$182,885,570	\$182,793,277		

ITEM 424.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF TECHNOLOGY			
2	424.	Omitted.		
3	425.	Omitted.		
4	426.	Omitted.		
5	427.	Omitted.		
6	428.	Omitted.		
7	429.	Omitted.		
8	430.	Omitted.		
9	431.	Omitted.		
10	432.	Omitted.		
11	TOTAL FOR OFFICE OF TECHNOLOGY.....		\$0	\$0

ITEM 433.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF TRANSPORTATION			
2	433.	Not set out.		
3	434.	Not set out.		
4	435.	Not set out.		
5	436.	Not set out.		
6	437.	Not set out.		
7	438.	Not set out.		
8	§ 1-21. DEPARTMENT OF MOTOR VEHICLES (154)			
9	439.	Ground Transportation Regulation (60100).....		\$214,215,235
10		Customer Service Centers Operations (60101).....	\$148,942,473	\$153,389,781
11		Ground Transportation Regulation and Enforcement		
12		(60103).....	\$44,194,258	\$44,327,968
13		Motor Carrier Regulation Services (60105).....	\$21,078,504	\$14,114,839
14		Fund Sources: Commonwealth Transportation.....	\$206,768,635	\$204,385,988
15		Trust and Agency.....	\$5,446,600	\$5,446,600
16		Federal Trust.....	\$2,000,000	\$2,000,000
17		Authority: Title 46.2, Chapters 1, 2, 3, 6, 8, 10, 12, 15, 16, and 17; §§ 18.2-266 through 18.2-		
18		272; Title 58.1, Chapters 21 and 24, Code of Virginia. Title 33, Chapter 4, United States		
19		Code.		
20		A. The Commissioner, Department of Motor Vehicles, is authorized to establish, where		
21		feasible and cost efficient, contracts with private/public partnerships with commercial		
22		operations, to provide for simplification and streamlining of service to citizens through		
23		electronic means. Provided, however, that such commercial operations shall not be entitled to		
24		compensation as established under § 46.2-205, Code of Virginia, but rather at rates limited to		
25		those established by the commissioner.		
26		B. The Department of Motor Vehicles shall work to increase the use of alternative service		
27		delivery methods, which may include offering discounts on certain transactions conducted		
28		online, as determined by the department. As part of its effort to shift customers to internet		
29		usage where applicable, the department shall not charge its customers for the use of credit		
30		cards for internet or other types of transactions; however, this restriction shall not apply with		
31		respect to any credit or debit card transactions the department conducts on behalf of another		
32		agency, provided (i) the other agency is authorized to charge customers for the use of credit or		
33		debit cards and (ii) the merchant's fees and other transaction costs imposed by the card issuer		
34		are charged to the department.		
35		C. In order to provide citizens of the Commonwealth greater access to the Department of		
36		Motor Vehicles, the agency is authorized to enter into an agreement with any local		
37		constitutional officer or combination of officers to act as a license agent for the department,		
38		with the consent of the chief administrative officer of the constitutional officer's county or		
39		city, and to negotiate a separate compensation schedule for such office other than the schedule		
40		set out in § 46.2-205, Code of Virginia. Notwithstanding any other provision of law, any		
41		compensation due to a constitutional officer serving as a license agent shall be remitted by the		
42		department to the officer's county or city on a monthly basis, and not less than 80 percent of		
43		the sums so remitted shall be appropriated by such county or city to the office of the		
44		constitutional officer to compensate such officer for the additional work involved with		
45		processing transactions for the department. Funds appropriated to the constitutional office for		
46		such work shall not be used to supplant existing local funding for such office, nor to reduce		
47		the local share of the Compensation Board-approved budget for such office below the level		

ITEM 439.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	established pursuant to general law.			
2	D. The base compensation for DMV Select Agents shall be set at 4.5 percent of gross			
3	collections for the first \$500,000 and 5.0 percent of all gross collections in excess of			
4	\$500,000 made by the entity during each fiscal year on such state taxes and fees in place			
5	as a matter of law. The commissioner shall supply the agents with all necessary agency			
6	forms to provide services to the public, and shall cause to be paid all freight and postage,			
7	but shall not be responsible for any extra clerk hire or other business-related expenses or			
8	business equipment expenses occasioned by their duties.			
9	E. Out of the amounts identified in this Item, an amount estimated at \$350,801 the first			
10	year and \$350,801 the second year from the Commonwealth Transportation Fund shall be			
11	paid to the Washington Metropolitan Area Transit Commission.			
12	F.1. Notwithstanding any other provision of law, the department shall assess a minimum			
13	fee of \$15 for all titles. The revenue generated from this fee shall be set aside to meet the			
14	expenses of the department.			
15	2. Notwithstanding any other provision of law, the department shall assess a \$10 late fee			
16	on all registration renewal transactions that occur after the expiration date. The late fee			
17	shall not apply to those exceptions granted under § 46.2-221.4, Code of Virginia. In			
18	assessing the late renewal fee the department shall provide a ten day grace period for			
19	transactions conducted by mail to allow for administrative processing. This grace period			
20	shall not apply to registration renewals for vehicles registered under the International			
21	Registration Plan. The revenue generated from this fee shall be set aside to meet the			
22	expenses of the department.			
23	3. Notwithstanding any other provision of law, the department shall establish a \$20			
24	minimum fee for original driver's licenses and replacements. The revenue generated from			
25	this fee shall be set aside to meet the expenses of the department.			
26	G. The Department of Motor Vehicles is hereby granted approval to renew or extend			
27	existing capital leases due to expire during the current biennium for existing customer			
28	service centers.			
29	H. The Department of Motor Vehicles is hereby appropriated revenues from the additional			
30	sales tax on fuel in certain transportation districts to recover the direct cost of			
31	administration incurred by the department in implementing and collecting this tax as			
32	provided by § 58.1-2295, Code of Virginia.			
33	I. The Commissioner of the Department of Motor Vehicles, in consultation with the			
34	Commissioner of Highways, shall take such steps as may be necessary to expand access to			
35	the E-ZPass program through its customer service channels using such locations and			
36	methods as are practicable.			
37	J. The Department of Motor Vehicles is hereby granted approval to distribute the			
38	transactional charges of the Cardinal accounting system to state agencies, when the			
39	transactions involve funds passed through the department to the benefiting agency. This			
40	paragraph shall not pertain to Direct Aid to Public Education.			
41	K. The Department of Motor Vehicles is hereby granted approval to distribute a portion of			
42	its indirect cost allocation charge to another state agency when the charge is related to			
43	revenue collected and transferred by the department to the state agency. Such transfers			
44	shall be based on the agency's proportionate share of the department's total transactions in			
45	the immediately preceding fiscal year. The Department shall annually submit to the			
46	Department of Planning and Budget a summary of the transfer amounts and the			
47	transaction volumes used to allocate the internal cost amounts.			
48	L. Notwithstanding § 46.2-688, Code of Virginia, the Department of Motor Vehicles shall			
49	not be required to refund a proration of the total cost of a motor vehicle registration when			
50	less than six months remain in the registration period. Any resulting savings shall be			
51	retained and used to meet the expenses of the Department.			
52	M. Notwithstanding § 46.2-342, Code of Virginia, the Department of Motor Vehicles shall			
53	not be required to include organ donation brochures with every driver's license renewal			

ITEM 439.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	notice or application mailed to licensed drivers.				
2	N. The Commissioner shall only refuse to issue or renew any vehicle registration pursuant to				
3	subsection L of § 46.2-819.3:1 of an operator or owner of a vehicle who has no prior				
4	resolution, whether that resolution is by settlement or conviction, for offenses under § 46.2-				
5	819.3:1 if, in addition to the conditions set forth in subsection L of § 46.2-819.3:1 for such				
6	refusal, the toll operator has offered the individual a settlement of no more than \$2,200.				
7	O.1. Pursuant to § 3-2.03 of this act, a line of credit up to \$10,500,000 is provided to the				
8	Department of Motor Vehicles as a temporary cash flow advance. The Department shall				
9	transfer such related funds to its special fund. Funds received from the line of credit shall be				
10	used to support operational costs related to the implementation and issuance of REAL ID				
11	compliant credentials. The Department is authorized to impose a \$10 surcharge on all first				
12	issuances of REAL ID compliant credentials that are acceptable for federal purposes. The				
13	surcharge shall be used to reimburse the line of credit. The request for the line of credit shall				
14	be prepared in the formats as approved by the Secretary of Finance and Secretary of				
15	Transportation.				
16	2. At least 10 days prior to any draw downs from this line of credit, the Secretaries of Finance				
17	and Transportation shall report to the Chairmen of the House Appropriations and Senate				
18	Finance Committees the following: (i) the amount of any proposed draw down, (ii) the				
19	incremental and cumulative costs associated with system modifications and equipment, (iii)				
20	the incremental and cumulative number of full-time equivalent positions and part-time				
21	positions filled to support the implementation of the federal REAL ID Act, and (iv) the				
22	intended usage of any new draw downs. Subsequent to October 1, 2018, the department shall				
23	report on a quarterly basis to the Chairmen of the House Appropriations and Senate Finance				
24	Committees on the number of REAL ID compliant credentials that have been issued and any				
25	changes in average wait times at DMV offices that have resulted from the increased workload.				
26	The first report shall be submitted by January 1, 2019 for the period October 1, 2018 through				
27	December 31, 2018, and additional reports shall be submitted every three months thereafter.				
28	P. The Commissioner of the Department of Motor Vehicles, in consultation with applicable				
29	stakeholder groups, shall report on the feasibility and advisability of outsourcing driver				
30	license road tests for adults. Such report shall be submitted to the Chairmen of the House and				
31	Senate Transportation Committees no later than November 15, 2018.				
32	440. Not set out.				
33	441. Not set out.				
34	Total for Department of Motor Vehicles.....			\$296,111,488	\$293,572,006
35	Nongeneral Fund Positions.....	2,080.00	2,080.00		
36			2,180.00		
37	Position Level.....	2,080.00	2,080.00		
38			2,180.00		
39	Fund Sources: Commonwealth Transportation.....	\$284,695,564	\$282,156,082		
40	Trust and Agency.....	\$5,446,600	\$5,446,600		
41	Federal Trust.....	\$5,969,324	\$5,969,324		
42	442. Not set out.				
43	443. Not set out.				
44	Grand Total for Department of Motor Vehicles.....			\$479,758,017	\$479,418,535
45	Nongeneral Fund Positions.....	2,080.00	2,080.00		
46			2,180.00		
47	Position Level.....	2,080.00	2,080.00		
48			2,180.00		
49	Fund Sources: Commonwealth Transportation.....	\$285,087,064	\$282,547,582		
50	Trust and Agency.....	\$10,946,600	\$10,946,600		

ITEM 443.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Dedicated Special Revenue.....	\$151,500,000	\$153,700,000		
2	Federal Trust.....	\$32,224,353	\$32,224,353		
3	444. Not set out.				
4	445. Not set out.				
5	446. Not set out.				
6	447. Not set out.				
7	§ 1-22. DEPARTMENT OF TRANSPORTATION (501)				
8	448. Environmental Monitoring and Evaluation (51400).			\$24,211,863	\$20,494,379
9					\$23,494,379
10	Environmental Monitoring and Compliance for				
11	Highway Projects (51408).....	\$6,722,931	\$6,876,404		
12	Environmental Monitoring Program Management				
13	and Direction (51409).....	\$3,293,882	\$3,356,739		
14	Municipal Separate Storm Sewer System (MS4)				
15	Compliance Activities (51410).....	\$14,195,050	\$10,261,236		
16			\$13,261,236		
17	Fund Sources: Commonwealth Transportation.....	\$24,211,863	\$20,494,379		
18			\$23,494,379		
19	449. Ground Transportation Planning and Research				
20	(60200).....			\$75,153,449	\$76,658,340
21					\$77,685,632
22	Ground Transportation System Planning (60201)....	\$61,573,678	\$62,853,660		
23			\$63,887,284		
24	Ground Transportation System Research (60202)....	\$9,500,838	\$9,606,334		
25	Ground Transportation Program Management and				
26	Direction (60204).....	\$4,078,933	\$4,198,346		
27			\$4,192,014		
28	Fund Sources: Commonwealth Transportation.....	\$75,153,449	\$76,658,340		
29			\$77,685,632		
30	Authority: Title 33.2, Code of Virginia.				
31	A. Included in the amount for ground transportation system planning and research is no				
32	less than \$6,500,000 the first year and no less than \$6,500,000 the second year from the				
33	highway share of the Transportation Trust Fund for the planning and evaluation of options				
34	to address transportation needs.				
35	B. In addition, the Commonwealth Transportation Board may approve the expenditures of				
36	up to \$500,000 the first year and \$500,000 the second year from the highway share of the				
37	Transportation Trust Fund for the completion of advance activities, prior to the initiation				
38	of an individual project's design along existing highway corridors, to determine short-term				
39	and long-term improvements to the corridor. Such activities shall consider safety, access				
40	management, alternative modes, operations, and infrastructure improvements. Such funds				
41	shall be used for, but are not limited to, the completion of activities prior to the initiation				
42	of an individual project's design or to benefit identification of needs throughout the state				
43	or the prioritization of those needs. For federally eligible activities, the activity or item				
44	shall be included in the Commonwealth Transportation Board's annual update of the Six-				
45	Year Improvement program so that (i) appropriate federal funds may be allocated and				
46	reimbursed for the activities and (ii) all requirements of the federal Statewide				
47	Transportation Improvement Program can be achieved.				
48	C. Notwithstanding the provisions of Chapter 729 and Chapter 733 of the 2012 Acts of				
49	Assembly, the Commonwealth Transportation Board shall not reallocate any funds from				
50	projects on roadways controlled by any county that has withdrawn or elects to withdraw				
51	from the secondary system of state highways, nor from any roadway controlled by a city				

ITEM 449.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	or town as part of the state's urban roadway system, based on a determination of			
2	nonconformity with the Commonwealth Transportation Board's Statewide Transportation			
3	Plan or the Six-Year Improvement Program. In jurisdictions that maintain roadways within			
4	their boundaries, the provisions of § 33.2-214, Code of Virginia, shall apply only to highways			
5	controlled by the Department of Transportation.			
6	D. The prioritization process developed under § 33.2-214.1, Code of Virginia, shall not apply			
7	to use of funds provided in this Item from the federal apportionments in the State Planning			
8	and Research Program.			
9	450.	Highway Construction Programs (60300).....		\$2,907,209,244
10				\$2,447,228,540
11		Highway Construction Program Management		\$3,206,571,260
12		(60315).....	\$42,834,638	\$42,367,081
13				\$43,617,081
14		State of Good Repair Program (60320).....	\$85,614,863	\$43,176,315
15		High Priority Projects Program (60321).....	\$144,334,403	\$113,834,068
16				\$147,164,284
17		Construction District Grant Programs (60322).....	\$156,831,439	\$109,161,887
18				\$142,492,103
19		Specialized State and Federal Programs (60323).....	\$1,985,035,681	\$1,608,632,265
20				\$2,300,064,553
21		Legacy Construction Formula Programs (60324).....	\$492,558,220	\$530,056,924
22		Fund Sources: Commonwealth Transportation.....	\$2,687,816,000	\$2,110,013,955
23				\$2,861,856,675
24		Trust and Agency.....	\$219,393,244	\$337,214,585
25				\$344,714,585
26	Authority: Title 33.2, Chapter 3; Code of Virginia; Chapters 8, 9, and 12, Acts of Assembly of			
27	1989, Special Session II.			
28	A. From the appropriation for specialized state and federal programs funds shall be distributed			
29	as follows:			
30	1. \$108,071,298 the first year and \$119,318,608 the second year in federal state and matching			
31	funds shall be allocated for regional Surface Transportation Block Grant Funds and			
32	distributed to applicable metropolitan planning organizations pursuant to 23 USC 133;			
33	2. \$53,122,502 the first year and \$53,122,502 the second year in federal and state matching			
34	funds shall be allocated for the Highway Safety Improvement Program pursuant to 23 USC			
35	148;			
36	3. \$78,058,001 the first year and \$81,142,944 the second year in federal and state matching			
37	funds shall be allocated for the Congestion Mitigation Air Quality program pursuant to 23			
38	USC 149;			
39	4. \$100,000,000 the first year and \$100,000,000 the second year shall be allocated for the			
40	Revenue Sharing Program pursuant to § 33.2-357, Code of Virginia;			
41	5. \$20,265,939 the first year and \$20,087,475 the second year in federal funds shall be			
42	allocated for the Surface Transportation Block Grant Program Set-Aside to 23 USC 133(h).			
43	6. \$424,441,132 the first year and \$265,367,043 the second year in appropriation represents			
44	the estimated project participation costs from localities and regional entities.			
45	7. \$150,908,817 the second year in this appropriation represents the bond proceeds to be used			
46	for the Route 58 Corridor Development Program.			
47	8. \$2,736,051 the first year and \$4,183,261 the second year in state funds shall be allocated to			
48	the Virginia Transportation Infrastructure Bank pursuant to § 33.2-1500 et seq, Code of			
49	Virginia.			
50	9. \$1,368,025 the first year and \$2,091,630 the second year in state funds shall be allocated to			
51	the Transportation Partnership Opportunity Fund pursuant to § 33.2-1529.1, Code of Virginia.			

ITEM 450.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	B. Notwithstanding § 33.2-358, Code of Virginia, the proceeds from the lease or sale of			
2	surplus and residue property purchased under this program in excess of related costs shall			
3	be applied to the State of Good Repair Program pursuant to § 33.2-369, Code of Virginia.			
4	Proceeds must be used on Federal Title 23 eligible projects.			
5	C. The Director of the Department of Planning and Budget is authorized to increase the			
6	appropriation as needed to utilize amounts available from prior year balances in the			
7	dedicated funds and adjust items to the most recent Commonwealth Transportation Board			
8	budget.			
9	D. Funds appropriated for legacy formula construction programs shall be used for the			
10	purposes enumerated in subsection C of § 33.2-358, Code of Virginia, or as previously			
11	appropriated.			
12	E. Included in the amounts for specialized state and federal programs is the			
13	reappropriation of \$145,700,000 the first year and \$135,100,000 the second year from			
14	bond proceeds or dedicated special revenues for anticipated expenditure of amounts			
15	collected in prior years. The amounts will be provided from balances in the Capital			
16	Projects Revenue Bond Fund, Federal Transportation Grant Anticipation Revenue Bond			
17	Fund, Northern Virginia Transportation District Fund, State Route 28 Highway			
18	Improvement District Fund, U.S. Route 58 Corridor Development Fund and the Priority			
19	Transportation Fund. These amounts were originally appropriated when received or			
20	forecasted and are not related to FY 2017 and FY 2018 estimated revenues.			
21	F. The Director of the Department of Planning and Budget is authorized to increase the			
22	appropriation as needed to utilize amounts available from prior year balances in the			
23	Concession Payments Account to support project activities.			
24	H.The Commonwealth Transportation Board shall, no later than December 1, 2018,			
25	review and report to the Chairmen of the House and Senate Committees on			
26	Transportation, the Joint Transportation Accountability Commission, the House			
27	Committee on Appropriations and the Senate Committees on Finance, on the overall			
28	condition and funding needs of large and unique bridge and tunnel structures in the			
29	Commonwealth. As part of the review, the Board shall make recommendations addressing			
30	funding of such projects within the State of Good Repair program. In developing these			
31	recommendations the Board shall assess the impact of establishing a set aside from the			
32	State of Good Repair funding pot, limited use of the provisions of § 33.2-369 B., Code of			
33	Virginia, which allows for the waiving of district minimum caps in a single year, or such			
34	other options as they might identify.			
35	451. Highway System Maintenance and Operations			
36	(60400).....		\$1,978,877,656	\$1,992,859,424
37				\$2,097,571,677
38	Interstate Maintenance (60401).....	\$439,078,579	\$442,264,643	
39			\$517,030,047	
40	Primary Maintenance (60402).....	\$591,903,773	\$595,965,645	
41			\$675,195,555	
42	Secondary Maintenance (60403).....	\$604,321,956	\$608,513,522	
43			\$623,054,003	
44	Transportation Operations Services (60404).....	\$266,309,352	\$268,459,641	
45			\$221,566,905	
46	Highway Maintenance Operations, Program			
47	Management and Direction (60405).....	\$77,263,996	\$77,655,973	
48			\$60,725,167	
49	Fund Sources: Commonwealth Transportation.....	\$1,978,877,656	\$1,992,859,424	
50			\$2,097,571,677	
51	A. The department is authorized to enter into agreements with state and local law			
52	enforcement officials to facilitate the enforcement of high occupancy vehicle (HOV)			
53	restrictions throughout the Commonwealth and metropolitan planning regions.			
54	B. Should federal law be changed to permit privatization of rest area operations, the			
55	department is hereby authorized to accept or solicit proposals for their development and/or			
56	operation.			

ITEM 451.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	C. The Director, Department of Planning and Budget, is authorized to increase the				
2	appropriation in this Item as needed to utilize amounts available from prior year balances in				
3	the dedicated funds.				
4	D. The Commissioner's annual report pursuant to § 33.2-232, Code of Virginia, shall include				
5	an assessment of whether the department has met its secondary road pavement targets, by				
6	district and on a statewide basis.				
7	E. Out of the amounts provided in this Item, the department shall increase the share of				
8	funding dedicated to the Safety Service Patrol Services by \$5,000,000 from nongeneral fund				
9	revenues in the second year to expand services across the Commonwealth's Interstate System,				
10	with priority given to the Interstate 81 Corridor.				
11	452. Commonwealth Toll Facilities (60600).....			\$80,876,667	\$91,272,130
12					\$85,455,257
13	Toll Facility Debt Service (60602).....	\$3,194,200	\$3,190,600		
14	Toll Facility Maintenance And Operation (60603).....	\$41,532,467	\$51,631,530		
15			\$45,814,657		
16	Toll Facilities Revolving Fund (60604).....	\$36,150,000	\$36,450,000		
17	Fund Sources: Commonwealth Transportation.....	\$74,876,667	\$85,272,131		
18			\$78,646,437		
19	Trust and Agency.....	\$6,000,000	\$5,999,999		
20			\$6,808,820		
21	Authority: §§ 33.2-1524 and 33.2-1700 through 33.2-1729, Code of Virginia.				
22	A. Included in this Item are funds for the installation and implementation of a statewide				
23	Electronic Toll Customer Service/Violation Enforcement System.				
24	B. It is the intent of the General Assembly that the toll revenues, and any bond proceeds or				
25	concession payments backed by such toll revenues, derived from the express lanes on				
26	Interstate 64 between the interchange of Interstate 64 with Interstate 664 and the interchange				
27	of Interstate 64 with Interstate 564 be used to reduce the necessary contribution from the				
28	Hampton Roads Transportation Accountability Commission established pursuant Chapter 26				
29	of Title 33.2, Code of Virginia, for a project to expand the capacity of Interstate 64 between				
30	the interchange of Interstate 64 with Interstate 664 and the interchange of Interstate 64 with				
31	Interstate 564.				
32	453. Financial Assistance to Localities for Ground			\$1,079,779,699	\$1,074,659,612
33	Transportation (60700).....				\$1,095,669,240
34					
35	Financial Assistance for City Road Maintenance				
36	(60701).....	\$386,532,142	\$385,407,026		
37			\$387,661,833		
38	Financial Assistance for County Road Maintenance				
39	(60702).....	\$69,295,633	\$69,468,919		
40			\$69,360,034		
41	Financial Assistance for Planning, Access Roads,				
42	and Special Projects (60704).....	\$15,551,924	\$15,383,667		
43			\$15,747,373		
44	Distribution of Northern Virginia Transportation				
45	Authority Fund Revenues (60706).....	\$280,400,000	\$272,600,000		
46			\$283,400,000		
47	Distribution of Hampton Roads Transportation Fund				
48	Revenues (60707).....	\$191,100,000	\$194,000,000		
49			\$201,700,000		
50	Distribution of Washington Metropolitan Area				
51	Transit Authority Capital Fund Revenues (60708).....	\$127,400,000	\$128,200,000		
52	Distribution of Certain Taxes to Certain Localities in				
53	Planning District 8 (60709).....	\$9,500,000	\$9,600,000		
54	Fund Sources: Commonwealth Transportation.....	\$471,379,699	\$470,259,612		
55			\$472,769,240		
56	Dedicated Special Revenue.....	\$608,400,000	\$604,400,000		
57			\$622,900,000		

ITEM 453.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Authority: Title 33.2, Chapter 1, Code of Virginia.			
2	A. Out of the amounts for Financial Assistance for Planning, Access Road, and Special			
3	Projects, \$7,000,000 the first year and \$7,000,000 the second year from the			
4	Commonwealth Transportation Fund shall be allocated for purposes set forth in §§ 33.2-			
5	1509, 33.2-1600, and 33.2-1510, Code of Virginia. Of this amount, the allocation for			
6	Recreational Access Roads shall be \$1,500,000 the first year and \$1,500,000 the second			
7	year. It is the intent of the General Assembly that up to \$250,000 of the funds allocated			
8	by the Commonwealth Transportation Board for Recreational Access Roads in this Item			
9	shall be prioritized for handicapped accessibility improvements at Virginia State Parks,			
10	including improvements to handicapped access points and parking facility enhancements			
11	as may be requested by the Department of Conservation and Recreation.			
12	B. Distribution of Northern Virginia Transportation Authority Fund Revenues represents			
13	direct payments, of the revenue collected and deposited into the Fund, to the Northern			
14	Virginia Transportation Authority for uses contained in Chapter 766, 2013 Acts of			
15	Assembly. Notwithstanding any other provision of law, moneys deposited into the			
16	Hampton Roads Transportation Fund shall be transferred to the Hampton Roads			
17	Transportation Accountability Commission for use in accordance with § 33.2-2611, Code			
18	of Virginia.			
19	C. The prioritization process developed under § 33.2-214.1, Code of Virginia, shall not			
20	apply to use of funds provided in this Item from federal apportionments in the			
21	Metropolitan Planning Program.			
22	D. Notwithstanding the provisions of § 4-3.02 of this act, the Secretary of Finance may			
23	provide the Department of Transportation interest-free treasury loans in an amount not to			
24	exceed \$1,700,000 per year which may be extended for a period longer than twelve			
25	months. The loan amounts would be provided to the City of Portsmouth to offset losses in			
26	personal property tax collections generated by the City due to the transfer of personal			
27	property from the Virginia International Gateway to the Commonwealth. The specific			
28	terms and structure of any loan shall be approved by the Secretary of Finance, after			
29	consultation with the Chairmen of the House Appropriations and Senate Finance			
30	Committees, or their designees. A treasury loan for this purpose shall be considered as			
31	bridge financing until the planned expansion of the Virginia International Gateway			
32	Facility commences and additional equipment is purchased which will generate personal			
33	property taxes that the City of Portsmouth shall use to repay the loan. To the extent the			
34	loan is not repaid as required by the specific terms of the loan, the Department of			
35	Transportation is directed to withhold the payment amount due from funds provided to the			
36	City of Portsmouth pursuant to § 33.2-319, Code of Virginia, to repay the loan.			
37	E. Distribution of Washington Metropolitan Area Transit Authority Capital Fund			
38	Revenues represents direct payments, of the revenue collected and deposited into the			
39	Fund, to the Washington Metropolitan Area Transit Authority for uses pursuant to Chapter			
40	34 of Title 33.2, Code of Virginia.			
41	F. Consistent with § 33.2-366, Code of Virginia, the Commonwealth Transportation			
42	Board, when establishing annual rates of payments to Counties that have elected to			
43	withdraw from the secondary highway system, shall adjust such rate annually with i)			
44	procedures established for adjusting payments to cities, and ii) lane mileage adjustments.			
45	It is the express intent of the General Assembly, that under no circumstance shall the			
46	addition of lane miles to one jurisdiction result in the direct or indirect reduction in the			
47	calculation of payment to any other jurisdiction receiving payment from funds			
48	appropriated for Financial Assistance for County Road Maintenance (60702).			
49	454. Non-Toll Supported Transportation Debt Service			
50	(61200).....		\$369,469,786	\$384,933,110
51				\$381,401,095
52	Highway Transportation Improvement District			
53	Debt Service (61201).....	\$8,639,519	\$8,639,519	
54	Designated Highway Corridor Debt Service			
55	(61202).....	\$55,935,686	\$64,321,062	
56			\$56,821,062	

ITEM 454.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Commonwealth Transportation Capital Projects				
2	Bond Act Debt Service (61204).....	\$187,706,263	\$188,168,113		
3			\$192,136,098		
4	Federal Transportation Grant Anticipation Revenue				
5	Notes Debt Service (61205).....	\$117,188,318	\$123,804,416		
6	Fund Sources: General.....	\$40,000,000	\$40,000,000		
7	Commonwealth Transportation.....	\$117,188,318	\$123,804,416		
8	Trust and Agency.....	\$204,649,770	\$213,496,996		
9			\$209,964,981		
10	Federal Trust.....	\$7,631,698	\$7,631,698		
11	Authority: Titles 15.2, 33.2, and 58.1 of the Code of Virginia; Chapters 827 and 914, Acts of				
12	Assembly of 1990; Chapters 233 and 662, Acts of Assembly of 1994; Chapter 8, as amended				
13	by Chapter 538, Acts of Assembly of 1999; Chapters 1019 and 1044, Acts of Assembly of				
14	2000; Chapter 799, Acts of Assembly of 2002; Chapter 896, Acts of Assembly of 2007; and				
15	Chapters 830 and 868, Acts of Assembly of 2011				
16	A.1. The amount shown for Highway Transportation Improvement District Construction shall				
17	be derived from payments made to the Transportation Trust Fund pursuant to the Contract				
18	between the State Route 28 Highway Transportation Improvement District and the				
19	Commonwealth Transportation Board dated September 1, 1988 as amended by the Amended				
20	and Restated District Contract by and among the Commonwealth Transportation Board, the				
21	Fairfax County Economic Development Authority and the State Route 28 Highway				
22	Transportation Improvement District Commission (the "District Commission") dated August				
23	30, 2002, and May 1, 2012 (the "District Contract").				
24	2. There is hereby appropriated for payment immediately upon receipt to a third party				
25	approved by the Commonwealth Transportation Board, or a bond trustee selected by such				
26	third party, a sum sufficient equal to the special tax revenues collected by the Counties of				
27	Fairfax and Loudoun within the State Route 28 Highway Transportation Improvement District				
28	and paid to the Commonwealth Transportation Board by or on behalf of the District				
29	Commission (the "contract payments") pursuant to § 15.2-4600 et seq., Code of Virginia, and				
30	the District Contract between the Commonwealth Transportation Board and the District				
31	Commission.				
32	3. The contract payments may be supplemented from the Construction District Grant Program				
33	pursuant to § 33.2-371 allocated to the highway construction district in which the project				
34	financed is located, or any other lawfully available revenues of the Transportation Trust Fund,				
35	as may be necessary to meet debt service obligations. The payment of debt service shall be for				
36	the bonds (the Series 2012 Bonds) issued under the "Commonwealth of Virginia				
37	Transportation Contract Revenue Bond Act of 1988" (Chapters 653 and 676, Acts of				
38	Assembly of 1988 as amended by Chapters 827 and 914 of the Acts of Assembly of 1990).				
39	Funds required to pay the total debt service on the Series 2012 Bonds shall be made available				
40	in the amounts indicated in paragraph E of this Item.				
41	B.1. Out of the amounts for Designated Highway Corridor Construction, \$40,000,000 the first				
42	year and \$40,000,000 the second year from the general fund shall be paid to the U.S. Route 58				
43	Corridor Development Fund, hereinafter referred to as the "Fund", established pursuant to §				
44	33.2-2300, Code of Virginia. This payment shall be in lieu of the deposit of state recordation				
45	taxes to the Fund, as specified in the cited Code section. Said recordation taxes which would				
46	otherwise be deposited to the Fund shall be retained by the general fund. Additional				
47	appropriations required for the U.S. Route 58 Corridor Development Fund, an amount				
48	estimated at \$9,000,000 the first year and \$20,000,000 the second year shall be transferred				
49	from the highway share of the Transportation Trust Fund.				
50	2. Pursuant to the "U.S. Route 58 Commonwealth of Virginia Transportation Revenue Bond				
51	Act of 1989" (as amended by Chapter 538 of the 1999 Acts of Assembly and Chapter 296 of				
52	the 2013 Acts of Assembly), the amounts shown in paragraph E of this Item shall be available				
53	from the Fund for debt service for the bonds previously issued and additional bonds issued				
54	pursuant to said act.				
55	C.1. The Commonwealth Transportation Board shall maintain the Northern Virginia				
56	Transportation District Fund, hereinafter referred to as the "Fund." Pursuant to § 33.2-2400,				

ITEM 454.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Code of Virginia, and for so long as the Fund is required to support the issuance of bonds,				
2	the Fund shall include at least the following elements:				
3	a. Amounts transferred from Item 264 of this act to this Item.				
4	b. Any public right-of-way use fees allocated by the Department of Transportation				
5	pursuant to § 56-468.1 of the Code of Virginia and attributable to the counties of Fairfax,				
6	Loudoun, and Prince William, the amounts estimated at \$5,315,304 the first year and				
7	\$5,315,304 the second year.				
8	c. Any amounts which may be deposited into the Fund pursuant to a contract between the				
9	Commonwealth Transportation Board and a jurisdiction or jurisdictions participating in				
10	the Northern Virginia Transportation District Program, the amounts estimated to be				
11	\$816,000 the first year and \$816,000 the second year.				
12	2. The Fund shall support the issuance of bonds at a total authorized level of \$500,200,000				
13	for the purposes provided in the “Northern Virginia Transportation District,				
14	Commonwealth of Virginia Revenue Bond Act of 1993,” Chapter 391, Acts of Assembly				
15	of 1993 as amended by Chapters 470 and 597 of the Acts of Assembly of 1994, Chapters				
16	740 and 761 of the Acts of Assembly of 1998, Chapter 538 of the 1999 Acts of Assembly,				
17	Chapter 799 of the 2002 Acts of Assembly, and Chapter 621 of the 2005 Acts of				
18	Assembly.				
19	3. Pursuant to the Northern Virginia Transportation District, Commonwealth of Virginia				
20	Revenue Bond Act of 1993, Chapter 391, Acts of Assembly of 1993, and as amended by				
21	Chapters 470 and 597 of the Acts of Assembly of 1994, Chapters 740 and 761 of the Acts				
22	of Assembly of 1998, Chapter 538 of the 1999 Acts of Assembly, Chapter 799 of the 2002				
23	Acts of Assembly, and Chapter 621 of the 2005 Acts of Assembly, amounts shown in				
24	paragraph E of this Item shall be available from the Fund for debt service for the bonds				
25	previously issued and additional bonds issued pursuant to said act.				
26	4. Should the actual distribution of recordation taxes to the localities set forth in § 33.2-				
27	2400, Code of Virginia, exceed the amount required for debt service on the bonds issued				
28	pursuant to the above act, such excess amount shall be transferred to the Northern Virginia				
29	Transportation District Fund in furtherance of the program described in § 33.2-2401, Code				
30	of Virginia.				
31	5. Should the actual distribution of recordation taxes to said localities be less than the				
32	amount required to pay debt service on the bonds, the Commonwealth Transportation				
33	Board is authorized to meet such deficiency, to the extent required, from funds identified				
34	in Enactment No. 1, Section 11, of Chapter 391, Acts of Assembly of 1993.				
35	D.1. The Commonwealth Transportation Board shall maintain the City of Chesapeake				
36	account of the Set-aside Fund, pursuant to § 58.1-816.1, Code of Virginia, which shall				
37	include funds transferred from Item 264 of this act to this Item, and an amount estimated				
38	at \$1,000,000 the first year and \$1,000,000 the second year received from the City of				
39	Chesapeake pursuant to a contract or other alternative mechanism for the purpose				
40	provided in the “Oak Grove Connector, City of Chesapeake Commonwealth of Virginia				
41	Transportation Program Revenue Bond Act of 1994,” Chapters 233 and 662, Acts of				
42	Assembly of 1994 (hereafter referred to as the “Oak Grove Connector Act”).				
43	2. The amounts shown in paragraph E of this Item shall be available from the City of				
44	Chesapeake account of the Set-aside Fund for debt service for the bonds issued pursuant				
45	to the Oak Grove Connector Act.				
46	3. Should the actual distribution of recordation taxes and such local revenues from the				
47	City of Chesapeake as may be received pursuant to a contract or other alternative				
48	mechanism to the City of Chesapeake account of the Set-aside Fund be less than the				
49	amount required to pay debt service on the bonds, the Commonwealth Transportation				
50	Board is authorized to meet such deficiency, pursuant to Enactment No. 1, Section 11 of				
51	the Oak Grove Connector Act.				
52	E. Pursuant to various Payment Agreements between the Treasury Board and the				
53	Commonwealth Transportation Board, funds required to pay the debt service due on the				
54	following Commonwealth Transportation Board bonds shall be transferred to the Treasury				

ITEM 454.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Board as follows:				
2			FY 2019		FY 2020
3	Transportation Contract Revenue Refund		\$8,639,519		\$8,639,519
4	Bonds, Series 2012 (Refunding Route 28)				
5	Commonwealth of Virginia				
6	Transportation Revenue Bonds: U.S.				
7	Route 58 Corridor Development Program:				
8	Series 2014B (Refunding)		\$24,142,000		\$24,139,500
9	Series 2016C (Refunding)		\$2,592,750		\$2,592,750
10	Series 2017C (Refunding)		\$14,290,500		
11	Northern Virginia Transportation District				
12	Program:				
13	Series 2009A-2		\$5,378,653		\$5,336,803
14	Series 2012A (Refunding)		\$9,790,538		\$2,559,038
15	Series 2014A (Refunding)		\$9,640,250		\$9,645,000
16	Series 2016B (Refunding)		\$2,358,750		\$463,500
17	Series 2017B (Refunding)		\$4,408,000		\$4,368,000
18	Transportation Program Revenue Bonds:				
19	Series 2016A (Oak Grove Connector,		\$1,992,750		\$1,990,750
20	City of Chesapeake)				
21	Capital Projects Revenue Bonds:				
22	Series 2010 A-2		\$35,882,155		\$35,660,925
23	Series 2011		\$21,097,750		\$21,096,500
24	Series 2012		\$29,163,800		\$29,161,550
25	Series 2014		\$18,226,700		\$18,224,700
26	Series 2016		\$16,797,000		\$16,799,250
27	Series 2017		\$16,524,688		\$16,525,938
28	Series 2017A		\$30,408,400		\$30,408,400
29	Series 2018		\$9,201,301		\$9,197,600
30	F. Out of the amounts provided for in this Item, an estimated \$115,469,133 the first year and				
31	\$123,804,416 the second year from federal reimbursements shall be provided for debt service				
32	payments on the Federal Transportation Grant Anticipation Revenue Notes.				
33	G. Out of the amounts provided for this Item, an estimated \$177,301,793 the first year and				
34	\$188,168,113 the second year from the Priority Transportation Fund shall be provided for				
35	debt service payments on the Commonwealth Transportation Capital Projects Revenue Bonds.				
36	Any additional amounts needed to offset the debt service payment requirements attributable to				
37	the issuance of the Capital Projects Revenue Bonds shall be provided from the Transportation				
38	Trust Fund.				
39	H. The Commonwealth Transportation Board is hereby authorized, by and with the consent of				
40	the Governor, to issue, pursuant to the applicable provisions of the Transportation				
41	Development and Revenue Bond Act (§ 33.2-1700 et seq., Code of Virginia) as amended				
42	from time to time, revenue obligations of the Commonwealth to be designated				
43	"Commonwealth of Virginia Transportation Capital Projects Revenue Bonds, Series XXXX"				
44	at one or more times in an aggregate principal amount not to exceed \$180,000,000, after all				

ITEM 454.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	costs. The net proceeds of the bonds shall be used exclusively for the purpose of providing				
2	funds for paying the costs incurred or to be incurred for construction or funding of				
3	transportation projects set forth in Item 449.10 of Chapter 847 of the Acts of Assembly of				
4	2007, including but not limited to environmental and engineering studies; rights-of-way				
5	acquisition; improvements to all modes of transportation; acquisition, construction and				
6	related improvements; and any financing costs and other financing expenses. Such costs				
7	may include the payment of interest on the bonds for a period during construction and not				
8	exceeding one year after completion of construction of the projects. Notwithstanding the				
9	provisions of Item 449.10 of Chapter 847 of the acts of Assembly 2007, any remaining				
10	funding may be used for the purposes set forth in subsection G of Item 453 of Chapter				
11	665, 2015 Acts of Assembly.				
12	455. Administrative and Support Services (69900).....			\$279,817,017	\$294,076,199
13					\$297,615,020
14	General Management and Direction (69901).....	\$147,188,104	\$150,993,064		
15			\$153,080,183		
16	Information Technology Services (69902).....	\$96,813,415	\$107,964,794		
17			\$110,952,111		
18	Facilities and Grounds Management Services				
19	(69915).....	\$17,169,363	\$17,653,302		
20			\$17,645,600		
21	Employee Training and Development (69924).....	\$18,646,135	\$17,465,039		
22			\$15,937,126		
23	Fund Sources: Commonwealth Transportation.....	\$279,817,017	\$294,076,199		
24			\$297,615,020		
25	Authority: Title 33.2, Code of Virginia.				
26	A. Notwithstanding any other provision of law, the highway share of the Transportation				
27	Trust Fund shall be used for highway maintenance and operation purposes prior to its				
28	availability for new development, acquisition, and construction.				
29	B. Administrative and Support Services shall include funding for management, direction,				
30	and administration to support the department's activities that cannot be directly attributable				
31	to individual programs and/or projects.				
32	C. Out of the amounts for General Management and Direction, allocations shall be				
33	provided to the Commonwealth Transportation Board to support its operations, the				
34	payment of financial advisory and legal services, and the management of the				
35	Transportation Trust Fund.				
36	D. Notwithstanding any other provision of law, the department may assess and collect the				
37	costs of providing services to other entities, public and private. The department shall take				
38	all actions necessary to ensure that all such costs are reasonable and appropriate,				
39	recovered, and understood as a condition to providing such service.				
40	E. Each year, as part of the six-year financial planning process, the commissioner shall				
41	implement a long-term business strategy that considers appropriate staffing levels for the				
42	department. In addition, the commissioner shall identify services, programs, or projects				
43	that will be evaluated for devolution or outsourcing in the upcoming year. In undertaking				
44	such evaluations, the commissioner is authorized to use the appropriate resources, both				
45	public and private, to competitively procure those identified services, programs, or				
46	projects and shall identify total costs for such activities.				
47	F. Notwithstanding § 4-2.03 of this act, the Virginia Department of Transportation shall be				
48	exempt from recovering statewide and agency indirect costs from the Federal Highway				
49	Administration until an indirect cost plan can be evaluated and developed by the agency				
50	and approved by the Federal Highway Administration.				
51	G. The Director, Department of Planning and Budget, is authorized to adjust				
52	appropriations and allotments for the Virginia Department of Transportation to reflect				
53	changes in the official revenue estimates for commonwealth transportation funds.				
54	H. Out of the amounts for General Management and Direction, allocations shall be				
55	provided to support the capital lease agreement with Fairfax County for the Northern				

ITEM 455.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Virginia District building. An amount estimated at \$7,800,000 the first year and \$7,800,000				
2	the second year from Commonwealth Transportation Funds shall be provided.				
3	I. Notwithstanding any other provisions of law, the Commonwealth Transportation				
4	Commissioner may enter into a contract with homeowner associations for grounds-keeping,				
5	mowing, and litter removal services.				
6	J. Notwithstanding the provisions § 2.2-2402 of the Code of Virginia, no construction,				
7	erection, repair, upgrade, removal or demolition of any building, fixture or structure located or				
8	to be located on property of the Commonwealth of Virginia under the control of the Virginia				
9	Department of Transportation (VDOT) and within the secured area of a residency, area				
10	headquarters or district complex shall be subject to review or approval by the Art and				
11	Architectural Review Board as contemplated by that section. However, for changes to any				
12	building or fixture located on property owned or controlled by VDOT that has been				
13	designated or is under consideration for designation as a historic property, then VDOT shall				
14	submit such changes to the Art and Architectural Review Board for review and approval by				
15	the Board.				
16	K. The Virginia Department of Transportation is authorized to convey a 25-foot wide strip of				
17	land containing approximately 0.1923 acre located along the southeastern boundary of its				
18	original Callaway Area Headquarters parcel, Tax Map Parcel #0580004200, to Earl E.				
19	Bowman, Jr. and Elizabeth H. Bowman, husband and wife, in return for the termination of an				
20	existing easement in favor of the Bowmans across certain property of the Commonwealth, as				
21	shown in those certain deeds and plats recorded at Deed Book 1114, Page 1622 and Deed				
22	Book 1114, Page 1630 in the Clerk's Office of the Circuit Court of Franklin County, Virginia,				
23	and the conveyance from the Bowmans of a parcel of land containing approximately 0.3582				
24	acres located adjacent to and northwest of VDOT's original parcel, all as shown on a plat to be				
25	agreed to between the Parties. The appraised value of the land to be acquired by VDOT shall				
26	be equal to or greater than the value of the land to be transferred from VDOT. The exact				
27	property to be conveyed as consideration for this transaction is subject to change or				
28	adjustment provided that all parties agree, the requirements for value and form are met, and				
29	the appropriate approvals are obtained. The conveyances shall be made with the				
30	recommendation of the Department of General Services, the approval of the Governor and				
31	shall be in a form approved by the Attorney General. The appropriate officials of the				
32	Commonwealth are hereby authorized to prepare, execute, and deliver such deed and other				
33	documents as may be necessary to accomplish the conveyance.				
34	L. 1. At such time as the Virginia Department of Transportation (VDOT) determines that the				
35	VDOT Residency office, on five acres, at 626 Waddell Street, in the City of Lexington is no				
36	longer required for VDOT's purposes, it shall offer to transfer the property to the City of				
37	Lexington prior to offering the property for transfer or sale to any other public or private				
38	agency or entity or individual, on such terms and conditions as provided below.				
39	2. The Virginia Department of Transportation and the City of Lexington shall each obtain a				
40	separate appraisal of the property, each performed by an appraiser licensed by the				
41	Commonwealth of Virginia as Certified General Real Property Appraisers, who must meet the				
42	competency provisions of the Uniform Standards of Professional Appraisal Practice.				
43	3. VDOT shall offer the property to the City of Lexington at a value which shall be				
44	determined by averaging the values from the two appraisals obtained in L.2. above. Any other				
45	conditions of the transfer shall be based on usual and customary terms for such				
46	intergovernmental transfers.				
47	4. If the Virginia Department of Transportation and the City of Lexington cannot agree on the				
48	terms of the transfer of the property, VDOT may transfer or sell the property to any other				
49	public or private agency or entity or individual on such terms as it determines are in the best				
50	interest of the Virginia Department of Transportation, however it will present those terms to				
51	the City of Lexington for its consideration prior to finalizing any transfer or sale to any other				
52	party.				
53	456. Not set out.				
54	Total for Department of Transportation.....			\$6,795,395,381	\$6,382,181,734
55					\$7,265,463,560

ITEM 456.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Nongeneral Fund Positions.....	7,735.00	7,735.00		
2	Position Level.....	7,735.00	7,735.00		
3	Fund Sources: General.....	\$40,000,000	\$40,000,000		
4	Commonwealth Transportation.....	\$5,709,320,669	\$5,173,438,456		
5			\$6,033,443,476		
6	Trust and Agency.....	\$430,043,014	\$556,711,580		
7			\$561,488,386		
8	Dedicated Special Revenue.....	\$608,400,000	\$604,400,000		
9			\$622,900,000		
10	Federal Trust.....	\$7,631,698	\$7,631,698		
11	457. Not set out.				
12	458. Not set out.				
13	459. Not set out.				
14	460. Not set out.				
15	461. Not set out.				
16	462. Not set out.				
17	TOTAL FOR OFFICE OF TRANSPORTATION...			\$8,139,527,863	\$7,730,887,266
18					\$8,614,169,092
19	Nongeneral Fund Positions.....	10,180.00	10,183.00		
20			10,283.00		
21	Position Level.....	10,180.00	10,183.00		
22			10,283.00		
23	Fund Sources: General.....	\$41,030,246	\$41,030,246		
24	Special.....	\$174,788,630	\$179,641,216		
25	Commonwealth Transportation.....	\$6,679,463,322	\$6,141,101,573		
26			\$7,001,106,593		
27	Trust and Agency.....	\$440,989,614	\$567,658,180		
28			\$572,434,986		
29	Dedicated Special Revenue.....	\$759,900,000	\$758,100,000		
30			\$776,600,000		
31	Federal Trust.....	\$43,356,051	\$43,356,051		

ITEM 463.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	OFFICE OF VETERANS AND DEFENSE AFFAIRS			
2	463.	Not set out.		
3	464.	Not set out.		
4	465.	Not set out.		
5	466.	Not set out.		
6	467.	Not set out.		
7	468.	Not set out.		
8	469.	Not set out.		
9	470.	Not set out.		
10	TOTAL FOR OFFICE OF VETERANS AND			
11	DEFENSE AFFAIRS.....		\$87,838,961	\$103,970,772
12	General Fund Positions.....	216.00	238.00	
13	Nongeneral Fund Positions.....	627.00	867.00	
14	Position Level.....	843.00	1,105.00	
15	Fund Sources: General.....	\$22,247,486	\$23,082,190	
16	Special.....	\$34,312,776	\$46,309,402	
17	Trust and Agency.....	\$0	\$2,500,000	
18	Dedicated Special Revenue.....	\$1,593,000	\$1,593,000	
19	Federal Trust.....	\$29,685,699	\$30,486,180	

ITEM 471.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	CENTRAL APPROPRIATIONS			
2	§ 1-23. CENTRAL APPROPRIATIONS (995)			
3	471.	Not set out.		
4	472.	Not set out.		
5	473.	Not set out.		
6	474.	Compensation and Benefit Adjustments (75700).....		\$44,908,273
7		Adjustments to Employee Compensation (75701)....	\$14,134,815	\$202,847,512
8		Adjustments to Employee Benefits (75702).....	\$30,773,458	(\$15,683,479)
9		Fund Sources: General.....	\$44,908,273	\$187,164,033
10	Authority: Discretionary Inclusion.			
11	A. Transfers to or from this Item may be made to decrease or supplement general fund			
12	appropriations to state agencies for:			
13	1. Adjustments to base rates of pay;			
14	2. Adjustments to rates of pay for budgeted overtime of salaried employees;			
15	3. Salary changes for positions with salaries listed elsewhere in this act;			
16	4. Salary changes for locally elected constitutional officers and their employees;			
17	5. Employer costs of employee benefit programs when required by salary-based pay			
18	adjustments;			
19	6. Salary changes for local employees supported by the Commonwealth, other than those			
20	funded through appropriations to the Department of Education; and			
21	7. Adjustments to the cost of employee benefits to include but not be limited to health			
22	insurance premiums and retirement and related contribution rates.			
23	B. Transfers from this Item may be made when appropriations to the state agencies			
24	concerned are insufficient for the purposes stated in paragraph A of this Item, as			
25	determined by the Department of Planning and Budget, and subject to guidelines			
26	prescribed by the department. Further, the Department of Planning and Budget may			
27	transfer appropriations within this Item from the second year of the biennium to the first			
28	year, when necessary to accomplish the purposes stated in paragraph A of this Item.			
29	C. Except as provided for elsewhere in this Item, agencies supported in whole or in part by			
30	nongeneral fund sources, shall pay the proportionate share of changes in salaries and			
31	benefits as required by this Item, subject to the rules and regulations prescribed by the			
32	appointing or governing authority of such agencies. Nongeneral fund revenues and			
33	balances required for this purpose are hereby appropriated.			
34	D. Any supplemental salary payment to a state employee or class of state employees by a			
35	local governing body shall be governed by a written agreement between the agency head			
36	of the employee or class of employees receiving the supplement and the chief executive			
37	officer of the local governing body. Such agreement shall also be reviewed and approved			
38	by the Director of the State Department of Human Resource Management. At a minimum,			
39	the agreement shall specify the percent of state salary or fixed amount of the supplement,			
40	the resultant total salary of the employee or class of employees, the frequency and method			
41	of payment to the agency of the supplement, and whether or not such supplement shall be			
42	included in the employee's state benefit calculations. A copy of the agreement shall be			
43	made available annually to all employees receiving the supplement. The receipt of a local			
44	salary supplement shall not subject employees to any personnel or payroll rules and			
45	practices other than those promulgated by the State Department of Human Resource			

ITEM 474.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Management.				
2	E. The Governor is hereby authorized to transfer funds from agency appropriations to the				
3	accounts of participating state employees in such amounts as may be necessary to match the				
4	contributions of the qualified participating employees, consistent with the requirements of the				
5	Code of Virginia governing the deferred compensation cash match program. Such transfers				
6	shall be made consistent with the following:				
7	1. The maximum cash match provided to eligible employees shall not be less than \$20.00 per				
8	pay period, or \$40.00 per month, in each year of the biennium. The Governor may direct the				
9	agencies of the Commonwealth to utilize funds contained within their existing appropriations				
10	to meet these requirements.				
11	2. The Governor may direct agencies supported in whole or in part with nongeneral funds to				
12	utilize existing agency appropriations to meet these requirements. Such nongeneral revenues				
13	and balances are hereby appropriated for this purpose, subject to the provisions of § 4-2.01 b				
14	of this act. The use of such nongeneral funds shall be consistent with any existing conditions				
15	and restrictions otherwise placed upon such nongeneral funds.				
16	3. The procurement of services related to the implementation of this program shall be				
17	governed by standards set forth in § 51.1-124.30 C, Code of Virginia, and shall not be subject				
18	to the provisions of Chapter 7 (§ 11-35 et seq.), Title 11, Code of Virginia.				
19	F. The Secretary of Administration, in conjunction with the Secretary of Finance, may				
20	establish a program that allows for the sharing of cost savings from improved productivity,				
21	efficiency, and performance with agencies and employees. Such gain sharing programs				
22	require a management philosophy of open communication encouraging employee				
23	participation; a system which seeks, evaluates and implements employee input on increasing				
24	productivity; and a formula for measuring productivity gains and sharing these gains between				
25	employees and the agency. The Department of Human Resource Management, in conjunction				
26	with the Department of Planning and Budget, shall develop specific gain sharing program				
27	guidelines for use by agencies. The Department of Human Resource Management shall				
28	provide to the Governor, the Chairmen of the House Appropriations and Senate Finance				
29	Committees an annual report no later than October 1 of each year detailing identified savings				
30	and their usage.				
31	G.1. Out of the appropriation for this Item, amounts estimated at \$33,650,659 the first year				
32	and \$33,272,027 the second year from the general fund shall be transferred to state agencies				
33	and institutions of higher education to support the general fund portion of costs associated				
34	with changes in the employer's share of premiums paid for the Commonwealth's health				
35	benefit plans.				
36	2. Notwithstanding any contrary provision of law, the health benefit plans for state employees				
37	resulting from the additional funding in this Item shall allow for a portion of employee				
38	medical premiums to be charged to employees.				
39	3. The Department of Human Resource Management shall explore options within the health				
40	insurance plan for state employees to promote value-based health choices aimed at creating				
41	greater employee satisfaction with lower overall health care costs. It is the General				
42	Assembly's intent that any savings associated with this employee health care initiative be				
43	retained and used towards funding state employee salary or fringe benefit cost increases.				
44	4. Notwithstanding any other provision of law, it shall be the sole responsibility and authority				
45	of the Department of Human Resource Management to establish and enforce employer				
46	contribution rates for any health insurance plan established pursuant to §2.2-2818, Code of				
47	Virginia.				
48	5. The Department of Human Resource Management is prohibited from establishing a retail				
49	maintenance network for maintenance drugs that includes penalties for non-use of the retail				
50	maintenance network.				
51	6. The Department of Human Resource Management shall not increase the annual out-of-				
52	pocket maximum included in the plans above the limits in effect for the plan year which				
53	begin on July 1, 2014.				

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	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	7. The Department of Human Resource Management shall include language in all			
2	contracts, signed on or after July 1, 2018, with third party administrators of the state			
3	employee health plan requiring the third party administrators to: 1) maintain policies and			
4	procedures for transparency in their pharmacy benefit administration programs; 2)			
5	transparently provide information to state employees through an explanation of benefits			
6	regarding the cost of drug reimbursement; dispensing fees; copayments; coinsurance; the			
7	amount paid to the dispensing pharmacy for the claim; the amount charged to the third			
8	party administrator for the claim by the third party administrator's pharmacy benefit			
9	manager; and the amount charged by the third party administrator to the Commonwealth;			
10	and 3) provide a report to the Department of Human Resource Management of the			
11	aggregate difference in amounts between reimbursements made to pharmacies for claims			
12	covered by the state employee insurance plan, the amount charged to the third party			
13	administrator for the claim by the third party administrator's pharmacy benefit manager,			
14	and the amount charged by the third party administrator to the Commonwealth as well as			
15	an explanation for any difference. The department shall report to the Governor and the			
16	Chairmen of the House Appropriations and Senate Finance Committees on its			
17	implementation of this item by October 1, 2018.			
18	8. Notwithstanding the provisions of § 38.2-3418.17 and any other provision of law,			
19	effective October 1, 2018, the Department of Human Resource Management shall provide			
20	coverage under the state employee health insurance program for the treatment of autism			
21	spectrum disorder through the age of eighteen.			
22	9. In addition to the amounts cited in paragraph G.1 of this item, \$992,222 the first year			
23	from the general fund shall be provided for the Department of Human Resource			
24	Management for the repayment of costs incurred pursuant to the proposal to establish an			
25	optional statewide local employee health insurance program.			
26	H.1. Contribution rates paid to the Virginia Retirement System for the retirement benefits			
27	of public school teachers, state employees, state police officers, state judges, and state law			
28	enforcement officers eligible for the Virginia Law Officers Retirement System shall be			
29	based on a valuation of retirement assets and liabilities that are consistent with the			
30	provisions of Chapters 701 and 823, Acts of Assembly of 2012.			
31	2. Retirement contribution rates, excluding the five percent employee portion, shall be as			
32	set out below and include both the regular contribution rate and for the public school			
33	teacher plan the rate calculated by the Virginia Retirement System actuary for the 10-year			
34	payback of the retirement contribution payments deferred for the 2010-12 biennium:			
35		FY 2019		FY 2020
36	Public school teachers	15.68%		15.68%
37	State employees	13.52%		13.52%
38	State Police Officers' Retirement	24.88%		24.88%
39	System			
40	Virginia Law Officers' Retirement	21.61%		21.61%
41	System			
42	Judicial Retirement System	34.39%		34.39%
43	3. Payments of all required contributions and insurance premiums to the Virginia			
44	Retirement System and its third-party administrators, as applicable, shall be made no later			
45	than the tenth day following the close of each month of the fiscal year.			
46	4. The Director of Department of Planning and Budget shall withhold and transfer to this			
47	Item, amounts estimated at \$6,539,646 the first year and \$6,823,946 the second year, from			
48	the general fund appropriations of state agencies and institutions of higher education,			
49	representing the net savings resulting from the changes in employer contributions for state			
50	employee retirement as provided for in this paragraph.			
51	5. The funding necessary to support the cost of reimbursements to Constitutional Officers			
52	for retirement contributions are appropriated elsewhere in this act under the Compensation			
53	Board.			
54	6. The funding necessary to support the cost of the employer retirement contribution rate			

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1	for public school teachers is appropriated elsewhere in this act under Direct Aid to Public				
2	Education.				
3	I.1. Except as authorized in Paragraph I.2. of this Item, rates paid to the Virginia Retirement				
4	System on behalf of employees of participating (i) counties, (ii) cities, (iii) towns, (iv) local				
5	public school divisions (only to the extent that the employer contribution rate is not otherwise				
6	specified in this act), and (v) other political subdivisions shall be based on the employer				
7	contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to §				
8	51.1-145(I) , Code of Virginia.				
9	2. Rates paid to the VRS on behalf of employees of participating (i) counties, (ii) cities, (iii)				
10	towns, (iv) local public school divisions (only to the extent that the employer contribution rate				
11	is not otherwise specified in this act), and (v) other political subdivisions shall be based on the				
12	employer contribution rates certified by the Virginia Retirement System Board of Trustees				
13	pursuant to § 51.1-145(I) , Code of Virginia, unless the participating employer notifies VRS				
14	that it has opted to base the employer contribution rate on the higher of: a) the contribution				
15	rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial				
16	valuation of assets and liabilities as approved by the Virginia Retirement System Board of				
17	Trustees for the 2012-14 biennium, eighty percent of the results of the June 30, 2013 actuarial				
18	valuation of assets and liabilities as approved by the Virginia Retirement System Board of				
19	Trustees for the 2014-16 biennium, ninety percent of the results of the June 30, 2015 actuarial				
20	valuation of assets and liabilities as approved by the Virginia Retirement System Board of				
21	Trustees for the 2016-18 biennium, and one-hundred percent of the results of the June 30,				
22	2017 actuarial valuation of assets and liabilities as approved by the Virginia Retirement				
23	System Board of Trustees for the 2018-20 biennium.				
24	3. Every participating employer that opts not to use the employer contribution rates certified				
25	by the Virginia Retirement System Board of Trustees pursuant to § 51.1-145(I) , Code of				
26	Virginia, must certify to the board of the Virginia Retirement System by resolution adopted				
27	by its local governing body that it: has reviewed and understands the information provided by				
28	the Virginia Retirement System outlining the potential future fiscal implications of electing or				
29	not electing to utilize the employer contribution rates certified by the Virginia Retirement				
30	System Board of Trustees, as provided for in paragraph I.1.				
31	4. Local public school divisions must receive the concurrence of the local governing body if				
32	electing to pay the alternate contribution rate set out in paragraph I.2. Such concurrence must				
33	be documented by a resolution of the governing body.				
34	5. The board of the Virginia Retirement System shall provide all employers participating in				
35	the Virginia Retirement System with a summary of the implications inherent in the use of the				
36	employer contribution rates certified by the Virginia Retirement System (VRS) Board of				
37	Trustees set out in paragraph I.1, and the alternate employer contribution rates set out in				
38	paragraph I.2.				
39	J. The Virginia Retirement System Board of Trustees shall account for the employer				
40	retirement contribution payments for the public school teacher plan deferred for the 2010-				
41	2012 biennium based on limiting employer retirement contributions to the Virginia				
42	Retirement System to the actuarial normal cost. In setting the employer retirement				
43	contribution rates for the public school teacher plan for subsequent biennia, the board shall				
44	calculate a separate, supplemental employer contribution rate that will amortize such deferred				
45	payments over a period of ten years using the board's assumed long-term rate of return. The				
46	Governor shall include funds to support payment of the approved state portion of such board-				
47	approved, supplemental employer contribution rates for the public school teacher plan in the				
48	budget submitted to the General Assembly.				
49	K.1. Contribution rates paid to the Virginia Retirement System for other employee benefits to				
50	include the public employee group life insurance program, the Virginia Sickness and				
51	Disability Program, the state employee retiree health insurance credit, and the public school				
52	teacher retiree health insurance credit, shall be based on a valuation of assets and liabilities				
53	that assume an investment return of seven percent and an amortization period of 30 years.				
54	2. Contribution rates paid on behalf of public employees for other programs administered by				
55	the Virginia Retirement System shall be:				

ITEM 474.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	FY 2019		FY 2020	
2	State employee retiree health insurance	1.17%	1.17%	
3	credit			
4	Public school teacher retiree health	1.20%	1.20%	
5	insurance credit			
6	State employee group life insurance	1.31%	1.31%	
7	program			
8	Employer share of the public school	0.52%	0.52%	
9	teacher group life insurance program			
10	Virginia Sickness and Disability	0.62%	0.62%	
11	Program			
12	3. Funding for the Virginia Sickness and Disability Program is calculated on a rate of 0.53			
13	percent of total payroll.			
14	4. The Director of Department of Planning and Budget shall withhold and transfer to this			
15	Item amounts estimated at \$676,148 the first year and \$705,521 the second year, from the			
16	general fund appropriations of state agencies and institutions of higher education,			
17	representing the net savings resulting from changes in employer contributions for state			
18	employee benefits as provided for in this paragraph.			
19	5. The funding necessary to support the cost of reimbursements to Constitutional Officers			
20	for public employee group life insurance contributions is appropriated elsewhere in this			
21	act under the Compensation Board.			
22	6. The funding necessary to support the cost of the employer public school teacher group			
23	life insurance and retiree health insurance credit rates is appropriated elsewhere in this act			
24	under Direct Aid to Public Education.			
25	L.1. The retiree health insurance credit contribution rates for the following groups of state			
26	supported local public employees shall be: 0.38 percent for constitutional officers and			
27	employees of constitutional officers 0.43 percent for employees of local social services			
28	boards, and 0.39 percent for General Registrars and employees of General Registrars.			
29	2. Out of the general fund appropriation for this Item is included \$317,863 the first year			
30	and \$317,863 the second year to support the general fund portion of the net costs resulting			
31	from changes in the retiree health insurance credit contribution rates for state supported			
32	local public employees through the Compensation Board, the Department of Social			
33	Services, and the Department of Elections pursuant to § 51.1-1403, Code of Virginia.			
34	M.1. Notwithstanding the provisions of § 2.2-3205(A), Code of Virginia, the terminating			
35	agency shall not be required to pay the Virginia Retirement System the costs of enhanced			
36	retirement benefits provided for in § 2.2-3204(A), Code of Virginia for employees who			
37	are involuntarily separated from employment with the Commonwealth if the Director of			
38	the Department of Planning and Budget certifies that such action results from 1. budget			
39	reductions enacted in the Appropriation Act, 2. budget reductions executed in response to			
40	the withholding of appropriations by the Governor pursuant to §4-1.02 of the Act, 3.			
41	reorganization or reform actions taken by state agencies to increase efficiency of			
42	operations or improve service delivery provided such actions have been previously			
43	approved by the Governor, or 4. downsizing actions taken by state agencies as the result of			
44	the loss of federal or other grants, private donations, or other nongeneral fund revenue,			
45	and if the Director of the Department of Human Resource Management certifies that the			
46	action comports with personnel policy. Under these conditions, the entire cost of such			
47	benefits for involuntarily separated employees shall be factored into the employer			
48	contribution rates paid to the Virginia Retirement System.			
49	2. Notwithstanding the provisions of § 2.2-3205(A), Code of Virginia, the terminating			
50	agency shall not be required to pay the Virginia Retirement System the costs of enhanced			
51	retirement benefits provided for in § 2.2-3204(A), Code of Virginia, for employees who			
52	are involuntarily separated from employment with the Commonwealth if the Speaker of			
53	the House of Delegates and the Chairman of the Senate Committee on Rules have certified			
54	on or after July 1, 2016, that such action results from 1. budget reductions enacted in the			

ITEM 474.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Appropriation Act pertaining to the Legislative Department; 2. reorganization or reform				
2	actions taken by agencies in the legislative branch of state government to increase efficiency				
3	of operations or improve service delivery provided such actions have been approved by the				
4	Speaker of the House of Delegates and the Chairman of the Senate Committee on Rules; or 3.				
5	downsizing actions taken by agencies in the legislative branch of state government as the				
6	result of the loss of federal or other grants, private donations, or other nongeneral fund				
7	revenue and if the applicable agency certifies that the actions comport with the provisions of				
8	and related policies associated with the Workforce Transition Act. Under these conditions, the				
9	entire cost of such benefits for involuntarily separated employees shall be factored into the				
10	employer contribution rates paid to the Virginia Retirement System.				
11	N. The purpose of this paragraph is to provide a transitional severance benefit, under the				
12	conditions specified, to eligible city, county, school division or other political subdivision				
13	employees who are involuntarily separated from employment with their employer.				
14	1.a. "Involuntary separation" includes, but is not limited to, terminations and layoffs from				
15	employment with the employer, or being placed on leave without pay-layoff or equivalent				
16	status, due to budget reductions, employer reorganizations, workforce downsizings, or other				
17	causes not related to the job performance or misconduct of the employee, but shall not include				
18	voluntary resignations. As used in this paragraph, a "terminated employee" shall mean an				
19	employee who is involuntarily separated from employment with his employer.				
20	b. The governing authority of a city, county, school division or other political subdivision				
21	electing to cover its employees under the provisions of this paragraph shall adopt a resolution,				
22	as prescribed by the Board of Trustees of the Virginia Retirement System, to that effect. An				
23	election by a school division shall be evidenced by a resolution approved by the Board of				
24	such school division and its local governing authority.				
25	2.a. Any (i) "eligible employee" as defined in § 51.1-132, (ii) "teacher" as defined in § 51.1-				
26	124.3, and (iii) any "local officer" as defined in § 51.1.124.3 except for the treasurer,				
27	commissioner of the revenue, attorney for the Commonwealth, clerk of a circuit court, or				
28	sheriff of any county or city, and (a) for whom reemployment with his employer is not				
29	possible because there is no available position for which the employee is qualified or the				
30	position offered to the employee requires relocation or a reduction in salary and (b) whose				
31	involuntary separation was due to causes other than job performance or misconduct, shall be				
32	eligible, under the conditions specified, for the transitional severance benefit conferred by this				
33	paragraph. The date of involuntary separation shall mean the date an employee was				
34	terminated from employment or placed on leave without pay-layoff or equivalent status.				
35	b. Eligibility shall commence on the date of involuntary separation.				
36	3.a. On his date of involuntary separation, an eligible employee with (i) two years' service or				
37	less to the employer shall be entitled to receive a transitional severance benefit equivalent to				
38	four weeks of salary; (ii) three years through and including nine years of consecutive service				
39	to the employer shall be entitled to receive a transitional severance benefit equivalent to four				
40	weeks of salary plus one additional week of salary for every year of service over two years;				
41	(iii) ten years through and including fourteen years of consecutive service to the employer				
42	shall be entitled to receive a transitional severance benefit equivalent to twelve weeks of				
43	salary plus two additional weeks of salary for every year of service over nine years; or (iv)				
44	fifteen years or more of consecutive service to the employer shall be entitled to receive a				
45	transitional severance benefit equivalent to two weeks of salary for every year of service, not				
46	to exceed thirty-six weeks of salary.				
47	b. Transitional severance benefits shall be computed by the terminating employer's payroll				
48	department. Partial years of service shall be rounded up to the next highest year of service.				
49	c. Transitional severance benefits shall be paid by the employer in the same manner as normal				
50	salary. In accordance with § 60.2-229, transitional severance benefits shall be allocated to the				
51	date of involuntary separation. The right of any employee who receives a transitional				
52	severance benefit to also receive unemployment compensation pursuant to § 60.2-100 et seq.				
53	shall not be denied, abridged, or modified in any way due to receipt of the transitional				
54	severance benefit; however, any employee who is entitled to unemployment compensation				
55	shall have his transitional severance benefit reduced by the amount of such unemployment				
56	compensation. Any offset to a terminated employee's transitional severance benefit due to				

ITEM 474.	Item Details(\$)		Appropriations(\$)	
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1				
2	reductions for unemployment compensation shall be paid in one lump sum at the time the			
	last transitional severance benefit payment is made.			
3	d. For twelve months after the employee's date of involuntary separation, the employee			
4	shall continue to be covered under the (i) health insurance plan administered by the			
5	employer for its employees, if he participated in such plan prior to his date of involuntary			
6	separation, and (ii) group life insurance plan administered by the Virginia Retirement			
7	System pursuant to Chapter 5 (§ 51.1-500 et seq.) of Title 51.1, or such other group life			
8	insurance plan as may be administered by the employer. During such twelve months, the			
9	terminating employer shall continue to pay its share of the terminated employee's			
10	premiums. Upon expiration of such twelve month period, the terminated employee shall			
11	be eligible to purchase continuing health insurance coverage under COBRA.			
12	e. Transitional severance benefit payments shall cease if a terminated employee is			
13	reemployed or hired in an individual capacity as an independent contractor or consultant			
14	by the employer during the time he is receiving such payments.			
15	f. All transitional severance benefits payable pursuant to this section shall be subject to			
16	applicable federal laws and regulations.			
17	4.a. In lieu of the transitional severance benefit provided in subparagraph 3 of this			
18	paragraph, any otherwise eligible employee who, on the date of involuntary separation, is			
19	also (i) a vested member of a defined benefit plan within the Virginia Retirement System,			
20	including the hybrid retirement program described in § 51.1-169, and including a member			
21	eligible for the benefits described in subsection B of § 51.1-138, and (ii) at least fifty years			
22	of age, may elect to have the employer purchase on his behalf years to be credited to either			
23	his age or creditable service or a combination of age and creditable service, except that			
24	any years of credit purchased on behalf of a member of the Virginia Retirement System,			
25	including a member eligible for the benefits described in subsection B of § 51.1-138, who			
26	is eligible for unreduced retirement shall be added to his creditable service and not his age.			
27	The cost of each year of age or creditable service purchased by the employer shall be			
28	equal to fifteen percent of the employee's present annual compensation. The number of			
29	years of age or creditable service to be purchased by the employer shall be equal to the			
30	quotient obtained by dividing (i) the cash value of the benefits to which the employee			
31	would be entitled under subparagraphs 3.a. and 3.d. of this paragraph by (ii) the cost of			
32	each year of age or creditable service. Partial years shall be rounded up to the next highest			
33	year. Deferred retirement under the provisions of subsection C of §§ 51.1-153 and			
34	disability retirement under the provisions of § 51.1-156 et seq., shall not be available			
35	under this paragraph.			
36	b. In lieu of the (i) transitional severance benefit provided in subparagraph 3 of this			
37	paragraph and (ii) the retirement program provided in this subsection, any employee who			
38	is otherwise eligible may take immediate retirement pursuant to §§ 51.1-155.1 or 51.1-			
39	155.2.			
40	c. The retirement allowance for any employee electing to retire under this paragraph who,			
41	by adding years to his age, is between ages fifty-five and sixty-five, shall be reduced on			
42	the actuarial basis provided in subdivision A. 2. of § 51.1-155.			
43	d. The retirement program provided in this subparagraph shall be otherwise governed by			
44	policies and procedures developed by the Virginia Retirement System.			
45	e. Costs associated with the provisions of this subparagraph shall be factored into the			
46	employer contribution rates paid to the Virginia Retirement System.			
47	f. Notwithstanding the foregoing, the provisions of this paragraph N shall apply to an			
48	otherwise eligible employee who is a person who becomes a member on or after July 1,			
49	2010, a person who does not have 60 months of creditable service as of January 1, 2013,			
50	or a person who is enrolled in the hybrid retirement program described in § 51.1-169,			
51	mutatis mutandis.			
52	O.1. a. In order to address the potential for stranded liability in the Virginia Retirement			
53	System, notwithstanding any other contrary provisions of the Appropriation Act or of §			
54	51.1-145, institutions of higher education that have established their own optional			

ITEM 474.		Item Details(\$)		Appropriations(\$)	
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1	retirement plan under § 51.1-126(B) shall pay, effective July 1, 2019, contributions to the				
2	employer's retirement allowance account in an amount equal to that portion of the state				
3	employer contribution rate designated to pay down the total unfunded accrued liability, for				
4	any positions existing as of December 31, 2011 that are subsequently converted from non-				
5	Optional Retirement Plan for Higher Education (ORPHE) eligible positions to ORPHE-				
6	eligible positions on or after January 1, 2012 and that are filled by an employee who elects to				
7	participate in the ORPHE. In meeting this obligation, each institution shall provide to the				
8	Virginia Retirement System by April 1 of each year a list of all positions converted from non-				
9	ORPHE eligible positions to ORPHE-eligible positions since January 1, 2012, and whether				
10	current employees in such positions have elected ORPHE participation.				
11	b. Such contributions shall not be required for any new position established by the institution				
12	after January 1, 2012, that may be eligible for participation in the Optional Retirement Plan				
13	for Higher Education.				
14	2. Furthermore, the Department of Accounts, the Virginia Retirement System, and the				
15	universities of higher education shall work to develop a methodology to identify and report				
16	separately personnel services expenditures for university personnel in positions that use to be				
17	classified positions but have been transitioned to university staff positions.				
18	3. The Virginia Retirement System and the universities of higher education shall submit a				
19	report to the Chairmen of the House Appropriations and Senate Finance Committees by				
20	November 15, 2018 on the approximate unfunded liability that maybe attributable to these				
21	positions and the level of additional contributions the system will realize from the surcharge.				
22	P. 1. Notwithstanding the provisions of § 17.1-327, Code of Virginia, any justice, judge,				
23	member of the State Corporation Commission, or member of the Virginia Workers'				
24	Compensation Commission who is retired under the Judicial Retirement System and who is				
25	temporarily recalled to service shall be reimbursed for actual expenses incurred during such				
26	service and shall be paid a per diem of \$250 for each day the person actually sits, exclusive of				
27	travel time.				
28	2. Out of the general fund appropriation for this Item, \$500,000 in the first year and \$500,000				
29	in the second year is provided to support the costs resulting from the changes in the per diem				
30	amounts provided for in paragraph P.1. The Director, Department of Planning and Budget,				
31	shall disburse funding from this Item to all affected judicial and independent agencies upon				
32	request.				
33	Q. The Director, Department of Planning and Budget, shall transfer from this Item, general				
34	fund amounts estimated at \$1,206,557 the first year and \$1,267,368 the second year to state				
35	agencies and institutions of higher education to support the general fund portion of costs of				
36	Line of Duty Act premiums based on the latest enrollment update from the Virginia				
37	Retirement System.				
38	R. The Director, Department of Planning and Budget, shall transfer from this Item, general				
39	fund amounts estimated at \$1,821,951 the first year and \$2,291,203 the second year to state				
40	agencies and institutions of higher education to support the general fund portion of costs of				
41	workers' compensation premiums provided by the Department of Human Resource				
42	Management.				
43	S.1. The Governor is hereby authorized to allocate a sum of up to \$13,634,815 the first year				
44	and \$202,207,901 the second year from this appropriation to the extent necessary to offset any				
45	downward revisions of the general fund revenue estimate prepared for fiscal years 2019 and				
46	2020 after the enactment by the General Assembly of the 2018 Special Session I				
47	Appropriation Act. If the forecast of general fund revenues for fiscal years 2019 and 2020				
48	developed as the basis for the 2019 budget bill is no less than the revenues assumed in the				
49	2018 Appropriation Act then such appropriation shall be used only for employee				
50	compensation purposes as stated in paragraphs T., U., V., W., X., Y., Z., and AA. below.				
51	2. Furthermore, \$203,515,374 the second year from the general fund allocated to support the				
52	state share of a five percent salary adjustment for SOQ funded positions authorized in Item				
53	136 of this act shall be unallotted if the provisions of paragraph S.1. are not met and the				
54	actions authorized in paragraphs T., U., V., W., X., Y., Z., and AA. of this item are not				
55	effectuated.				

ITEM 474.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	3. Appropriation amounts stated in paragraphs T., U., V., W., X., Y., Z., and AA. below				
2	reflect the estimated general fund share of costs for such employee compensation actions.				
3	Transfers from this Item shall be made based on the general fund share of the actual costs				
4	to implement the actions authorized in paragraphs T., U., V., W., X., Y., Z., and AA., as				
5	determined by the Director, Department of Planning and Budget. However, the total value				
6	of such transfers shall not exceed the amounts designated for these purposes in paragraph				
7	S.1. above.				
8	T.1. The base salary of the following employees shall be increased by 2.75 percent on				
9	June 10, 2019:				
10	a. Full-time and other classified employees of the Executive Department subject to the				
11	Virginia Personnel Act;				
12	b. Full-time employees of the Executive Department not subject to the Virginia Personnel				
13	Act, except officials elected by popular vote; except for faculty at institutions of higher				
14	education whose base salary shall be increased three percent.				
15	c. Any official whose salary is listed in § 4-6.01 of this act, subject to the ranges specified				
16	in the agency head salary levels in § 4-6.01 c;				
17	d. Full-time staff of the Governor's Office, the Lieutenant Governor's Office, the Attorney				
18	General's Office, Cabinet Secretaries' Offices, including the Deputy Secretaries, the				
19	Virginia Liaison Office, and the Secretary of the Commonwealth's Office;				
20	e. Heads of agencies in the Legislative Department;				
21	f. Full-time employees in the Legislative Department, other than officials elected by				
22	popular vote;				
23	g. Legislative Assistants as provided for in Item 1 of this act;				
24	h. Judges and Justices in the Judicial Department;				
25	i. Heads of agencies in the Judicial Department;				
26	j. Full-time employees in the Judicial Department;				
27	k. Commissioners of the State Corporation Commission and the Virginia Workers'				
28	Compensation Commission, the Chief Executive Officer of the Virginia College Savings				
29	Plan, the Executive Director of the Virginia Lottery, and the Director of the Virginia				
30	Retirement System; and				
31	l. Full-time employees of the State Corporation Commission, the Virginia College Savings				
32	Plan, the Virginia Lottery, Virginia Workers' Compensation Commission, and the Virginia				
33	Retirement System.				
34	2.a. Employees in the Executive Department subject to the Virginia Personnel Act shall				
35	receive the salary increases authorized in this paragraph only if they attained at least a				
36	rating of "Contributor" on their latest performance evaluation.				
37	b. Salary increases authorized in this paragraph for employees in the Judicial and				
38	Legislative Departments, employees of Independent agencies, and employees of the				
39	Executive Department not subject to the Virginia Personnel Act shall be consistent with				
40	the provisions of this paragraph, as determined by the appointing or governing authority.				
41	The appointing or governing authority shall certify to the Department of Human Resource				
42	Management that employees receiving the awards are performing at levels at least				
43	comparable to the eligible employees as set out in subparagraph 2.a. of this paragraph.				
44	3. The Department of Human Resource Management shall increase the minimum and				
45	maximum salary for each band within the Commonwealth's Classified Compensation Plan				
46	by five percent on June 10, 2019. No salary increase shall be granted to any employee as				
47	a result of this action. The department shall develop policies and procedures to be used in				
48	instances when employees fall below the entry level for a job classification due to poor				
49	performance. Movement through the revised pay band shall be based on employee				
50	performance.				

ITEM 474.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	4. Out of the amounts for Supplements to Employee Compensation is included \$96,976,795			
2	the second year from the general fund to support the general fund portion of costs associated			
3	with the salary increase provided in this paragraph.			
4	5. The following agency heads, at their discretion, may utilize agency funds or the funds			
5	provided pursuant to this paragraph to implement the provisions of new or existing			
6	performance-based pay plans:			
7	a. The heads of agencies in the Legislative and Judicial Departments;			
8	b. The Commissioners of the State Corporation Commission and the Virginia Workers'			
9	Compensation Commission;			
10	c. The Attorney General;			
11	d. The Director of the Virginia Retirement System;			
12	e. The Executive Director of the Virginia Lottery;			
13	f. The Director of the University of Virginia Medical Center;			
14	g. The Chief Executive Officer of the Virginia College Savings Plan;			
15	h. The Executive Director of the Virginia Port Authority; and			
16	i. The Chief Executive Officer of the Virginia Alcoholic Beverage Control Authority.			
17	6. The base rates of pay, and related employee benefits, for wage employees may be increased			
18	up to 2.75 percent no earlier than June 10, 2019. The cost of such increases for wage			
19	employees shall be borne by existing funds appropriated to each agency.			
20	U.1. The appropriations in this item include funds to increase the base salary of the following			
21	employees by three percent on July 1, 2019, provided that the governing authority of such			
22	employees use such funds to support salary increases for the following listed employees:			
23	a. Locally-elected constitutional officers;			
24	b. General Registrars and members of local electoral boards;			
25	c. Full-time employees of locally-elected constitutional officers and,			
26	d. Full-time employees of Community Services Boards, Centers for Independent Living,			
27	secure detention centers supported by Juvenile Block Grants, juvenile delinquency prevention			
28	and local court service units, local social services boards, local pretrial services act and			
29	comprehensive community corrections act employees, and local health departments where a			
30	memorandum of understanding exists with the Virginia Department of Health.			
31	2. Out of the appropriation for Supplements to Employee Compensation is included			
32	\$26,830,344 the second year from the general fund to support the costs associated with the			
33	salary increase provided in subparagraph U.1.			
34	3. In addition to any other salary increase provided in this paragraph, \$139,611 from the			
35	general fund in the second year is included to provide general registrars an additional three			
36	percent salary increase, effective July 1, 2019			
37	V.1. In addition to the salary increase authorized in paragraph T. of this item, the			
38	appropriation for this item includes \$42,834,355 from the general fund the second year to			
39	provide an additional 2.25 percent merit based salary adjustment for state employees with			
40	three or more years of continuous state service listed in paragraph T. of this item, except for			
41	faculty at institutions of higher education, appointed officials and employees designated as			
42	university staff at institutions of higher education, and judges and justices in the Judicial			
43	Department, and Officials whose salary is listed in § 4-6.01 of this act, effective June 10,			
44	2019. Agency directors shall have the authority to provide individual employees a merit			
45	increase in excess of 2.25 percent provided the total cost of all merit increases for each agency			
46	does not exceed the 2.25 percent average.			

ITEM 474.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	2. The following agency heads, at their discretion, may utilize agency funds or the funds			
2	provided pursuant to this paragraph to implement the provisions of new or existing			
3	performance-based pay plans:			
4	a. The heads of agencies in the Legislative and Judicial Departments;			
5	b. The Commissioners of the State Corporation Commission and the Virginia Workers'			
6	Compensation Commission;			
7	c. The Attorney General;			
8	d. The Director of the Virginia Retirement System;			
9	e. The Executive Director of the Virginia Lottery;			
10	f. The Director of the University of Virginia Medical Center;			
11	g. The Chief Executive Officer of the Virginia College Savings Plan;			
12	h. The Executive Director of the Virginia Port Authority; and			
13	i. The Chief Executive Officer of the Virginia Alcoholic Beverage Control Authority.			
14	3. <i>The Governor may utilize existing funds within agencies to provide an additional 2.25</i>			
15	<i>percent merit based salary adjustment for agency heads, cabinet members, or other</i>			
16	<i>officials listed in subparagraphs b. and c.6. of § 4-6.01 with three or more years of</i>			
17	<i>continuous state service.</i>			
18	W. The appropriations in this item includes \$6,670,930 the first year and \$17,949,110 the			
19	second year from the general fund to support the cost of a \$2,016 salary increase for			
20	Correctional Officers and Correctional Officer Seniors within the Department of			
21	Corrections effective January 10, 2019.			
22	X. The appropriations in this item includes \$391,791 the first year and \$958,044 the			
23	second year from the general fund to support the cost of a \$1,846 salary increase for			
24	Correctional Officers and Correctional Officer Seniors within the Department of Juvenile			
25	Justice effective January 10, 2019.			
26	Y. Included in this appropriation is \$145,997 the first year and \$350,394 the second year			
27	from the general fund to support the cost of the following salary adjustment for all			
28	members of the Virginia Marine Police effective January 10, 2019:			
29	1.) The starting salary for officers of the Virginia Marine Police shall be set at \$41,814.			
30	2.) Consistent with current practice, officers of the Virginia Marine police shall receive a			
31	five percent salary adjustment after completing one year of service resulting in a salary of			
32	\$43,905.			
33	3.) The salary for all current members of the Virginia Marine Police with more than one			
34	year of service shall be the greater of \$43,905 or their current salary adjusted for a 6.5			
35	percent increase.			
36	Z. The appropriations in this item includes \$5,083,333 the first year and \$12,200,000 the			
37	second year from the general fund to support the cost of increasing the salaries for direct			
38	service associates, licensed practical nurses, and registered nurses employed in facilities of			
39	the Department of Behavioral Health & Developmental Services to within three percent of			
40	the market median effective January 10, 2019.			
41	AA. The appropriations in this item includes \$1,342,764 the first year and \$4,108,859 the			
42	second year from the general fund to support the cost of increasing the entry level pay for			
43	sworn deputy sheriffs in sheriffs' offices by \$871 effective February 1, 2019.			
44	BB. Out of the amounts included in this Item, an amount estimated at \$808,692 the second			
45	year from the general fund shall be transferred to the University of Virginia to cover the			
46	state share of the increases in employer premiums for state employees participating in the			
47	university's health care plan.			

ITEM 474.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	CC. The Director of the Department of Planning and Budget shall withhold from general fund			
2	appropriations of state agencies and institutions of higher education, and transfer to this item,			
3	the amount of \$46,111,165 the second year representing the savings that will be realized from			
4	providing a premium holiday for members in the state employee health benefits program,			
5	including retirees and COBRA beneficiaries included in the state employee funding pool, for			
6	the two pay periods in October 2019.			
7	475.	Payments for Special or Unanticipated Expenditures		
8		(75800).....		\$35,637,316
9				\$58,063,713
10		Miscellaneous Contingency Reserve Account		\$78,615,673
11		(75801).....	\$1,300,000	
12			\$1,300,000	
13		Economic Development Assistance (75804).....	\$0	\$1,350,000
14		Undistributed Support for Designated State Agency		
15		Activities (75806).....	\$34,337,316	\$55,413,713
16				\$60,965,673
17		Fund Sources: General.....	\$35,637,316	\$58,063,713
18				\$78,615,673
19	Authority: Discretionary Inclusion.			
20	A. The Governor is hereby authorized to allocate sums from this appropriation, in addition to			
21	an amount not to exceed \$5,000,000 from the unappropriated balance derived by subtracting			
22	the general fund appropriations from the projected general fund revenues in this act, to			
23	provide for supplemental funds pursuant to paragraph D hereof. Transfers from this Item shall			
24	be made only when (1) sufficient funds are not available within the agency's appropriation			
25	and (2) additional funds must be provided prior to the end of the next General Assembly			
26	Session.			
27	B.1. The Governor is authorized to allocate from the unappropriated general fund balance in			
28	this act such amounts as are necessary to provide for unbudgeted cost increases to state			
29	agencies incurred as a result of actions to enhance homeland security, combat terrorism, and			
30	to provide for costs associated with the payment of a salary supplement for state classified			
31	employees ordered to active duty as part of a reserve component of the Armed Forces of the			
32	United States or the Virginia National Guard. Any salary supplement provided to state			
33	classified employees ordered to active duty, shall apply only to employees who would			
34	otherwise earn less in salary and other cash allowances while on active duty as compared to			
35	their base salary as a state classified employee. Guidelines for such payments shall be			
36	developed by the Department of Human Resource Management in conjunction with the			
37	Departments of Accounts and Planning and Budget.			
38	2. The Governor shall submit a report within thirty days to the Chairmen of House			
39	Appropriations and Senate Finance Committees which itemizes any disbursements made from			
40	this Item for such costs.			
41	3. The governing authority of the agencies listed in this subparagraph may, at its discretion			
42	and from existing appropriations, provide such payments to their employees ordered to active			
43	duty as part of a reserve component of the Armed Forces of the United States or the Virginia			
44	National Guard, as are necessary to provide comparable pay supplements to its employees.			
45	a. Agencies in the Legislative and Judicial Departments;			
46	b. The State Corporation Commission, the Virginia Workers' Compensation Commission, the			
47	Virginia Retirement System, the Virginia Lottery, and the Virginia College Savings Plan;			
48	c. The Office of the Attorney General and the Department of Law; and			
49	d. State-supported institutions of higher education.			
50	C. The Governor is authorized to expend from the unappropriated general fund balance in this			
51	act such amounts as are necessary, up to \$1,500,000, to provide for indemnity payments to			
52	growers, producers, and owners for losses sustained as a result of an infectious disease			
53	outbreak or natural disaster in livestock and poultry populations in the Commonwealth. These			
54	indemnity payments will compensate growers, producers, and owners for a portion of the			

ITEM 475.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	difference between the appraised value of each animal destroyed or slaughtered or animal			
2	product destroyed in order to control or eradicate an animal disease outbreak and the total			
3	of any salvage value plus any compensation paid by the federal government.			
4	D. Out of the appropriation for this item is included \$1,000,000 the first year and			
5	\$1,000,000 the second year from the general fund to be used by the Governor as he may			
6	determine to be needed for the following purposes:			
7	1. To address the six conditions listed in § 4-1.03 c 5 of this act.			
8	2. To provide for unbudgeted and unavoidable increases in costs to state agencies for			
9	essential commodities, services, and training which cannot be absorbed within agency			
10	appropriations including unbudgeted benefits associated with Workforce Transition Act			
11	requirements.			
12	3. To secure federal funds in the event that additional matching funds are needed for			
13	Virginia to participate in the federal Superfund program.			
14	4. To provide a payment of up to \$100,000 to the Military Order of the Purple Heart, for			
15	the continued operation of the National Purple Heart Hall of Honor, provided that at least			
16	half of other states have made similar grants.			
17	5. In addition, if the amounts appropriated in this Item are insufficient to meet the			
18	unanticipated events enumerated, the Governor may utilize up to \$1,000,000 the first year			
19	and \$1,000,000 the second year from the general fund amounts appropriated for the			
20	Commonwealth's Opportunity Fund for the unanticipated purposes set forth in paragraph			
21	D.1. through paragraph D.5. of this Item.			
22	6. In addition, to provide for payment of monetary rewards to persons who have disclosed			
23	information of wrongdoing or abuse under the Fraud and Abuse Whistle Blower			
24	Protection Act.			
25	7. The Department of Planning and Budget shall submit a quarterly report of any			
26	disbursements made from, commitments made against, and requests made for such sums			
27	authorized for allocation pursuant to this paragraph to the Chairmen of the House			
28	Appropriations and Senate Finance Committees. This report shall identify each of the			
29	conditions specified in this paragraph for which the transfer is made.			
30	E.I. Included in this appropriation is \$300,000 the first year and \$300,000 the second year			
31	from the general fund to pay for private legal services and the general fund share of			
32	unbudgeted costs for enforcement of the 1998 Tobacco Master Settlement Agreement.			
33	Transfers for private legal services shall be made by the Director, Department of Planning			
34	and Budget upon prior written authorization of the Governor or the Attorney General,			
35	pursuant to § 2.2-510, Code of Virginia or Item 56, Paragraph D of this act. Transfers for			
36	enforcement of the Master Settlement Agreement shall be made by the Director,			
37	Department of Planning and Budget at the request of the Attorney General, pursuant to			
38	Item 56, Paragraph B of this act.			
39	2. <i>The Governor may authorize additional amounts appropriated to this item for the</i>			
40	<i>reimbursement of legal costs and settlements.</i>			
41	F. Notwithstanding the provisions of § 58.1-608.3B.(v), Code of Virginia, any			
42	municipality which has issued bonds on or after July 1, 2001, but before July 1, 2006, to			
43	pay the cost, or portion thereof, of any public facility pursuant to § 58.1-608.3, Code of			
44	Virginia, shall be entitled to all sales tax revenues generated by transactions taking place			
45	in such public facility.			
46	G. The Director, Department of Planning and Budget, shall transfer from this Item,			
47	general fund amounts estimated at \$31,341,768 the first year and \$47,497,476 the second			
48	year to state agencies and institutions of higher education to support the general fund			
49	portion of costs resulting from the estimated usage of technology services provided by the			
50	Virginia Information Technologies Agency.			
51	H.1. Out of this appropriation, \$790,791 the first year from the general fund shall be			
52	provided to the City of Richmond for expenses incurred for the development of the			

ITEM 475.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Slavery and Freedom Heritage Site in Richmond, including Lumpkin's Pavilion and Slave				
2	Trail improvements. Any unexpended general fund balances as of June 30, 2019, that were				
3	appropriated for the purpose of supporting the City of Richmond in the development of the				
4	Slavery and Freedom Heritage Site in Richmond shall not revert to the general fund, but shall				
5	instead be reappropriated for its original purpose. Out of this appropriation and all amounts				
6	previously appropriated for this purpose, a cumulative total of up to \$1,000,000 shall be used				
7	for improvements to the Slave Trail, and up to \$1,000,000 for costs associated with				
8	Lumpkin's Pavilion. It is the intent of the General Assembly to fully meet its commitment to				
9	the project as reimbursement requests are made and funding to meet such requests shall be				
10	included by the Governor in any budget submission made pursuant to the provisions of §§				
11	2.2-1508 and 2.2-1509 , Code of Virginia.				
12	2. Prior to the receipt of state funds for the purpose set out in paragraph H.1., the Richmond				
13	City Council shall pass a resolution outlining its approval of and financial commitment to the				
14	proposed project and local matching funds in an amount totaling at least \$5,000,000 which				
15	shall be appropriated by the City of Richmond for the project prior to receipt of any state				
16	funds. Release of state funding for Lumpkin's Pavilion shall also require evidence that the				
17	City of Richmond has raised at least fifty percent of the remaining funding required for that				
18	portion of the project from private or other sources.				
19	3. At such time that the City of Richmond has completed construction of the respective				
20	improvements, the City of Richmond shall be eligible for reimbursement from the				
21	Commonwealth of an amount not to exceed \$9,000,000, or up to twenty five percent of the				
22	total costs of each project.				
23	4. State funding appropriated in paragraph H.1. and future appropriations considered in				
24	paragraph H.3., shall be allocated only as follows: no more than \$5,000,000 shall be allocated				
25	for the planning, design, and construction of the Pavilion at Lumpkin's Jail, no more than				
26	\$1,000,000 shall be allocated for improvements to the Richmond Slave Trail, and no more				
27	than \$5,000,000 shall be allocated for the planning, design and construction of a slavery				
28	museum.				
29	5. The City of Richmond shall provide documentation to the Department of General Services				
30	on the progress of this project and actual expenditures incurred for it in a form acceptable to				
31	the Secretaries of Finance and Administration.				
32	6. In addition to the matching requirements set out in paragraph H.2., the City of Richmond				
33	shall provide and dedicate appropriate contiguous real estate prior to the receipt of any state				
34	funding for the purposes outlined in paragraph H.1 above.				
35	7. The Department of General Services shall act as the fiscal agent for these funds. The				
36	director shall oversee the expenditure of state appropriations to ensure that payments to the				
37	City of Richmond are made consistent with the purposes set out in paragraphs H.1. and H.4.				
38	The Director, Department of Planning and Budget, is authorized to transfer these funds to the				
39	Department of General Services to implement this appropriation.				
40	8. This appropriation shall be exempt from the disbursement procedures specified in § 4-5.05				
41	of the act.				
42	I.1. The Director, Department of Planning and Budget, is authorized to transfer any remaining				
43	balances originally appropriated in Item 476 I., Chapter 836, 2017 Virginia Acts of Assembly,				
44	the first year, to the Department of State Police for unanticipated costs associated with				
45	mitigating security threats, information technology (IT) security gaps, and the data stored on				
46	IT systems used by the Department. The costs eligible for reimbursement shall be for				
47	information technology and telecommunications goods and services that have been procured				
48	in accordance with the regulations, policies, procedures, standards, and guidelines of the				
49	Virginia Information Technologies Agency.				
50	2.a. Notwithstanding the provisions of § 2.2-2011 , Code of Virginia, the Department of State				
51	Police is authorized to procure, develop, operate, and manage the cyber security and				
52	management tools required to protect the information technology used by the Department that				
53	is defined as out-of-scope from the Virginia Information Technologies Agency pursuant to the				
54	Memorandum of Understanding (MOU) between the two agencies dated August 30, 2013.				
55	The Department of State Police shall be solely responsible for securing all aspects of				

ITEM 475.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	information technology defined as out-of-scope in the current MOU.			
2	b. Costs expended by the Department of State Police for cyber security and management			
3	tools shall be reimbursed by the Director, Department of Planning and Budget from			
4	unexpended funds provided in paragraph I.1. of this Item, after such expenses have been			
5	approved by the Chief Information Officer and determined to be in compliance with the			
6	regulations, policies, procedures, standards, and guidelines of the Virginia Information			
7	Technologies Agency.			
8	3.a. The Superintendent of State Police shall develop and report to the Chairmen of the			
9	House Committee on Appropriations and Senate Committee on Finance a detailed			
10	transition plan addressing the steps required for the Department of State Police to assume			
11	responsibility for the development, operation, and management of all of its information			
12	technology infrastructure and services. The Department of State Police is authorized to			
13	procure consulting services to assist in the development of the detailed transition plan. The			
14	Virginia Information Technologies Agency shall assist in the development and drafting of			
15	the detailed transition plan.			
16	b. The report shall, at a minimum, include a detailed transition plan that: (i) identifies and			
17	evaluates anticipated transition timelines, tasks, activities, and responsible parties; (ii)			
18	identifies any one-time and ongoing costs of transitioning responsibility for information			
19	technology services from the Virginia Information Technologies Agency to the			
20	Department of State Police, including the estimated costs to obtain existing information			
21	technology assets or transition services from Northrop Grumman; (iii) identifies the			
22	ongoing costs of staffing, services, and contracts related to enterprise security and			
23	management tools, legacy system replacements or upgrades, construction or lease of			
24	facilities including data centers, labor costs and workload analyses, and training costs; (iv)			
25	identifies any other such factors deemed necessary for discussion as identified by the			
26	Superintendent of State Police or Chief Information Officer of the Commonwealth; (v)			
27	identifies necessary changes required to transition and modernize current statutes related			
28	to basic State Police communication systems consistent with the Criminal Justice			
29	Information Services Security Policy Version 5.5, or its successor; and (vi) provides a			
30	jointly developed and agreed upon MOU between the Department of State Police and the			
31	Virginia Information Technologies Agency that certifies the information.			
32	c. Costs expended by the Department of State Police for the development of the detailed			
33	transition plan shall be reimbursed by the Director, Department of Planning and Budget			
34	from unexpended funds provided in paragraph I.1 of this item, after such expenses have			
35	been approved by the Chief Information Officer and determined to be in compliance with			
36	the regulations, policies, procedures, standards, and guidelines of the Virginia Information			
37	Technologies Agency.			
38	d. The report and accompanying Memorandum shall be provided to the Chairmen of the			
39	House Committee on Appropriations and Senate Committee on Finance as required by			
40	Item 476 I., Chapter 836, 2017 Virginia Acts of Assembly. The Chief Information Officer			
41	of the Commonwealth shall review the report and provide an analysis of the detailed			
42	transition plan no later than 30 days after submission of the report to the Chairmen of the			
43	House Committee on Appropriations and Senate Committee on Finance.			
44	4. Any remaining balances as originally appropriated in Item 476 I.5., Chapter 836, 2017			
45	Virginia Acts of Assembly, from the general fund are authorized to be transferred to			
46	reimburse the Department of State Police for costs associated with mitigating information			
47	technology security threats and gaps required to protect and manage out-of-scope			
48	information technology that is not addressed in paragraph 3.b. All such costs shall be			
49	eligible for reimbursement if they have been procured in accordance with the regulations,			
50	policies, procedures, standards, and guidelines of the Virginia Information Technologies			
51	Agency. The Director, Department of Planning and Budget is authorized to release this			
52	funding following certification by the Chief Information Officer that these costs address			
53	cyber security threats and gaps, including upgrades to legacy applications to remediate			
54	audit findings by the Auditor of Public Accounts or Commonwealth Security and Risk			
55	Management.			
56	J. The Director, Department of Planning and Budget, shall withhold and transfer to this			
57	Item, an amount estimated at \$365,568 the first year and shall transfer from this Item an			

ITEM 475.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	amount estimated at \$19,782 the second year from the general fund for the general fund share				
2	of rental costs for space maintained and operated by the Department of General Services.				
3	K. Out of this appropriation, \$203,893 the first year and \$203,893 the second year from the				
4	general fund shall be provided to state agencies to support the costs of information technology				
5	security audits and information security officer services. With such funding, agencies are				
6	encouraged to work with the Virginia Information Technologies Agency's information				
7	technology shared security center created pursuant to Item 84.70 of this act.				
8	L. The Director, Department of Planning and Budget, shall transfer from this Item, general				
9	fund amounts estimated at \$1,043,931 the first year and \$3,208,467 the second year to state				
10	agencies and institutions of higher education to support the general fund portion of costs				
11	resulting from changes in agency charges for the Cardinal Financial System operated by the				
12	Department of Accounts.				
13	M. The Director, Department of Planning and Budget, shall transfer from this Item, general				
14	fund amounts estimated at \$237,053 the first year and \$247,487 the second year to state				
15	agencies and institutions of higher education to support the general fund portion of costs				
16	resulting from changes in agency charges for the Performance Budgeting system.				
17	O. The Director, Department of Planning and Budget, shall withhold and transfer to this Item,				
18	an amounts estimated at \$25,552 the first year and shall transfer from this Item an amount				
19	estimated at \$21,608 \$325,333 the second year from the general fund to from executive				
20	branch agencies to support the costs of the Personnel Management Information System.				
21	P. Out of the appropriation for this Item is included \$1,111,000 the first year and \$1,215,000				
22	the second year from the general fund for a joint internship and management training program				
23	to assist in improving leadership, management, and succession planning capabilities of all				
24	branches of state government. The Secretary of Finance shall contract with Virginia Tech for				
25	the continuation of the program. The program shall collaborate with Virginia public colleges				
26	and universities on an internship, management training and succession planning program by				
27	which students in their final year of undergraduate school work, or those attending graduate				
28	programs may be considered for opportunities for state employment on a temporary basis,				
29	whereby they may earn academic credit for hours worked while participating in the program.				
30	Any balances remaining from the appropriation identified in this paragraph shall not revert to				
31	the general fund at the end of the fiscal year, but shall be brought forward and made available				
32	to support the Virginia Management Fellows program in the subsequent fiscal year.				
33	Q. 1. The Virginia Information Technologies Agency shall study and submit its				
34	recommendations for the development, ongoing support, and system of governance for a				
35	personnel information system to replace the current version of the Personnel Management				
36	Information System (PMIS) to the Governor no later than September 1, 2018. The				
37	Department of Human Resource Management, Department of Accounts, and any other agency				
38	designated by the Virginia Information Technologies Agency, shall provide all required				
39	information necessary for the Virginia Information Technologies Agency to develop the				
40	required recommendations.				
41	2. Notwithstanding § 2.2-1201, Code of Virginia, the Governor shall select a state agency to				
42	develop and maintain a personnel information system to replace the current version of PMIS.				
43	In determining which agency shall develop and maintain the new personnel information				
44	system, consideration shall be given to maximizing the efficiencies of enterprise systems and				
45	the benefits of establishing a single source of personnel information to achieve greater				
46	security of sensitive personally identifiable information. Further, the Governor shall establish				
47	a permanent system of governance over the new personnel information system which shall				
48	designate specifically which agencies have responsibility for authority and control of the data				
49	in the new personnel information system as well as responsibility for systems support and				
50	maintenance.				
51	3. A working capital advance is authorized in Item 259 for the Department of Accounts to				
52	support the initial costs of replacing the current version of PMIS. Initial costs include any				
53	costs necessary for the planning, development, and configuration of the new personnel				
54	information system. Initial costs do not include statewide roll-out costs necessary to ensure				
55	agencies are prepared for the implementation of the new payroll system and the				
56	decommissioning of PMIS such as applications configuration, agency training, change				

ITEM 475.	Item Details(\$)		Appropriations(\$)	
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1	management costs, or costs incurred by line agencies to develop required interfaces from			
2	agency based systems.			
3	R. Out of this appropriation, \$1,350,000 the second year from the general fund is provided			
4	to support the advancement of computer science education and implementation of the			
5	Commonwealth's new computer science standards across the public education continuum.			
6	These funds are intended to provide high quality professional development to current and			
7	future teachers; create, curate, and disseminate high quality computer science curriculum,			
8	instructional resources, and assessments; support summer and after-school computer			
9	science related programming for students; and facilitate meaningful career exposure and			
10	work-based learning opportunities in computer science fields for high school students.			
11	Funds shall be disbursed through a competitive grant process and shall prioritize at-risk			
12	students and schools. In consultation with the Secretary of Finance and the Secretary of			
13	Commerce and Trade, the Secretary of Education shall develop a process to award these			
14	funds in accordance with the provisions of this language, with the Governor providing			
15	final approval for distribution of the funds.			
16	S.1. The Director, Department of Corrections, shall procure and implement an electronic			
17	health records system for use in the Department's secure correctional facilities using the			
18	platform provided through Contract Number VA-121107-SMU managed by the Virginia			
19	Information Technologies Agency on behalf of the Commonwealth of Virginia. The			
20	system shall be established on a domain separate from any other procured through the			
21	Contract.			
22	2. Included in the amounts provided for this item is \$3,000,000 the second year from the			
23	general fund for a contingency fund should the costs of complying with Paragraph S.1 of			
24	this item exceed the amounts provided for such purpose in Item 391. The Director,			
25	Department of Planning and Budget, is authorized to transfer appropriation from this			
26	contingency fund to the Department of Corrections, after verification of the total costs of			
27	an electronic health records system which justifies the need for additional funding from			
28	this item."			
29	<i>T. Out of this appropriation, \$5,898,901 the second year from the general fund is provided</i>			
30	<i>to cover the costs associated with the 2020 presidential primary. Out of this amount, up to</i>			
31	<i>\$5,751,593 may be used by the Department of Elections to reimburse localities for their</i>			
32	<i>presidential primary expenditures and up to \$147,308 may be used to cover costs incurred</i>			
33	<i>directly by the Department of Elections.</i>			
34	475.10	Not set out.		
35	475.20	Not set out.		
36	476.	Not set out.		
37	Total for Central Appropriations.....		\$210,630,327	\$395,912,484
38				\$416,464,444
39	Fund Sources: General.....	\$87,776,606	\$273,058,763	
40			\$293,610,723	
41	Higher Education Operating.....	\$3,525,816	\$3,525,816	
42	Trust and Agency.....	\$119,327,905	\$119,327,905	
43	TOTAL FOR CENTRAL APPROPRIATIONS.....		\$210,630,327	\$395,912,484
44				\$416,464,444
45	Fund Sources: General.....	\$87,776,606	\$273,058,763	
46			\$293,610,723	
47	Higher Education Operating.....	\$3,525,816	\$3,525,816	
48	Trust and Agency.....	\$119,327,905	\$119,327,905	
49	TOTAL FOR EXECUTIVE DEPARTMENT.....		\$56,616,010,051	\$60,699,199,549
50				\$61,308,291,579
51	General Fund Positions.....	48,692.64	49,423.41	
52			49,334.41	

ITEM 476.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Nongeneral Fund Positions.....	65,157.40	65,989.73		
2			66,089.73		
3	Position Level.....	113,850.04	115,413.14		
4			115,424.14		
5	Fund Sources: General.....	\$20,849,290,584	\$22,142,953,430		
6			\$22,118,076,626		
7	Special.....	\$1,655,421,782	\$1,648,650,778		
8			\$1,663,523,949		
9	Higher Education Operating.....	\$9,013,852,830	\$9,174,875,597		
10			\$9,214,546,983		
11	Commonwealth Transportation.....	\$6,696,424,944	\$6,158,063,195		
12			\$7,018,068,215		
13	Enterprise.....	\$1,381,158,924	\$1,421,754,287		
14			\$1,434,342,473		
15	Internal Service.....	\$2,099,646,770	\$2,071,214,416		
16			\$2,070,676,464		
17	Trust and Agency.....	\$2,154,440,521	\$2,307,852,502		
18			\$2,297,281,780		
19	Debt Service.....	\$344,923,009	\$344,923,009		
20	Dedicated Special Revenue.....	\$2,325,280,817	\$2,742,023,054		
21			\$2,812,087,888		
22	Federal Trust.....	\$10,095,569,870	\$12,686,889,281		
23			\$12,334,764,192		

ITEM 477.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	INDEPENDENT AGENCIES			
2	§ 1-24. STATE CORPORATION COMMISSION (171)			
3	477.	Not set out.		
4	478.	Not set out.		
5	479.	Not set out.		
6	480.	Not set out.		
7	481.	Plan Management (40800).....	\$101,278	\$101,278
8		Federal Health Benefit Exchange Plan		
9		Management (40801).....	\$101,278	\$101,278
10		Fund Sources: General.....	\$101,278	\$101,278
11		Authority: §§ 38.2-316.1 and 38.2-326, Code of Virginia; § 42.18041 c, United States		
12		Code.		
13		A. There is hereby appropriated to the State Corporation Commission \$101,278 the first		
14		year and \$101,278 the second year from the general fund to pay for the plan management		
15		functions authorized in Chapter 670 of the Acts of Assembly of 2013.		
16		B. <i>The State Corporation Commission may use a portion of its existing nongeneral fund</i>		
17		<i>cash balances in the second year to fund the initial start-up costs of the State Health</i>		
18		<i>Benefit Exchange.</i>		
19		Total for State Corporation Commission.....	\$107,420,395	\$109,731,228
20		Nongeneral Fund Positions.....	675.00	676.00
21		Position Level.....	675.00	676.00
22		Fund Sources: General.....	\$101,278	\$101,278
23		Special.....	\$98,103,676	\$100,341,498
24		Trust and Agency.....	\$5,856,941	\$5,856,941
25		Dedicated Special Revenue.....	\$1,308,500	\$1,381,511
26		Federal Trust.....	\$2,050,000	\$2,050,000
27	482.	Not set out.		
28	483.	Not set out.		
29	484.	Not set out.		
30	485.	Not set out.		
31	486.	Not set out.		
32	487.	Not set out.		
33	488.	Not set out.		
34	489.	Not set out.		
35	490.	Not set out.		
36	491.	Not set out.		

ITEM 491.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	TOTAL FOR INDEPENDENT AGENCIES.....			\$995,147,806	\$987,054,942
2	Nongeneral Fund Positions.....	1,759.00	1,764.00		
3	Position Level.....	1,759.00	1,764.00		
4	Fund Sources: General.....	\$286,415	\$181,278		
5	Special.....	\$98,103,676	\$100,341,498		
6	Enterprise.....	\$742,796,509	\$732,782,468		
7	Trust and Agency.....	\$101,515,468	\$99,799,310		
8	Dedicated Special Revenue.....	\$48,895,738	\$49,888,388		
9	Federal Trust.....	\$3,550,000	\$4,062,000		

ITEM 492.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	STATE GRANTS TO NONSTATE ENTITIES			
2	492.	Not set out.		
3	TOTAL FOR STATE GRANTS TO NONSTATE			
4	ENTITIES.....		\$0	\$0
5	TOTAL FOR PART 1: OPERATING EXPENSES.		\$58,242,201,726	\$62,328,520,846
6				\$62,942,112,876
7	General Fund Positions.....	52,557.85	53,311.62	
8			53,222.62	
9	Nongeneral Fund Positions.....	67,054.90	67,892.23	
10			67,992.23	
11	Position Level.....	119,612.75	121,203.85	
12			121,214.85	
13	Fund Sources: General.....	\$21,443,001,673	\$22,747,795,510	
14			\$22,727,418,706	
15	Special.....	\$1,766,672,283	\$1,762,125,459	
16			\$1,776,998,630	
17	Higher Education Operating.....	\$9,013,852,830	\$9,174,875,597	
18			\$9,214,546,983	
19	Commonwealth Transportation.....	\$6,696,424,944	\$6,158,063,195	
20			\$7,018,068,215	
21	Enterprise.....	\$2,123,955,433	\$2,154,536,755	
22			\$2,167,124,941	
23	Internal Service.....	\$2,099,646,770	\$2,071,214,416	
24			\$2,070,676,464	
25	Trust and Agency.....	\$2,256,074,934	\$2,407,770,757	
26			\$2,397,200,035	
27	Debt Service.....	\$344,923,009	\$344,923,009	
28	Dedicated Special Revenue.....	\$2,397,092,327	\$2,814,827,214	
29			\$2,884,892,048	
30	Federal Trust.....	\$10,100,557,523	\$12,692,388,934	
31			\$12,340,263,845	

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1 PART 2: CAPITAL PROJECT EXPENSES

2 § 2-0. GENERAL CONDITIONS

3 A.1. The General Assembly hereby authorizes the capital projects listed in this act. The amounts hereinafter set forth are appropriated
4 to the state agencies named for the indicated capital projects. Amounts so appropriated and amounts reappropriated pursuant to
5 paragraph G of this section shall be available for expenditure during the current biennium, subject to the conditions controlling the
6 expenditures of capital project funds as provided by law. Reappropriated amounts, unless otherwise stated, are limited to the
7 unexpended appropriation balances at the close of the previous biennium, as shown by the records of the Department of Accounts.

8 2. The Director, Department of Planning and Budget, may transfer appropriations listed in Part 2 of this act from the second year to the
9 first year in accordance with § 4-1.03 a 5 of this act.

10 B. The five-digit number following the title of a project is the code identification number assigned for the life of the project.

11 C. Except as herein otherwise expressly provided, appropriations or reappropriations for structures may be used for the purchase of
12 equipment to be used in the structures for which the funds are provided, subject to guidelines prescribed by the Governor.

13 D. Notwithstanding any other provisions of law, appropriations for capital projects shall be subject to the following:

14 1. Appropriations or reappropriations of funds made pursuant to this act for planning of capital projects shall not constitute implied
15 approval of construction funds in a future biennium. Funds, other than the reappropriations referred to above, for the preparation of
16 capital project proposals must come from the affected agency's existing resources.

17 2. No capital project for which appropriations for planning are contained in this act, nor any project for which appropriations for
18 planning have been previously approved, shall be considered for construction funds until preliminary plans and cost estimates are
19 reviewed by the Department of General Services. The purpose of this review is to avoid unnecessary expenditures for each project, in
20 the interest of assuring the overall cost of the project is reasonable in relation to the purpose intended, regardless of discrete design
21 choices.

22 E.1. Expenditures from Items in this act identified as "Maintenance Reserve" are to be made only for the maintenance of property,
23 plant, and equipment as defined in § 4-4.01c of this act to the extent that funds included in the appropriation to the agency for this
24 purpose in Part 1 of this act are insufficient.

25 2. Agencies and institutions of higher education can expend up to \$2,000,000 for a single repair or project, and up to \$4,000,000 for a
26 roof replacement project, through the maintenance reserve appropriation. Such expenditures shall be subject to rules and regulations
27 prescribed by the Governor. To the extent an agency or institution of higher education has identified a potential project that exceeds this
28 threshold, the Director, Department of Planning and Budget, can provide exemptions to the threshold as long as the project still meets
29 the definition of a maintenance reserve project as defined by the Department of Planning and Budget.

30 3. Only facilities supported wholly or in part by the general fund shall utilize general fund maintenance reserve appropriations.
31 Facilities supported entirely by nongeneral funds shall accomplish maintenance through the use of nongeneral funds.

32 F. Conditions Applicable to Bond Projects

33 1. The capital projects listed in §§ 2-5231 and 2-5332 for the indicated agencies and institutions of higher education are hereby
34 authorized and sums from the sources and in the amount indicated are hereby appropriated and reappropriated. The issuance of bonds in
35 a principal amount plus amounts needed to fund issuance costs, reserve funds, and other financing expenses, including capitalized
36 interest for any project listed in §§ 2-5231 and 2-5332 is hereby authorized.

37 2. The issuance of bonds for any project listed in § 2-5231 is to be separately authorized pursuant to Article X, Section 9 (c),
38 Constitution of Virginia.

39 3. The issuance of bonds for any project listed in §§ 2-5231 or 2-5332 shall be authorized pursuant to § 23.1-1106, Code of Virginia.

40 4. In the event that the cost of any capital project listed in §§ 2-5231 and 2-5332 shall exceed the amount appropriated therefore, the
41 Director, Department of Planning and Budget, is hereby authorized, upon request of the affected institution, to approve an increase in
42 appropriation authority of not more than ten percent of the amount designated in §§ 2-5231 and 2-5332 for such project, from any
43 available nongeneral fund revenues, provided that such increase shall not constitute an increase in debt issuance authorization for such
44 capital project. Furthermore, the Director, Department of Planning and Budget, is hereby authorized to approve the expenditure of all
45 interest earnings derived from the investment of bond proceeds in addition to the amount designated in §§ 2-5231 and 2-5332 for such
46 capital project.

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- 1 5. The interest on bonds to be issued for these projects may be subject to inclusion in gross income for federal income tax
2 purposes.
- 3 6. Inclusion of a project in this act does not imply a commitment of state funds for temporary construction financing. In the absence of
4 such commitment, the institution may be responsible for securing short-term financing and covering the costs from other sources of
5 funds.
- 6 7. In the event that the Treasury Board determines not to finance all or any portion of any project listed in § 2-5231 of this act with the
7 issuance of bonds pursuant to Article X, Section 9 (c), Constitution of Virginia, and notwithstanding any provision of law to the
8 contrary, this act shall constitute the approval of the General Assembly to finance all or such portion of such project under the
9 authorization of § 2-5332 of this act.
- 10 8. The General Assembly further declares and directs that, notwithstanding any other provision of law to the contrary, 50 percent of
11 the proceeds from the sale of surplus real property pursuant to § 2.2-1147 et seq., Code of Virginia, which pertain to the general fund,
12 and which were under the control of an institution of higher education prior to the sale, shall be deposited in a special fund set up on
13 the books of the State Comptroller, which shall be known as the Higher Education Capital Projects Fund. Such sums shall be held in
14 reserve, and may be used, upon appropriation, to pay debt service on bonds for the 21st Century College Program as authorized in
15 Item C-7.10 of Chapter 924 of the Acts of Assembly of 1997.
- 16 G. Upon certification by the Director, Department of Planning and Budget, there is hereby reappropriated the appropriations
17 unexpended at the close of the previous biennium for all authorized capital projects which meet any of the following conditions:
- 18 1. Construction is in progress.
- 19 2. Equipment purchases have been authorized by the Governor but not received.
- 20 3. Plans and specifications have been authorized by the Governor but not completed.
- 21 4. Obligations were outstanding at the end of the previous biennium.
- 22 H. Alternative Financing
- 23 1. Any agency or institution of the Commonwealth that would construct, purchase, lease, or exchange a capital asset by means of an
24 alternative financing mechanism, such as the Public Private Education Infrastructure Act, or similar statutory authority, shall provide a
25 report to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees no less than 30 days prior to
26 entering into such alternative financing agreement. This report shall provide:
- 27 a. a description of the purpose to be achieved by the proposal;
- 28 b. a description of the financing options available, including the alternative financing, which will delineate the revenue streams or
29 client populations pledged or encumbered by the alternative financing;
- 30 c. an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the Commonwealth;
- 31 d. an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the clients of the agency or
32 institution; and
- 33 e. a recommendation and planned course of action based on this analysis.
- 34 I. Conditions Applicable to Alternative Financing
- 35 The following authorizations to construct, purchase, lease or exchange a capital asset by means of an alternative financing mechanism,
36 such as the Public Private Education Infrastructure Act, or similar statutory authority, are continued until revoked:
- 37 1. James Madison University
- 38 a. Subject to the provisions of this act, the General Assembly authorizes James Madison University, with the approval of the
39 Governor, to explore and evaluate an alternative financing scenario to provide additional parking, student housing, and/or operational
40 related facilities. The project shall be consistent with the guidelines of the Department of General Services and comply with Treasury
41 Board Guidelines issued pursuant to § 23.1-1106 C.1.d, Code of Virginia.
- 42 b. The General Assembly authorizes James Madison University to enter into a written agreement with a public or private entity to
43 design, construct, and finance a facility or facilities to provide additional parking, student housing, and/or operational related facilities.
44 The facility or facilities may be located on property owned by the Commonwealth. All project proposals and approvals shall be in
45 accordance with the guidelines cited in paragraph 1 of this item. James Madison University is also authorized to enter into a written
46 agreement with the public or private entity to lease all or a portion of the facilities.

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1 c. The General Assembly further authorizes James Madison University to enter into a written agreement with the public or private entity for
 2 the support of such parking, student housing, and/or operational related facilities by including the facilities in the University's facility
 3 inventory and managing their operation and maintenance; by assigning parking authorizations, students, and/or operations to the facility or
 4 facilities in preference to other University facilities; by restricting construction of competing projects; and by otherwise supporting the
 5 facilities consistent with law, provided that the University shall not be required to take any action that would constitute a breach of the
 6 University's obligations under any documents or other instruments constituting or securing bonds or other indebtedness of the University or
 7 the Commonwealth of Virginia.

8 d. James Madison University is further authorized to convey fee simple title in and to one or more parcels of land to James Madison
 9 University Foundation (JMUF), which will develop and use the land for the purpose of developing and establishing residential housing
 10 for students and/or faculty and staff, office, retail, athletics, dining, student services, and other auxiliary activities and commercial land
 11 use in accordance with the University's Master Plan.

12 2. Longwood University

13 a. Subject to the provisions of this act, the General Assembly authorizes Longwood University to enter into a written agreement or
 14 agreements with the Longwood University Real Estate Foundation (LUREF) for the development, design, construction and financing of
 15 student housing projects, a convocation center, parking, and operational and recreational facilities through alternative financing
 16 agreements including public-private partnerships. The facility or facilities may be located on property owned by the Commonwealth.

17 b. Longwood is further authorized to enter into a written agreement with the LUREF for the support of such student housing,
 18 convocation center, parking, and operational and recreational facilities by including the facilities in the University's facility inventory
 19 and managing their operation and maintenance; by assigning parking authorizations, students and/or operations to the facility or
 20 facilities in preference to other University facilities; by restricting construction of competing projects; and by otherwise supporting the
 21 facilities consistent with law, provided that the University shall not be required to take any action that would constitute a breach of the
 22 University's obligations under any documents or other instruments constituting or securing bonds or other indebtedness of the
 23 University or the Commonwealth of Virginia.

24 c. The General Assembly further authorizes Longwood University to enter into a written agreement with a public or private entity to
 25 plan, design, develop, construct, finance, manage and operate a facility or facilities to provide additional student housing and/or
 26 operational-related facilities. Longwood University is also authorized to enter into a written agreement with the public or private entity
 27 to lease all or a portion of the facilities. The State Treasurer is authorized to make Treasury loans to provide interim financing for
 28 planning, construction and other costs of any of the projects. Revenue bonds issued by or for the benefit of LUREF will provide
 29 construction and/or permanent financing.

30 d. Longwood University is further authorized to convey fee simple title in and to one or more parcels of land to LUREF, which will
 31 develop and use the land for the purpose of developing and establishing residential housing for students and/or faculty and staff, office,
 32 retail, athletics, dining, student services, and other auxiliary activities and commercial land use in accordance with the University's
 33 Master Plan.

34 3. Christopher Newport University

35 a. Subject to the provisions of this act, the General Assembly authorizes Christopher Newport University to enter into, continue, extend
 36 or amend written agreements with the Christopher Newport University Educational Foundation (CNUEF) or the Christopher Newport
 37 University Real Estate Foundation (CNUREF) in connection with the refinancing of certain housing and office space projects.

38 b. Christopher Newport University is further authorized to enter into, continue, extend or amend written agreements with CNUEF or
 39 CNUREF to support such facilities including agreements to (i) lease all or a portion of such facilities from CNUEF or CNUREF, (ii)
 40 include such facilities in the University's building inventory, (iii) manage the operation and maintenance of the facilities, including
 41 collection of any rental fees from University students in connection with the use of such facilities, and (iv) otherwise support the
 42 activities at such facilities consistent with law, provided that the University shall not be required to take any action that would
 43 constitute a breach of the University's obligation under any documents or instruments constituting or securing bonds or other
 44 indebtedness of the University or the Commonwealth of Virginia.

45 4. Radford University

46 a. Subject to the provisions of this act, the General Assembly authorizes Radford University, with the approval of the Governor, to
 47 explore and evaluate an alternative financing scenario to provide additional parking, student housing, and/or operational related
 48 facilities. The project shall be consistent with the guidelines of the Department of General Services and comply with Treasury Board
 49 Guidelines issued pursuant to § 23.1-1106 C.1.d, Code of Virginia.

50 b. The General Assembly authorizes Radford University to enter into a written agreement with a public or private entity to design,
 51 construct, and finance a facility or facilities to provide additional parking, student housing, and/or operational related facilities. The
 52 facility or facilities may be located on property owned by the Commonwealth. All project proposals and approvals shall be in

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- 1 accordance with the guidelines cited in paragraph 1 of this item. Radford University is also authorized to enter into a written
2 agreement with the public or private entity to lease all or a portion of the facilities.
- 3 c. The General Assembly further authorizes Radford University to enter into a written agreement with the public or private entity for
4 the support of such parking, student housing, and/or operational related facilities by including the facilities in the University's facility
5 inventory and managing their operation and maintenance; by assigning parking authorizations, students, and/or operations to the
6 facility or facilities in preference to other University facilities; by restricting construction of competing projects; and by otherwise
7 supporting the facilities consistent with law, provided that the University shall not be required to take any action that would constitute
8 a breach of the University's obligations under any documents or other instruments constituting or securing bonds or other indebtedness
9 of the University or the Commonwealth of Virginia.
- 10 5. University of Mary Washington
- 11 a. Subject to the provisions of this act, the General Assembly authorizes the University of Mary Washington to enter into a written
12 agreement or agreements with the University of Mary Washington Foundation (UMWF) to support student housing projects and/or
13 operational-related or other facilities through alternative financing agreements including public-private partnerships and leasehold
14 financing arrangements.
- 15 b. The University of Mary Washington is further authorized to enter into written agreements with UMWF to support such student
16 housing facilities; the support may include agreements to (i) include the student housing facilities in the University's students housing
17 inventory; (ii) manage the operation and maintenance of the facilities, including collection of rental fees as if those students occupied
18 University-owned housing; (iii) assign students to the facilities in preference to other University-owned facilities; (iv) seek to obtain
19 police power over the student housing as provided by law; and (v) otherwise support the students housing facilities consistent with
20 law, provided that the University's obligation under any documents or other instruments constituting or securing bonds or other
21 indebtedness of the University or the Commonwealth of Virginia.
- 22 c. The General Assembly further authorizes the University of Mary Washington to enter into a written agreement with a public or
23 private entity to design, construct, and finance a facility or facilities to provide additional student housing and/or operational-related
24 facilities. The facility or facilities may or may not be located on property owned by the Commonwealth. The University of Mary
25 Washington is also authorized to enter into a written agreement with the public or private entity to lease all or a portion of the
26 facilities. The State Treasurer is authorized to make Treasury loans to provide interim financing for planning, construction and other
27 costs of any of the projects. Revenue bonds issued by or for UMWF will provide construction and/or permanent financing.
- 28 d. The University of Mary Washington is further authorized to convey fee simple title in and to one or more parcels of land to the
29 University of Mary Washington Foundation (UMWF) which will develop and use the land for the purpose of developing and
30 establishing residential housing for students, faculty, or staff, recreational, athletic, and/or operational related facilities including
31 office, retail and commercial, student services, or other auxiliary activities.
- 32 6. Norfolk State University
- 33 a. Subject to the provisions of this act, the General Assembly authorizes Norfolk State University to enter into a written agreement or
34 agreements with a Foundation of the University for the development of one or more student housing projects on or adjacent to campus,
35 subject to the conditions outlined in the Public-Private Education Facilities Infrastructure Act of 2002.
- 36 b. Norfolk State University is further authorized to enter into written agreements with a Foundation of the University to support such
37 student housing facilities; the support may include agreements to (i) include the student housing facilities in the University's student
38 housing inventory; (ii) manage the operation and maintenance of the facilities, including collection of rental fees as if those students
39 occupied University-owned housing; (iii) assign students to the facilities in preference to other University-owned facilities; (iv) restrict
40 construction of competing student housing projects; (v) seek to obtain police power over the student housing as provided by law; and
41 (vi) otherwise support the student housing facilities consistent with law, provided that the University shall not be required to take any
42 action that would constitute a breach of the University's obligations under any documents or other instruments constituting or securing
43 bonds or other indebtedness of the University or the Commonwealth of Virginia.
- 44 7. Northern Virginia Community College - Alexandria Campus
- 45 The General Assembly authorizes Northern Virginia Community College, Alexandria Campus to enter into a written agreement either
46 with its affiliated foundation or a private contractor to construct a facility to provide on-campus housing on College land to be leased
47 to said foundation or private contractor for such purposes. Northern Virginia Community College, Alexandria Campus, is also
48 authorized to enter into a written agreement with said foundation or private contractor for the support of such student housing facilities
49 and management of the operation and maintenance of the same.
- 50 8. Virginia State University
- 51 a. Subject to the provisions of this act, the General Assembly authorizes Virginia State University (University) to enter into a written
52 agreement or agreements with the Virginia State University Foundation (VSUF), Virginia State University Real Estate Foundation

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1 (VSUREF), and other entities owned or controlled by the university for the development, design, construction, financing, and management
2 of a mixed-use economic development corridor comprising student housing, parking, and dining facilities through alternative financing
3 agreements including public-private partnerships. The facility or facilities may be located on property owned by the Commonwealth.

4 b. Virginia State University is further authorized to enter into a written agreement with the VSUREF, VSUF, and other entities owned
5 or controlled by the university for the support of such a mixed-use economic development corridor comprising student housing,
6 parking, and dining facilities by including these projects in the university's facility inventory and managing their operation and
7 maintenance; by assigning parking authorizations, students and/or operations to the facility or facilities in preference to other university
8 facilities; by restricting construction of competing projects; and by otherwise supporting the facilities consistent with law, provided that
9 the university shall not be required to take any action that would constitute a breach of the university's obligations under any documents
10 or other instruments constituting or securing bonds or other indebtedness of the university or the Commonwealth of Virginia.

11 9. College of William and Mary

12 a. Subject to the provisions of this act, the General Assembly authorizes the College of William and Mary, with the approval of the
13 Governor, to explore and evaluate alternative financing scenarios to provide additional parking, student or faculty/staff housing,
14 recreational, athletic and/or operational related facilities. The project shall be consistent with the guidelines of the Department of
15 General Services and comply with Treasury Board guidelines issued pursuant to § 23.1-1106 C.1. (d), Code of Virginia.

16 b. The General Assembly authorizes the College of William and Mary to enter into written agreements with public or private entities to
17 design, construct, and finance a facility or facilities to provide additional parking, student or faculty/staff housing, recreational, athletic,
18 and/or operational related facilities. The facility or facilities may be on property owned by the Commonwealth. All project proposals
19 and approvals shall be in accordance with the guidelines cited in paragraph 1 of this item. The College of William and Mary is also
20 authorized to enter into a written agreement with the public or private entity to lease all or a portion of the facility.

21 c. The General Assembly further authorizes the College of William and Mary to enter into written agreements with the public or private
22 entities for the support and operation of such parking, student or faculty/staff housing, recreational, athletic, and /or operational related
23 facilities by including the facilities in the College's facility inventory and managing their operation and maintenance including the
24 assignment of parking authorizations, students, faculty or staff, and operations to the facility in preference to other university facilities,
25 limiting construction of competing projects, and by otherwise supporting the facilities consistent with law, provided that the Collage
26 shall not be required to take any action that would constitute a breach of the University's obligations under any documents or other
27 instruments constituting or securing bonds or other indebtedness of the College or the Commonwealth of Virginia.

28 d. The College of William and Mary is further authorized to convey fee simple title in and to one or more parcels of land to the William
29 and Mary Real Estate Foundation (WMREF) which will develop and use the land for the purpose of developing and establishing
30 residential housing for students, faculty, or staff, recreational, athletic, and/or operational related facilities including office, retail and
31 commercial, student services, or other auxiliary activities.

32 10. The following individuals, and members of their immediate family, may not engage in an alternative financing arrangement with
33 any agency or institution of the Commonwealth, where the potential for financial gain, or other factors may cause a conflict of interest:

34 a. A member of the agency or institution's governing body;

35 b. Any elected or appointed official of the Commonwealth or its agencies and institutions who has, or reasonably can be assumed to
36 have, a direct influence on the approval of the alternative financing arrangement; or

37 c. Any elected or appointed official of a participating political subdivision, or authority who has, or reasonably can be assumed to have,
38 a direct influence on the approval of the alternative financing arrangement.

39 J. Appropriations contained in this act for capital project planning shall be used as specified for each capital project and construction
40 funding for the project shall be considered by the General Assembly after determining that (1) project cost is reasonable; (2) the project
41 remains a highly-ranked capital priority for the Commonwealth; and (3) the project is fully justified from a space and programmatic
42 perspective.

43 K. Any capital project that has received a supplemental appropriation due to cost overruns must be completed within the revised budget
44 provided. If a project requires an additional supplement, the Governor should also consider reduction in project scope or cancelling the
45 project before requesting additional appropriations. Agencies and institutions with nongeneral funds may bear the costs of additional
46 overruns from nongeneral funds.

47 L. The Governor shall consider the project life cycle cost that provides the best long-term benefit to the Commonwealth when
48 conducting capital project reviews, design and construction decisions, and project scope changes.

49 M. No structure, improvement or renovation shall occur on the state property located at the Carillon in Byrd Park in the City of
50 Richmond without the approval of the General Assembly.

51 N. All agencies of the Commonwealth and institutions of higher education shall provide information and/or use systems and processes

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1 in the method and format as directed by the Director, Department of General Services, on behalf of the Six-Year Capital Outlay
 2 Plan Advisory Committee, to provide necessary information for state-wide reporting. This requirement shall apply to all projects,
 3 including those funded from general and nongeneral fund sources.

4 O. The Department of General Services, with the cooperation and support of the Workers' Compensation Commission, is hereby
 5 directed to manage acquisition or, construction, or leasing under a capital lease of a new headquarters facility for the commission out
 6 of such funds appropriated for such purposes by Item C-38.10, Chapter 1, 2014 Special Session I. Upon completion of the new
 7 facility, the department shall transfer the existing headquarters facility located at 1000 DMV Drive in Richmond, Virginia to the
 8 Science Museum of Virginia.

9 P. The Director, Department of Planning and Budget, in consultation with the Six-Year Capital Outlay Plan Advisory Committee, is
 10 authorized to transfer bond appropriations and bond proceeds between and among the capital pool projects listed in the table below, in
 11 order to address any shortfall in appropriation in one or more of such projects:

12	Pool Project No.	Pool Project Title	Authorization
13	17775	Public Education Institutions Capital	Enactment Clause 2, § 4, Chapter 1, 2008
14		Account	Special Session I Acts of Assembly
15	17776	State Agency Capital Account	Enactment Clause 2, § 2, Chapter 1, 2008
16			Special Session I Acts of Assembly
17	17861	Supplements for Previously Authorized	Item C-85, Chapter 874, 2010 Acts of
18		Higher Education Capital Projects	Assembly; amended by Item C-85,
19			Chapter 890, 2011 Acts of Assembly
20	17862	Energy Conservation	Item C-86, Chapter 890, 2011 Acts of
21			Assembly
22	17967	Capital Outlay Project Pool	Item C-38.10, Chapter 3, 2012 Special
23			Session I Acts of Assembly; amended by:
24			Item C-38.10, Chapter 806, 2013 Acts of
25			Assembly; by Item C-38.10, Chapter 1,
26			2014 Special Session I Acts of Assembly;
27			Item C-43, Chapter 2, 2014 Special
28			Session I Acts of Assembly; Item C-43,
29			Chapter 665, 2015 Acts of Assembly;
30			and Item 48.10, Chapter 836, 2017 Acts of
31			Assembly; <i>and Item C-44.10, Chapter</i>
32			<i>854, 2019 Acts of Assembly.</i>
33	18049	Comprehensive Capital Outlay Program	Item C-39.40, Chapter 806, 2013 Acts of
34			Assembly; amended by: Item C-39.40,
35			Chapter 1, 2014 Special Session I Acts of
36			Assembly; Item C-46.10, Chapter 2, 2014
37			Special Session I Acts of Assembly, Item
38			46.10, Chapter 665, 2015 Acts of
39			Assembly, and Item C-46, Chapter 2, 2018
40			Acts of Assembly, Special Session I.
41	18196	Capital Outlay Renovation Pool	Item C-46.15, Chapter 665, 2015 Acts of
42			Assembly; <i>amended by: Item C-46.10,</i>
43			<i>Chapter 854, 2019 Acts of Assembly.</i>
44	18300	2016 VPBA Capital Construction Pool	§ 1, Chapters 759 and 769, 2016 Acts of
45			Assembly; amended by: Item C-47,
46			Chapter 2, 2018 Acts of Assembly, Special
47			Session I.
48	18301	2016 VCBA Capital Construction Pool	§ 2, Chapters 759 and 769, 2016 Acts of
49			Assembly; amended by: Item C-48,
50			Chapter 2, 2018 Acts of Assembly, Special
51			Session I.
52	18371	2018 Capital Construction Pool	Item C-45, Chapter 2, 2018 Acts of
53			Assembly, Special Session I; <i>amended by:</i>
54			<i>Item C-45, Chapter 854, 2019 Acts of</i>
55			<i>Assembly.</i>
56	18382	<i>Supplemental funding: Capitol Complex</i>	<i>Item C-51.50, Chapter 2, 2018 Acts of</i>
57		<i>Infrastructure and Security</i>	<i>Assembly, Special Session I; amended by:</i>

		Item Details(\$)		Appropriations(\$)	
		First Year	Second Year	First Year	Second Year
		FY2019	FY2020	FY2019	FY2020
1					
2					<i>Item C-51.50, Chapter 854, 2019 Acts of Assembly.</i>
3	18408		2019 Capital Construction Pool		<i>Item C-48.10, Chapter 854, 2019 Acts of Assembly.</i>
4					

5 **EXECUTIVE DEPARTMENT**

6 **OFFICE OF ADMINISTRATION**

7 **§ 2-1. DEPARTMENT OF GENERAL SERVICES (194)**

8	C-1.	Not set out.			
9	C-1.10	Not set out.			
10	C-2.	Omitted.			
11				\$15,600,000	\$0
12		Fund Sources: Bond Proceeds.....	\$15,600,000	\$0	
13		TOTAL FOR OFFICE OF ADMINISTRATION.....		\$15,600,000	\$0
14		Fund Sources: Bond Proceeds.....	\$15,600,000	\$0	

15 **OFFICE OF AGRICULTURE AND FORESTRY**

16	C-2.10	Not set out.			
17					
18		TOTAL FOR OFFICE OF AGRICULTURE AND FORESTRY.....		\$0	\$4,270,000
19		Fund Sources: Special.....	\$0	\$4,270,000	

20 **OFFICE OF EDUCATION**

21	C-3.	Not set out.			
22	C-3.10	Not set out.			
23	C-4.	Not set out.			
24	C-5.	Not set out.			
25	C-6.	Not set out.			
26	C-6.10	Not set out.			
27		§ 2-2. JAMES MADISON UNIVERSITY (216)			
28	C-7.	Not set out.			
29	C-8.	Omitted.			
30	C-8.10	Not set out.			
31		Total for James Madison University.....		\$3,000,000	\$310,000

ITEM C-8.10.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Fund Sources: Higher Education Operating.....	\$3,000,000	\$310,000		
2	C-8.50 Not set out.				
3	C-8.60 Not set out.				
4	C-9. Not set out.				
5	C-10. Not set out.				
6	C-10.10 Not set out.				
7	C-10.20 Not set out.				
8	C-11. Not set out.				
9	C-11.10 Not set out.				
10	C-11.20 Not set out.				
11	C-11.50 Not set out.				
12	C-11.60 Not set out.				
13	C-12. Not set out.				
14	§ 2-3. UNIVERSITY OF VIRGINIA (207)				
15	C-13. Not set out.				
16	C-13.05 <i>Improvements: Alderman Library Renewal</i>				
17	<i>(18331).....</i>			\$0	\$13,695,000
18	<i>Fund Sources: Bond Proceeds.....</i>	\$0	\$13,695,000		
19	Total for University of Virginia.....			\$31,441,000	\$10,200,000
20					\$23,895,000
21	Fund Sources: Bond Proceeds.....	\$31,441,000	\$10,200,000		
22			\$23,895,000		
23	C-13.10 Not set out.				
24	C-13.20 Not set out.				
25	C-14. Not set out.				
26	C-15. Not set out.				
27	C-16. Not set out.				
28	C-16.10 Not set out.				
29	C-16.20 Not set out.				
30	C-16.30 Not set out.				
31	C-17. Not set out.				

ITEM C-18.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	C-18.	Not set out.			
2	C-19.	Not set out.			
3	C-20.	Not set out.			
4	C-20.10	Not set out.			
5	C-20.20	Not set out.			
6	C-21.	Not set out.			
7	C-21.10	Not set out.			
8	C-21.50	Not set out.			
9	C-21.75	Not set out.			
10	C-22.	Not set out.			
11	C-22.10	Not set out.			
12		§ 2-4. ROANOKE HIGHER EDUCATION AUTHORITY (935)			
13	C-22.50	Create Oliver Hill Courtyard (18411).....		\$328,000	\$0
14					\$120,000
15		Fund Sources: General.....	\$328,000	\$0	
16				\$120,000	
17		Total for Roanoke Higher Education Authority.....		\$328,000	\$0
18					\$120,000
19		Fund Sources: General.....	\$328,000	\$0	
20				\$120,000	
21		TOTAL FOR OFFICE OF EDUCATION.....		\$288,251,000	\$407,016,000
22					\$420,831,000
23		Fund Sources: General.....	\$703,000	\$2,326,000	
24				\$2,446,000	
25		Special.....	\$629,000	\$0	
26		Higher Education Operating.....	\$50,925,000	\$136,873,000	
27		Dedicated Special Revenue.....	\$0	\$9,000,000	
28		Bond Proceeds.....	\$235,994,000	\$258,817,000	
29				\$272,512,000	
30		OFFICE OF HEALTH AND HUMAN RESOURCES			
31	C-23.	Not set out.			
32		TOTAL FOR OFFICE OF HEALTH AND HUMAN			
33		RESOURCES.....		\$9,400,000	\$0
34		Fund Sources: Bond Proceeds.....	\$9,400,000	\$0	
35		OFFICE OF NATURAL RESOURCES			
36		§ 2-5. DEPARTMENT OF CONSERVATION AND RECREATION (199)			
37	C-24.	Omitted.			

ITEM C-24.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	C-25.	Not set out.		
2	C-26.	Not set out.		
3	C-27.	Not set out.		
4	C-27.10	Not set out.		
5	C-27.20	Not set out.		
6	Total for Department of Conservation and Recreation.....		\$7,628,766	\$8,538,164
7				
8	Fund Sources: General.....	\$120,000	\$0	
9	Special.....	\$1,957,335	\$3,238,500	
10	Dedicated Special Revenue.....	\$4,051,431	\$600,000	
11	Federal Trust.....	\$1,500,000	\$4,699,664	
12	C-28.	Not set out.		
13	C-29.	Not set out.		
14	C-30.	Not set out.		
15	C-31.	Not set out.		
16	C-32.	Not set out.		
17	TOTAL FOR OFFICE OF NATURAL RESOURCES.....		\$17,028,766	\$18,938,164
18				
19	Fund Sources: General.....	\$120,000	\$0	
20	Special.....	\$1,957,335	\$3,238,500	
21	Dedicated Special Revenue.....	\$6,951,431	\$3,750,000	
22	Federal Trust.....	\$8,000,000	\$11,949,664	
23	OFFICE OF PUBLIC SAFETY AND HOMELAND SECURITY			
24	C-32.50	Omitted.		
25	§ 2-6. DEPARTMENT OF MILITARY AFFAIRS (123)			
26	C-33.	Not set out.		
27	C-33.10	<i>Acquisition: Acquire Land for Readiness Centers (18309).....</i>	\$0	\$3,250,000
28				
29	Fund Sources: Bond Proceeds.....	\$0	\$3,250,000	
30	Total for Department of Military Affairs.....		\$3,000,000	\$12,000,000
31				\$15,250,000
32	Fund Sources: Federal Trust.....	\$0	\$9,000,000	
33	Bond Proceeds.....	\$3,000,000	\$3,000,000	
34				\$6,250,000
35	C-34.	Not set out.		
36	C-34.10	Not set out.		

ITEM C-34.20.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	C-34.20	Not set out.			
2	C-34.30	Not set out.			
3	TOTAL FOR OFFICE OF PUBLIC SAFETY AND				
4	HOMELAND SECURITY.....			\$3,725,000	\$57,844,000
5					\$61,094,000
6	Fund Sources: General.....	\$725,000	\$0		
7	Federal Trust.....	\$0	\$9,000,000		
8	Bond Proceeds.....	\$3,000,000	\$48,844,000		
9			\$52,094,000		
10	OFFICE OF TRANSPORTATION				
11	C-34.50	Not set out.			
12	C-35.	Not set out.			
13	C-36.	Not set out.			
14	C-37.	Not set out.			
15	C-38.	Not set out.			
16	C-39.	Not set out.			
17	C-40.	Not set out.			
18	C-40.10	Not set out.			
19	TOTAL FOR OFFICE OF TRANSPORTATION.....			\$416,010,000	\$90,250,000
20	Fund Sources: Special.....	\$63,000,000	\$57,250,000		
21	Commonwealth Transportation.....	\$3,010,000	\$33,000,000		
22	Bond Proceeds.....	\$350,000,000	\$0		
23	OFFICE OF VETERANS AND DEFENSE AFFAIRS				
24	C-41.	Not set out.			
25	TOTAL FOR OFFICE OF VETERANS AND				
26	DEFENSE AFFAIRS.....			\$4,500,000	\$0
27	Fund Sources: Federal Trust.....	\$4,500,000	\$0		
28	CENTRAL APPROPRIATIONS				
29	§ 2-7. CENTRAL CAPITAL OUTLAY (949)				
30	C-42.	Not set out.			
31	C-43.	Not set out.			
32	C-43.50	Not set out.			
33	C-44.	Omitted.			
34	C-44.10	Not set out.			

ITEM C-44.10.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1 C-44.20	Omitted.			
2 C-45.	Not set out.			
3 C-46.	Comprehensive Capital Outlay Program (18049).....		\$21,066,000	\$0
4	Fund Sources: Bond Proceeds.....	\$21,066,000	\$0	
5	A. In addition to the amounts previously authorized in Item C-39.40, Chapter 806, 2013			
6	Acts of Assembly and in Item C-48.50, Chapter 836, 2017 Acts of Assembly, the Virginia			
7	College Building Authority, pursuant to § 23.1-1200 et seq., Code of Virginia, is			
8	authorized to issue bonds in a principal amount not to exceed \$21,066,000, plus amounts			
9	needed to fund issuance costs, reserve funds, original issue discount, interest prior to and			
10	during the acquisition or construction and for one year after completion thereof, and other			
11	financing expenses, to finance the capital costs of the project described in paragraph C. of			
12	this Item.			
13	B. Debt service on the bonds issued under the authorization in this Item shall be provided			
14	from appropriations to the Treasury Board.			
15	C. Included in the appropriation for this Item is \$21,066,000 in bond proceeds the first			
16	year to supplement the funding for the following project previously authorized in Item C-			
17	39.40, Chapter 806, 2013 Acts of Assembly:			
18	247-George Mason University	Construct Life Sciences Building, Prince William (18000)		
19	D. The title of this project is hereby changed to "Construct <i>Life Sciences and Engineering</i>			
20	<i>Building/Renovate Bull Run Hall</i> HHB Addition , <i>Prince William (18000)</i> ".			
21 C-46.10	Not set out.			
22 C-47.	2016 VPBA Capital Construction Pool (18300).....		\$13,500,000	\$0
23				\$12,000,000
24	Fund Sources: Bond Proceeds.....	\$13,500,000	\$0	
25			\$12,000,000	
26	A. In addition to the amounts previously authorized in Enactment 1, § 1 A. of Chapters			
27	759 and 769, 2016 Acts of Assembly, the Virginia Public Building Authority, pursuant to			
28	§ 2.2-2260 et seq., Code of Virginia, is authorized to issue bonds in a principal amount not			
29	to exceed \$13,500,000 \$25,500,000, plus amounts needed to fund issuance costs, reserve			
30	funds, original issue discount, interest prior to and during the acquisition or construction			
31	and for one year after completion thereof, and other financing expenses, to finance the			
32	costs of the project described in paragraph C. of this Item.			
33	B. Debt service on bonds issued under the authorization in this Item shall be provided			
34	from appropriations to the Treasury Board.			
35	C. Included in the appropriation for this Item is \$7,500,000 in bond proceeds the first year			
36	for the following project:			
37	199-Department of Conservation	Renovate Various Cabins (18265)		
38	D. The title and scope of the capital project for the Department of Forensic Science, titled,			
39	"Expand Central Forensic Laboratory and Office of the Chief Medical Examiner Facility,"			
40	authorized in Enactment 1, § 1 A. of Chapters 759 and 769 of the 2016 Acts of Assembly,			
41	is hereby changed to "Expand and Renovate Current or Construct New Central Forensic			
42	Laboratory and Office of the Chief Medical Examiner at its current site or another site that			
43	is determined by the Department to be more cost effective and operationally efficient."			
44	E. The project previously authorized in Enactment 9 of Chapters 759 and 769, 2016 Acts			
45	of Assembly, Renovate the Post Library as a Visitor Center for Fort Monroe, is hereby			
46	included in the amounts authorized in Item C-43, D 1 of Chapter 665 of the Acts of			
47	Assembly of 2015.			

ITEM C-47.		Item Details(\$)		Appropriations(\$)	
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1	F. 1. The title and scope of the capital project for the Department of Juvenile Justice (<i>DJJ</i>),				
2	titled, "Construct New Juvenile Correctional Center, Chesapeake," authorized in Enactment 1,				
3	§ 1 A. of Chapters 759 and 769 of the 2016 Acts of Assembly, is hereby changed to				
4	"Construct New Juvenile Correctional Center; Iste of Wight ".				
5	2. a. The Department of General Services (DGS), with the cooperation of the Department of				
6	Juvenile Justice (DJJ), shall construct the New Juvenile Correctional Center; Iste of Wight				
7	project authorized in F.1. The project is authorized as a 60 bed facility. DJJ will provide DGS				
8	facility program information and assistance as requested. is authorized to proceed with the				
9	design and construction of this juvenile correctional center to the extent feasible, on state-				
10	owned property and with no more than 60 beds, that is cost effective to develop, and best				
11	sited to achieve DJJ's operational needs.				
12	b. The capital project for the Department of Juvenile Justice, titled, "Renovate or Construct				
13	Juvenile Correctional Center, authorized in Enactment 4, § 1 A. of Chapters 759 and 769 of				
14	the 2016 Acts of Assembly is hereby rescinded.				
15	c. The provisions of Enactment 4, § 1 B. of Chapters 759 and 769 of the 2016 Acts of				
16	Assembly are hereby rescinded.				
17	3.a. DGS shall determine options for a second DJJ Juvenile Correctional Center to be located				
18	in Central Virginia. However, the property located in Central Virginia consisting of				
19	approximately 427.97 acres along Old Bon Air Road and Rockaway Road in the Midlothian				
20	Magisterial District of Chesterfield County, Virginia, having a street address of 1900				
21	Chatsworth Avenue, Bon Air, Virginia, and further designated as Chesterfield County Tax				
22	Parcel No. 752713101100000, shall be excluded from any option or consideration as a Central				
23	Virginia DJJ Juvenile Correctional Center location. DGS shall report location options for a				
24	Central Virginia DJJ Juvenile Correctional Center to the Chairmen of the House				
25	Appropriations, Senate Finance Committees and the Governor by October 31, 2018.				
26	b. DGS, working with Chesterfield County, Virginia, shall determine a fair market value and				
27	the highest and best use of the DJJ site identified in 3.a of this section and report its				
28	preliminary findings to the Chairmen of House Appropriations, Senate Finance Committees,				
29	and the Governor by December 1, 2018.				
30	c. In addition, the Department of General Services shall determine the highest and best use for				
31	the property located at 3500 Beaumont Road in Powhatan County. In determining such use				
32	DGS shall (i) estimate revenues and costs from any sale or development of the entire property				
33	or any portion thereof, and (ii) the viability of various options for potential use of the property				
34	by the Department of Corrections (DOC), Department of Conservation and Recreation				
35	(DCR), and/or DJJ, DOC, DCR, and DJJ will provide DGS information and assistance, if				
36	requested. DGS shall provide the results of its study to the Chairmen of the House				
37	Appropriations, Senate Finance Committees, and Governor by October 31, 2018.				
38	d. All costs incurred by DGS to perform the requirements in item F., and all subsections under				
39	F., shall be funded by the capital project authorized in F.1.				
40	e. Should the property identified in 3a. be sold by the Commonwealth, any proceeds received				
41	from a sale shall be used to offset the capital costs of a DJJ Central Virginia Juvenile				
42	Correctional Center location.				
43	G. The amounts provided by this item and Enactment 1, § 1 A. of Chapters 759 and 769 of the				
44	2016 Acts of Assembly include funding for the development of Clinch River State Park by the				
45	Department of Conservation and Recreation.				
46	H. The <i>title and scope</i> of the project, "Renovate Roanoke Readiness Center," for the				
47	Department of Military Affairs, authorized for detailed planning in Enactment 4, § 1 of				
48	Chapters 759 and 769, 2016 Acts of Assembly is <i>hereby changed to "Construct Roanoke</i>				
49	<i>Readiness Center and Combined Support Maintenance Shop". The scope of this project is</i>				
50	<i>hereby expanded to include all planned phases of the overall project: (†) renovation of four</i>				
51	<i>existing buildings, demolition, and (‡) construction of certain buildings, to include a new</i>				
52	<i>readiness center addition; and (⊕) construction of a combined support maintenance shop; as</i>				
53	<i>set out in the capital budget project request submitted by the Department of Military Affairs</i>				
54	<i>for the 2018-2020 budget.</i>				

ITEM C-47.	Item Details(\$)		Appropriations(\$)	
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1	<i>I. The Director, Department of Planning and Budget, may transfer any unutilized</i>			
2	<i>appropriation and bond authorization from the the project "Replace Western State</i>			
3	<i>Hospital" for the Department of Behavioral Health and Developmental Services,</i>			
4	<i>authorized in Enactment 2, § 1 A. of Chapter 1, 2008 Acts of Assembly, Special Session I,</i>			
5	<i>to the project "Expand Western State Hospital," authorized in Enactment 1, § 1 A. of</i>			
6	<i>Chapters 759 and 769 of the 2016 Acts of Assembly.</i>			
7	C-48. 2016 VCBA Capital Construction Pool (18301).....		\$43,883,000	\$0
8				\$28,858,736
9	Fund Sources: Bond Proceeds.....	\$43,883,000	\$0	
10			\$28,858,736	
11	A. In addition to the amount previously authorized in Enactment Clause 1, §2 of Chapters			
12	759 and 769, 2016 Acts of Assembly, the Virginia College Building Authority, pursuant			
13	to § 23.1-1200 et seq. of the Code of Virginia, is authorized to issue bonds in a principal			
14	amount not to exceed \$43,883,000 ; \$72,741,736 plus amounts needed to fund issuance			
15	costs, reserve funds, original issue discount, interest prior to and during the acquisition or			
16	construction and for one year after completion thereof, and other financing expenses, to			
17	finance the capital costs of projects authorized in Enactment Clause 1, § 2 of Chapters 759			
18	and 769, 2016 Acts of Assembly.			
19	B. Debt service on the bonds issued under the authorization of this Item shall be provided			
20	from appropriations to the Treasury Board.			
21	C. There is hereby appropriated \$43,883,000 \$72,741,736 in bond proceeds for the			
22	projects authorized in Enactment Clause 1, § 2 of Chapters 759 and 769, 2016 Acts of			
23	Assembly. Of this amount, \$883,000 is allocated for the following project authorized in			
24	that section:			
25	948-Southwest Virginia Higher Education Center	Construct Service Corridor, Storage Area;		
26		Replace Generator (18126)		
27	D. 1. The title and scope of the project previously authorized in Enactment 1, §2 of			
28	Chapters 759 and 769, 2016 Acts of Assembly, as "Construct Service Corridor, Storage			
29	Area, Replace Generator" are hereby changed to "Construct Building Expansion and			
30	Replace Generator" in order to provide an expanded scope, including additional space that			
31	may be used as office or storage space, with total square footage of approximately 6,400			
32	square feet.			
33	2. The scope of the project previously authorized in Enactment 1, §2 of Chapters 759 and			
34	769, 2016 Acts of Assembly, as "Christopher Newport University, Construct and			
35	Renovate Fine Arts and Rehearsal Space reflects 105,040 gross square feet to include			
36	88,060 gross square feet of new construction and 16,980 gross square feet of renovation.			
37	Of the amount provided in Paragraph C. of this Item, \$4 million is allocated to this project			
38	to cover current scope and cost.			
39	3. The title and scope of the project previously authorized in Enactment 1, §2 of Chapters			
40	759 and 769, 2016 Acts of Assembly, as "Virginia Institute of Marine Science, Replace			
41	Mechanical Systems and Repair Building Envelope of Chesapeake Bay Hall" are hereby			
42	changed to "Virginia Institute of Marine Science, Construct New Research Facility" in			
43	order to replace the existing Chesapeake Hall, for which a renovation is no longer a viable			
44	alternative, with a comparable sized new facility. Additional funding for this revised scope			
45	and cost is contained in Paragraph C. of this item.			
46	E. Virginia Commonwealth University is authorized to utilize nongeneral funds, to be			
47	reimbursed should construction funding be approved, to develop Detailed Plans for the			
48	STEM Building which consists of the STEM Class Laboratory Building, authorized in			
49	Chapter 759 and 769 (2016), and the Humanities and Sciences Phase II, Admin and			
50	Classroom Building, as a single facility. The proposed buildings will be located adjacent			
51	to each other on the site of the existing Franklin Street Gymnasium.			
52	F. The title of the project, "Renovate Diggs/Moore/Harrison Complex, Hampton, Thomas			
53	Nelson," for the Virginia Community College System, authorized for detailed planning in			
54	Enactment 4, § 1 of Chapters 759 and 769, 2016 Acts of Assembly. is changed to			

ITEM C-48.	Item Details(\$)		Appropriations(\$)		
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020	
1	"Replace Diggs/Moore/Harrison Complex, Hampton, Thomas Nelson.				
2	<i>G. The scope of the project previously authorized in Enactment 1, §2 of Chapters 759 and</i>				
3	<i>769, 2016 Acts of Assembly, as "Virginia Community College System, Construct Academic</i>				
4	<i>Building, Fauquier Campus, Lord Fairfax" is hereby changed to include chemistry and</i>				
5	<i>biology laboratory space, a nursing skills laboratory space, nursing and operating room</i>				
6	<i>simulation laboratory space, and cadaver laboratory space. Additional funding for this</i>				
7	<i>revised scope is included in paragraph C. of this Item.</i>				
8	<i>H. Out of the amounts included in paragraph C. of this Item, a supplement of \$15,000,000 is</i>				
9	<i>provided to cover unanticipated costs associated with the The College of William and Mary</i>				
10	<i>project "Construct Fine and Performing Arts Facility, Phases I & II", authorized in</i>				
11	<i>Enactment 1, §2 of Chapters 759 and 769, 2016 Acts of Assembly.</i>				
12	<i>I. Out of the amounts included in paragraph C. of this Item, a supplement of \$2,693,736 is</i>				
13	<i>provided to cover unanticipated costs associated with the University of Mary Washington</i>				
14	<i>project "Renovate Seacobeck Hall", authorized in Enactment 1, §2 of Chapters 759 and 769,</i>				
15	<i>2016 Acts of Assembly.</i>				
16	C-48.10 New Construction: 2019 Capital Construction Pool				
17	(18408).....		\$0	\$753,562,000	
18				\$804,703,000	
19	Fund Sources: General.....	\$0	\$830,000		
20	Special.....	\$0	\$10,516,000		
21	Higher Education Operating.....	\$0	\$20,000,000		
22	Bond Proceeds.....	\$0	\$722,216,000		
23				\$773,357,000	
24	A. 1. The capital projects in paragraph C of this Item are hereby authorized and may be				
25	financed in whole or in part through bonds of the Virginia College Building Authority				
26	pursuant to § 23.1-1200 et seq., Code of Virginia, or the Virginia Public Building Authority				
27	pursuant to § 2.2-2263 et seq., Code of Virginia. Bonds of the Virginia College Building				
28	Authority issued to finance these projects may be sold and issued under the 21st Century				
29	College Program at the same time with other obligations of the Authority as separate issues or				
30	as a combined issue. The aggregate principal amounts shall not exceed \$722,216,000 plus				
31	amounts needed to fund issuance costs, reserve funds, original issue discount, interest prior to				
32	and during the acquisition or construction and for one year after completion thereof, and other				
33	financing expenses, in accordance with § 2.2-2263, Code of Virginia.				
34	2. From the list of projects included in paragraph C of this Item, the Director, Department of				
35	Planning and Budget, shall provide to the Chairmen of the Virginia College Building				
36	Authority and the Virginia Public Building Authority the specific projects, as well as the				
37	amounts for these projects, to be financed by each authority within the dollar limit established				
38	by this authorization.				
39	3. Debt service on the projects contained in this Item shall be provided from appropriations to				
40	the Treasury Board.				
41	4. The appropriations for the capital projects in this Item are subject to the conditions in § 2.0				
42	F. of this act.				
43	B. In addition to the appropriation and bond authorization authorized by this Item, the				
44	Director, Department of Planning and Budget, shall transfer unutilized Virginia College				
45	Building Authority (VCBA) and Virginia Public Building Authority (VPBA) bond				
46	authorization and appropriation from the projects listed below, in the amounts shown, to this				
47	project for funding the projects listed in paragraph C:				
48	Agency No.	Project No.	Issuing Authority	Initial Authorization	Amount
49	207	17476	VCBA	Chapter 1, Enactment 2,	\$4,080,667
50				Section 3, 2008 Acts of	
51				Assembly, Special	
52				Session I	
53	215	17670	VCBA	Chapter 1, Enactment 2,	\$1,374,605

ITEM C-48.10.	Item Details(\$)			Appropriations(\$)	
	First Year FY2019	Second Year FY2020		First Year FY2019	Second Year FY2020
1					
2					
3					
4	247	16607	VCBA		
5					
6					
7	260	16836	VCBA		
8					
9					
10	260	17379	VCBA		
11					
12					
13	912	18319	VPBA		
14					
15					

16 C. There is hereby appropriated \$677,216,000 the second year from bond proceeds of the
 17 Virginia College Building Authority or the Virginia Public Building Authority, \$830,000
 18 from the general fund and \$30,516,000 from nongeneral funds to provide funds for the
 19 construction and other capital costs of the following projects:

	Agency Code	Agency Title	Project Title
20			
21	194	Department of General Services	Renovate Parking Deck, Main Street Centre
22			
23	194	Department of General Services	Improve Capitol Campus Utilities
24	194	Department of General Services	Acquisition of the VEC Building
25	194	Department of General Services	Replace Central State Hospital
26	199	Department of Conservation and Recreation	Construct Cabins, Breaks Interstate Park
27			
28	207	University of Virginia	Alderman Library Renewal
29	211	Virginia Military Institute	Construct Corps Physical Training Facility Phase 3 (Aquatic Center)
30			
31	212	Virginia State University	Demolish / Replace Daniel Gym and Demolish Harris Hall, Phase I
32			
33	214	Longwood University	Replace Major HVAC System Components
34			
35	216	James Madison University	Renovate Jackson Hall
36	221	Old Dominion University	Address Maintenance Needs in Kaufman Hall and Mills Godwin Building
37			
38			
39	236	Virginia Commonwealth University	Construct STEM Teaching Laboratory Building
40			
41	238	Virginia Museum of Fine Arts	Replace Life and Safety Systems
42	238	Virginia Museum of Fine Arts	Repair the Museum Building Envelope
43	241	Richard Bland College	Acquire and Install New Generator at the Library
44			
45	247	George Mason University	Improve IT Network Infrastructure
46	268	Virginia Institute of Marine Science	Replace Oyster Hatchery
47	417	Gunston Hall	Upgrade Fire Suppression System and Improve Security
48			
49	720	Department of Behavioral Health and Developmental Services	Renovate Eastern State Hospital Kitchen
50			
51	777	Department of Juvenile Justice	Repair Life Safety Systems and Upgrade Electrical Systems, Bon Air
52			
53	799	Department of Corrections	Replace Appalachian and Wise Wastewater Treatment Plants
54			

ITEM C-48.10.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	799	Department of Corrections	Construct James River Wastewater Pump	
2			Station	
3	D. 1. From the proceeds of bonds authorized to be issued by the Virginia Public Building			
4	Authority in paragraph A of this Item, there is hereby appropriated a one-time and final			
5	payment of \$25,000,000 in the second year for the Combined Sewer Overflow Matching			
6	Fund, established pursuant to § 62.1-242.12, Code of Virginia and administered by the			
7	Department of Environmental Quality. These bond proceeds shall be used by the Virginia			
8	Resources Authority and the State Water Control Board to make a grant to the City of			
9	Alexandria to pay a portion of the capital costs of its combined sewer overflow control			
10	project. Disbursements from these proceeds shall be authorized by the State Water Control			
11	Board, under the authority of the Department of Environmental Quality, and administered by			
12	the Virginia Resources Authority through the Combined Sewer Overflow Matching Fund.			
13	2. This appropriation is subject to the conditions of § 2.0 F of this act.			
14	3. Except as provided in paragraph D.2 of this Item, the provisions of §§ 2.0 and 4-4.01 of this			
15	act and the provisions of § 2.2-1132, Code of Virginia, shall not apply to the project supported			
16	in this Item.			
17	E. Funding for the Department of General Services' project to Improve Capitol Campus			
18	utilities shall not be released until the department and the City of Richmond have signed an			
19	agreement allowing the state to work on any needed improvements to the utilities running			
20	through Capitol Square, including a methodology in the agreement that provides for the state's			
21	utility bills to be adjusted to offset the state's expenditures for any improvements to the water			
22	lines.			
23	F. Out of the amounts provided in this Item, \$10,000,000 the second year from bond proceeds			
24	is designated for lab renovations and enhancements and / or research equipment related to			
25	higher education research for the Hampton Roads Biomedical Research Consortium created in			
26	Item 475.10.			
27	G. Stormwater Local Assistance Fund. From the appropriation and bond authorization			
28	provided in this Item, up to \$10,000,000 of the bond proceeds shall be provided to the			
29	Department of Environmental Quality for the Stormwater Local Assistance Fund, established			
30	in accordance with the provisions of Item 368 of this act. In accordance with the purpose of			
31	the Fund set out in Item 368, the bond proceeds shall be used to provide grants solely for			
32	capital projects meeting all pre-requirements for implementation, including but not limited to:			
33	i) new stormwater best management practices; ii) stormwater best management practice			
34	retrofits; iii) stream restoration; iv) low impact development projects; v) buffer restoration; vi)			
35	pond retrofits; and vii) wetlands restoration. Such grants shall be in accordance with			
36	eligibility determinations made by the State Water Control Board under the authority of the			
37	Department of Environmental Quality.			
38	H. Out of the amounts provided in Paragraph C of this item, the Department of General			
39	Services is authorized funding for the defeasance of the federal equity in the the Virginia			
40	Employment Commission site located at 703 E. Main Street, Richmond, Virginia, to enable			
41	transfer of title to that site to the Commonwealth of Virginia, Department of General Services			
42	to be included in the Department of General Services statewide building management			
43	program.			
44	I. 1. Funding provided in paragraph C of this Item for the Department of General Services'			
45	project to Replace Central State Hospital is to replace the Department of Behavioral Health			
46	and Developmental Services' Central State Hospital at its current location in Petersburg,			
47	Virginia. Funding is included to complete the design, construction, and provision of furniture,			
48	fixtures, and equipment for a facility that includes 111 maximum security beds, 144 189 civil			
49	beds, and the associated program and support facilities identified in the Central State Hospital			
50	pre-planning study delivered to the General Assembly in December 2018 pursuant to Item C-			
51	43.50 of this act Chapter 854, 2019 Acts of Assembly.			
52	2. The Department of Behavioral Health and Developmental Services may consider potential			
53	future phasing options for the new Central State Hospital beyond the scope authorized in			
54	subparagraph I.1 of this Item for the Central State Hospital replacement in its plan that is			
55	proposed pursuant to Item 310 CC. of this act.			

ITEM C-48.10.	Item Details(\$)		Appropriations(\$)	
	First Year	Second Year	First Year	Second Year
	FY2019	FY2020	FY2019	FY2020

1 C-49. Not set out.

2 C-49.10 Not set out.

3 C-49.20 Not set out.

4 C-50. A. The Virginia Public Building Authority, pursuant to § 2.2-2260 et seq. of the Code of
 5 Virginia, is authorized to issue bonds in a principal amount not to exceed \$91,681,000
 6 \$94,931,000 plus amounts needed to fund issuance costs, reserve funds, original issue
 7 discount, interest prior to and during the acquisition or construction and for one year after
 8 completion thereof, and other financing expenses, to finance the capital costs of the
 9 projects described in paragraph C. of this Item.

10 B. Debt service on bonds issued under the authorization in this Item shall be provided
 11 from appropriations to the Treasury Board.

12 C. The appropriations for the following authorized projects are contained in the
 13 appropriation Items listed:

14	Agency Name/Project	Project	Item	VPBA Bonds
15	Title	Code		
16	Department of Military			
17	Affairs (123)			
18	Improve Readiness Centers	18369	C-33	\$6,000,000
19	Acquire Land for Readiness	18309	C-33.10	\$3,250,000
20	Centers			
21	Department of State Police			
22	Upgrade Statewide Radio	18414	C-34.10	\$40,000,000
23	System (STARS) Network			
24	Refresh Commonwealth Link	18415	C-34.20	\$5,844,000
25	to Interoperable			
26	Communications			
27	(COMLINC) System			
28	Department of General			
29	Services (194)			
30	Monroe Building Critical	18368	C-1	\$13,600,000
31	Systems Replacements			
32	Security Improvements for	18420	C-1.10	\$2,000,000
33	North Drive			
34	Capitol Complex	18081	C-51.50	\$11,820,000
35	Infrastructure and Security			
36	Virginia School for the Deaf			
37	and the Blind (218)			
38	Make System Infrastructure	18370	C-3	\$2,000,000
39	Repairs and Improvements			
40	Expand Emergency Generator	18417	C-3.10	\$1,017,000
41	System			
42	Department of Behavioral			
43	Health and Developmental			
44	Services (720)			
45	Address Patient and Staff	18365	C-23	\$9,400,000
46	Safety Issues at State			
47	Facilities			
48	Total VPBA Bonds			\$91,681,000
49				\$94,931,000

ITEM C-51.		Item Details(\$)		Appropriations(\$)	
		First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	C-51.	Not set out.			
2	C-51.50	Not set out.			
3		Total for Central Capital Outlay.....		\$501,903,936	\$966,954,436
4					\$1,058,954,172
5	Fund Sources: General.....	\$0	\$830,000		
6	Special.....	\$3,000,000	\$10,516,000		
7	Higher Education Operating.....	\$0	\$20,000,000		
8	Bond Proceeds.....	\$498,903,936	\$935,608,436		
9			\$1,027,608,172		
10	C-52.	Not set out.			

§ 2-8. 9(D) REVENUE BONDS (951)

- 12 C-53. 1. This Item authorizes the capital projects listed below to be financed pursuant to Article X,
13 Section 9(d), Constitution of Virginia.
- 14 2. The appropriations for said capital projects are contained in the appropriation Items listed
15 below and are subject to the conditions in § 2-0 F of this act.
- 16 3. The total amount listed in this Item includes ~~\$224,694,000~~ \$238,389,000 in bond proceeds.

17	Agency Name/ 18 Project Title	Item #	Project Code	Section 9(d) Bonds
19	College of William and Mary			
20	(204)			
21	Construct the Sadler Center	C-4	18360	\$37,742,000
22	West Addition			
23	University of Virginia (208			
24	207)			
25	Renovate Gilmer Hall and	C-13	18082	\$31,441,000
26	Chemistry Building			
27	<i>Renew Alderman Library</i>	<i>C-13.05</i>	<i>18331</i>	<i>\$13,695,000</i>
28	Virginia Polytechnic Institute			
29	and State University (208)			
30	Renovate O'Shaughnessy Hall	C-17	18356	\$12,634,000
31	Improve Student Wellness	C-18	18357	\$49,690,000
32	Center			
33	Construct VT Carilion	C-19	18269	\$17,765,000
34	Research Institute Biosciences			
35	Addition			
36	Renovate Dietrick Hall, First	C-20	18358	\$5,800,000
37	Floor and Plaza			
38	Virginia Military Institute			
39	(211)			
40	Turman House Renovations	C-14	18361	\$2,500,000
41	Expand / Improve Clarkson-	C-16.20	18388	\$1,500,000
42	McKenna Press Box			
43	University of Mary			
44	Washington (215)			
45	Renovate Residence Halls--	C-12	18362	\$24,500,000
46	Phase II			
47	Old Dominion University			
48	(221)			
49	Construct Student Health and	C-11.20	18407	\$9,200,000

ITEM C-53.	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
1	Wellness Addition			
2	Virginia Commonwealth			
3	University (236)			
4	Construct School of	C-13.20	18243	\$6,541,000
5	Engineering Research			
6	Expansion			
7	George Mason University			
8	(247)			
9	Construct Utilities	C-6	18208	\$5,381,000
10	Distribution Infrastructure			
11	Central Capital Outlay			
12	(949)			
13	Parking Deck Repairs--Higher	C-49.20	18422	\$20,000,000
14	Ed Institutions			
15	Total for Nongeneral Fund			\$224,694,000
16	Obligation Bonds 9(d)			\$238,389,000
17	Total for 9(D) Revenue Bonds.....			\$0 \$0
18	TOTAL FOR CENTRAL APPROPRIATIONS.....			\$501,903,936 \$966,954,436
19				\$1,058,954,172
20	Fund Sources: General.....	\$0	\$830,000	
21	Special.....	\$3,000,000	\$10,516,000	
22	Higher Education Operating.....	\$0	\$20,000,000	
23	Bond Proceeds.....	\$498,903,936	\$935,608,436	
24			\$1,027,608,172	
25	TOTAL FOR EXECUTIVE DEPARTMENT.....			\$1,256,418,702 \$1,545,272,600
26				\$1,654,337,336
27	Fund Sources: General.....	\$1,548,000	\$3,156,000	
28			\$3,276,000	
29	Special.....	\$68,586,335	\$75,274,500	
30	Higher Education Operating.....	\$50,925,000	\$156,873,000	
31	Commonwealth Transportation.....	\$3,010,000	\$33,000,000	
32	Dedicated Special Revenue.....	\$6,951,431	\$12,750,000	
33	Federal Trust.....	\$12,500,000	\$20,949,664	
34	Bond Proceeds.....	\$1,112,897,936	\$1,243,269,436	
35			\$1,352,214,172	
36	INDEPENDENT AGENCIES			
37	C-54. Not set out.			
38	TOTAL FOR INDEPENDENT AGENCIES.....			\$1,250,000 \$0
39	Fund Sources: Special.....	\$1,212,780	\$0	
40	Dedicated Special Revenue.....	\$37,220	\$0	
41	TOTAL FOR PART 2: CAPITAL PROJECT			
42	EXPENSES.....			\$1,257,668,702 \$1,545,272,600
43				\$1,654,337,336
44	Fund Sources: General.....	\$1,548,000	\$3,156,000	
45			\$3,276,000	
46	Special.....	\$69,799,115	\$75,274,500	
47	Higher Education Operating.....	\$50,925,000	\$156,873,000	
48	Commonwealth Transportation.....	\$3,010,000	\$33,000,000	
49	Dedicated Special Revenue.....	\$6,988,651	\$12,750,000	
50	Federal Trust.....	\$12,500,000	\$20,949,664	

ITEM C-54.

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2

		Item Details(\$)		Appropriations(\$)	
		First Year	Second Year	First Year	Second Year
		FY2019	FY2020	FY2019	FY2020
	Bond Proceeds.....	\$1,112,897,936	\$1,243,269,436		
			<i>\$1,352,214,172</i>		

PART 3: MISCELLANEOUS**§ 3-1.00 TRANSFERS**

§ 3-1.01 INTERFUND TRANSFERS

A.1. In order to reimburse the general fund of the state treasury for expenses herein authorized to be paid therefrom on account of the activities listed below, the State Comptroller shall transfer the sums stated below to the general fund from the nongeneral funds specified, except as noted, on January 1 of each year of the current biennium. Transfers from the Alcoholic Beverage Control Enterprise Fund to the general fund shall be made four times a year, and such transfers shall be made within fifty (50) days of the close of the quarter. The payment for the fourth quarter of each fiscal year shall be made in the month of June.

	FY 2019	FY 2020
1. Alcoholic Beverage Control Enterprise Fund (§ 4.1-116, Code of Virginia)		
a) For expenses incurred for care, treatment, study and rehabilitation of alcoholics by the Department of Behavioral Health and Developmental Services and other state agencies (from Alcoholic Beverage Control gross profits)	\$65,375,769	\$65,375,769
b) For expenses incurred for care, treatment, study and rehabilitation of alcoholics by the Department of Behavioral Health and Developmental Services and other state agencies (from gross wine liter tax collections as specified in § 4.1-234, Code of Virginia)	\$9,141,363	\$9,141,363
2. Forest Products Tax Fund (§ 58.1-1609, Code of Virginia)	\$23,613	\$23,613
For collection by Department of Taxation		
3. Peanut Fund (§3.2-1906, Code of Virginia)	\$2,419	\$2,419
4. For collection by Department of Taxation		
a) Aircraft Sales & Use Tax (§ 58.1-1509, Code of Virginia)	\$39,169	\$39,169
b) Soft Drink Excise Tax	\$1,596	\$1,596
c) Virginia Litter Tax	\$9,472	\$9,472
5. Proceeds of the Tax on Motor Vehicle Fuels		
For inspection of gasoline, diesel fuel and motor oils	\$97,586	\$97,586
6. Virginia Retirement System (Trust and Agency)		
For postage by the Department of the Treasury	\$34,500	\$34,500
7. Alcoholic Beverage Control Authority (Enterprise)		
For services by the:		
a) Auditor of Public Accounts	\$75,521	\$75,521
b) Department of Accounts	\$64,607	\$64,607
c) Department of the Treasury	\$47,628	\$47,628

1	8. Commission on the Virginia Alcohol		
2	Safety Action Program (Special)		
3	For expenses incurred for care, treatment,	\$325,000	\$0
4	study and rehabilitation of alcoholics by		
5	the Department of Behavioral Health and		
6	Developmental Services and other state		
7	agencies		
8	TOTAL	\$75,238,243	\$74,913,243

9 2.a. Transfers of net profits from the Alcoholic Beverage Control Enterprise Fund to the general fund shall be made four times a
 10 year, and such transfers shall be made within fifty (50) days of the close of each quarter. The transfer of fourth quarter profits shall
 11 be estimated and made in the month of June. In the event actual net profits are less than the estimate transferred in June, the
 12 difference shall be deducted from the net profits of the next quarter and the resulting sum transferred to the general fund.
 13 Distributions to localities shall be made within fifty (50) days of the close of each quarter. Net profits are estimated at \$115,600,000
 14 the first year and ~~\$120,128,892~~ \$121,600,000 the second year.

15 b. Notwithstanding the provisions of § 4.1-116 B, Code of Virginia, the Alcoholic Beverage Control Authority shall properly record
 16 the depreciation of all depreciable assets, including approved projects, property, plant and equipment. The State Comptroller shall be
 17 notified of the amount of depreciation costs recorded by the Alcoholic Beverage Control Authority. However, such depreciation
 18 costs shall not be the basis for reducing the quarterly transfers needed to meet the estimated profits contained in this act.

19 B.1. If any transfer to the general fund required by any subsections of §§ 3-1.01 through 3-6.02 is subsequently determined to be in
 20 violation of any federal statute or regulation, or Virginia constitutional requirement, the State Comptroller is hereby directed to
 21 reverse such transfer and to return such funds to the affected nongeneral fund account.

22 2. There is hereby appropriated from the applicable funds such amounts as are required to be refunded to the federal government for
 23 mutually agreeable resolution of internal service fund over-recoveries as identified by the U. S. Department of Health and Human
 24 Services' review of the annual Statewide Indirect Cost Allocation Plans.

25 C. In order to fund such projects for improvement of the Chesapeake Bay and its tributaries as provided in § 58.1-2289 D, Code of
 26 Virginia, there is hereby transferred to the general fund of the state treasury the amounts listed below. From these amounts
 27 \$2,583,531 the first year and \$2,583,531 the second year shall be deposited to the Virginia Water Quality Improvement Fund
 28 pursuant to § 10.1-2128.1, Code of Virginia, and designated for deposit to the reserve fund, for ongoing improvements of the
 29 Chesapeake Bay and its tributaries. The Department of Motor Vehicles shall be responsible for effecting the provisions of this
 30 paragraph. The amounts listed below shall be transferred on June 30 of each fiscal year.

31	154 Department of Motor Vehicles	\$10,000,000	\$10,000,000
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32 D. The provisions of Chapter 6 of Title 58.1, Code of Virginia notwithstanding, the State Comptroller shall transfer to the general
 33 fund from the special fund titled "Collections of Local Sales Taxes" a proportionate share of the costs attributable to increased local
 34 sales and use tax compliance efforts, the Property Tax Unit, and State Land Evaluation Advisory Committee (SLEAC) services by
 35 the Department of Taxation estimated at \$6,208,652 the first year and ~~\$6,208,652~~ \$6,202,002 the second year.

36 E. The State Comptroller shall transfer to the general fund from the Transportation Trust Fund a proportionate share of the costs
 37 attributable to increased sales and use tax compliance efforts and revenue forecasting for the Transportation Trust Fund by the
 38 Department of Taxation estimated at \$3,010,852 the first year and ~~\$3,010,852~~ \$2,993,308 the second year.

39 F.1. On or before June 30 of each year, the State Comptroller shall transfer \$12,965,823 the first year and \$12,965,823 the second
 40 year to the general fund the following amounts from the agencies and fund sources listed below, for expenses incurred by central
 41 service agencies:

	Agency Name	Fund Group	FY 2019	FY 2020
42				
43	Administration of Health	0500	\$558,986	\$558,986
44	Insurance (149)			
45	Department of	0200	\$1,847	\$1,847
46	Agriculture & Consumer			
47	Services (301)			
48	Department of Forestry	0200	\$48,576	\$48,576
49	(411)			

1	Department of Forestry	0900	\$297	\$297
2	(411)			
3	Board of Accountancy	0900	\$11,302	\$11,302
4	(226)			
5	Department of Housing	0900	\$306	\$306
6	and Community			
7	Develop. (165)			
8	Department of Labor	0200	\$7,404	\$7,404
9	and Industry (181)			
10	Department of	0200	\$8,513	\$8,513
11	Professional &			
12	Occupational			
13	Regulations (222)			
14	Southwest Virginia	0200	\$9,535	\$9,535
15	Higher Ed. Center (948)			
16	Virginia Museum of	0200	\$24,516	\$24,516
17	Fine Arts (238)			
18	Virginia Museum of	0500	\$19,470	\$19,470
19	Fine Arts (238)			
20	Department for the Deaf	0200	\$13,975	\$13,975
21	and Hard-Of-Hearing			
22	(751)			
23	Department of	0200	\$99,048	\$99,048
24	Behavioral Health and			
25	Developmental Services			
26	(720)			
27	Department of Health	0900	\$152,263	\$152,263
28	(601)			
29	Department for Aging	0200	\$85,374	\$85,374
30	and Rehabilitative			
31	Services (262)			
32	Virginia for Health	0900	\$23,052	\$23,052
33	Youth Foundation (852)			
34	State Corporation	0900	\$10,928	\$10,928
35	Commission (171)			
36	Virginia College	0500	\$380,986	\$380,986
37	Savings Plan (174)			
38	Board of Bar Examiners	0200	\$5,155	\$5,155
39	(233)			
40	Supreme Court (111)	0900	\$343,043	\$343,043
41	Virginia State Bar (117)	0900	\$56,836	\$56,836
42	Department of	0200	\$206,500	\$206,500
43	Conservation and			
44	Recreation (199)			
45	Department of	0900	\$47,612	\$47,612

1	Conservation and			
2	Recreation (199)			
3	Department of Game and	0900	\$315,439	\$315,439
4	Inland Fisheries (403)			
5	Department of Historic	0900	\$144	\$144
6	Resources (423)			
7	Marine Resources	0200	\$26,282	\$26,282
8	Commission (402)			
9	Marine Resources	0900	\$8,205	\$8,205
10	Commission (402)			
11	Virginia Museum of	0200	\$4,460	\$4,460
12	Natural History (942)			
13	Alcoholic Beverage	0500	\$169	\$169
14	Control Authority (999)			
15	Department of Criminal	0200	\$72,779	\$72,779
16	Justice Services (140)			
17	Department of Criminal	0900	\$64,195	\$64,195
18	Justice Services (140)			
19	Department of Fire	0200	\$124,615	\$124,615
20	Programs (960)			
21	Department of State	0200	\$84,399	\$84,399
22	Police (156)			
23	Department of Military	0900	\$13,123	\$13,123
24	Affairs (123)			
25	Division of Community	0900	\$12,874	\$12,874
26	Corrections (767)			
27	Innovation &	0900	\$15,383	\$15,383
28	Entrepreneurship			
29	Investment Authority			
30	(934)			
31	Department of Aviation	0400	\$94,028	\$94,028
32	(841)			
33	Department of Motor	0400	\$3,728,268	\$3,728,268
34	Vehicles (154)			
35	Department of Rail &	0400	\$680,556	\$680,556
36	Public Transportation			
37	(505)			
38	Department of	0400	\$5,338,860	\$5,338,860
39	Transportation (501)			
40	Motor Vehicle Dealer	0200	\$15,065	\$15,065
41	Board (506)			
42	Virginia Port Authority	0200	\$170,539	\$170,539
43	(407)			
44	Virginia Port Authority	0400	\$80,916	\$80,916
45	(407)			

- 1 **\$12,965,823** **\$12,965,823**
- 2 2. Following the transfers authorized in paragraph F.1. of this section in the second year, the State Comptroller shall transfer
3 \$2,787,795 back to the Department of Motor Vehicles to replace the anticipated loss of driving privilege reinstatement fee
4 revenue.
- 5 G.1. The State Comptroller shall transfer to the Lottery Proceeds Fund established pursuant to § 58.1-4022.1, Code of Virginia,
6 an amount estimated at \$632,398,647 the first year and ~~\$628,830,501~~ \$613,449,864 the second year, from the Virginia Lottery
7 Fund. The transfer each year shall be made in two parts: (1) on or before January 1 of each year, the State Comptroller shall
8 transfer the balance of the Virginia Lottery Fund for the first five months of the fiscal year and (2) thereafter, the transfer will
9 be made on a monthly basis, or until the amount estimated at \$632,398,647 the first year and ~~\$628,830,501~~ \$613,449,864 the
10 second year has been transferred to the Lottery Proceeds Fund. Prior to June 20 of each year, the Virginia Lottery Executive
11 Director shall estimate the amount of profits in the Virginia Lottery Fund for the month of June and shall notify the State
12 Comptroller so that the estimated profits can be transferred to the Lottery Proceeds Fund prior to June 22.
- 13 2. No later than 10 days after receipt of the annual audit report required by § 58.1-4022.1, Code of Virginia, the State
14 Comptroller shall transfer to the Lottery Proceeds Fund the remaining audited balances of the Virginia Lottery Fund for the
15 prior fiscal year. If such annual audit discloses that the actual revenue is less than the estimate on which the June transfer was
16 based, the State Comptroller shall adjust the next monthly transfer from the Virginia Lottery Fund to account for the difference
17 between the actual revenue and the estimate transferred to the Lottery Proceeds Fund. The State Comptroller shall take all
18 actions necessary to effect the transfers required by this paragraph, notwithstanding the provisions of § 58.1-4022, Code of
19 Virginia. In preparing the Comprehensive Annual Financial Report, the State Comptroller shall report the Lottery Proceeds
20 Fund as specified in § 58.1-4022.1, Code of Virginia.
- 21 H.1. The State Treasurer is authorized to charge up to 20 basis points for each nongeneral fund account which he manages and
22 which receives investment income. The assessed fees, which are estimated to generate \$3,000,000 the first year and \$3,000,000
23 the second year, will be based on a sliding fee structure as determined by the State Treasurer. The amounts shall be paid into
24 the general fund of the state treasury.
- 25 2.a. The State Treasurer is authorized to charge institutions of higher education participating in the pooled bond program of the
26 Virginia College Building Authority an administrative fee of up to 10 basis points of the amount financed for each project in
27 addition to a share of direct costs of issuance as determined by the State Treasurer. Such amounts collected from the public
28 institutions of higher education, which are estimated to generate \$100,000 the first year and \$100,000 the second year, shall be
29 paid into the general fund of the state treasury.
- 30 3. The State Treasurer is authorized to charge agencies, institutions and all other entities that utilize alternative financing
31 structures and require Treasury Board approval, including capital lease arrangements, up to 10 basis points of the amount
32 financed in addition to a share of direct costs of issuance as determined by the State Treasurer. Such amounts collected shall be
33 paid into the general fund of the state treasury.
- 34 4. The State Treasurer is authorized to charge projects financed under Article X, Section 9(c) of the Constitution of Virginia, an
35 administrative fee of up to 10 basis points of the amount financed for each project in addition to a share of direct costs of
36 issuance as determined by the State Treasurer. Such amounts collected are estimated to generate \$50,000 the first year and
37 \$50,000 the second year, and shall be paid into the general fund of the state treasury.
- 38 I. The State Comptroller shall transfer to the general fund of the state treasury 50 percent of the annual reimbursement received
39 from the Manville Property Damage Settlement Trust for the cost of asbestos abatement at state-owned facilities. The balance
40 of the reimbursement shall be transferred to the state agencies that incurred the expense of the asbestos abatement.
- 41 J. The State Comptroller shall transfer to the general fund from the Revenue Stabilization Fund in the state treasury any
42 amounts in excess of the limitation specified in § 2.2-1829, Code of Virginia.
- 43 K.1. Not later than 30 days after the close of each quarter during the biennium, the State Comptroller shall transfer,
44 notwithstanding the allotment specified in § 58.1-1410, Code of Virginia, funds collected pursuant to § 58.1-1402, Code of
45 Virginia, from the general fund to the Game Protection Fund. This transfer shall not exceed \$4,500,000 the first year and
46 ~~\$4,500,000~~ \$6,200,000 the second year.
- 47 2. Notwithstanding the provisions of subparagraph K.1. above, the Governor may, at his discretion, direct the State Comptroller
48 to transfer to the Game Protection Fund, any funds collected pursuant to § 58.1-1402, Code of Virginia, that are in excess of the
49 official revenue forecast for such collections.
- 50 L.1. On or before June 30 each year, the State Comptroller shall transfer from the general fund to the Family Access to Medical
51 Insurance Security Plan Trust Fund the amount required by § 32.1-352, Code of Virginia. This transfer shall not exceed
52 \$14,065,627 the first year and \$14,065,627 the second year. The State Comptroller shall transfer 90 percent of the yearly
53 estimated amounts to the Trust Fund on July 15 of each year.

2. Notwithstanding any other provision of law, interest earnings shall not be allocated to the Family Access to Medical Insurance Security Plan Trust Fund (agency code 602, fund detail 0903) in either the first year or the second year of the biennium.
- M. Not later than thirty days after the close of each quarter during the biennium, the State Comptroller shall transfer to the Game Protection Fund the general fund revenues collected pursuant to § 58.1-638 E, Code of Virginia. Notwithstanding § 58.1-638 E, this transfer shall not exceed \$11,000,000 the first year and \$11,000,000 the second year. Notwithstanding § 58.1-638 E, on or before June 30 of the first year and June 30 of the second year, the State Comptroller shall transfer to the Virginia Port Authority \$1,350,000 of the general fund revenues collected pursuant to § 58.1-638 E, Code of Virginia, to enhance and improve recreation opportunities for boaters, including but not limited to land acquisition, capital projects, maintenance, and facilities for boating access to the waters of the Commonwealth pursuant to the provisions of Senate Bill 693, 2018 Session of the General Assembly.
- N.1. On or before June 30 each year, the State Comptroller shall transfer from the Tobacco Indemnification and Community Revitalization Fund to the general fund an amount estimated at \$244,268 the first year and \$244,268 the second year. This amount represents the Tobacco Indemnification and Community Revitalization Commission's 50 percent proportional share of the Office of the Attorney General's expenses related to the enforcement of the 1998 Tobacco Master Settlement Agreement and § 3.2-4201, Code of Virginia.
2. On or before June 30 each year, the State Comptroller shall transfer from the Tobacco Settlement Fund to the general fund an amount estimated at \$48,854 the first year and \$48,854 the second year. This amount represents the Tobacco Settlement Foundation's ten percent proportional share of the Office of the Attorney General's expenses related to the enforcement of the 1998 Tobacco Master Settlement Agreement and § 3.2-4201, Code of Virginia.
- O. On or before June 30 each year, the State Comptroller shall transfer to the general fund \$3,000,000 the first year and ~~\$3,000,000~~ \$2,400,000 the second year from the Court Debt Collection Program Fund at the Department of Taxation.
- P. On or before June 30 each year, the State Comptroller shall transfer to the general fund \$7,400,000 the first year and \$7,400,000 the second year from the Department of Motor Vehicles' Uninsured Motorists Fund. These amounts shall be from the share that would otherwise have been transferred to the State Corporation Commission.
- Q. On or before June 30 each year, the State Comptroller shall transfer an amount estimated at \$5,000,000 the first year and an amount estimated at \$5,000,000 the second year to the general fund from the Intensified Drug Enforcement Jurisdictions Fund at the Department of Criminal Justice Services.
- R. On or before June 30 each year, the State Comptroller shall transfer to the general fund \$3,364,585 the first year and \$3,864,585 the second year from operating efficiencies to be implemented by the Alcoholic Beverage Control Authority.
- S.1. The State Comptroller shall transfer quarterly, one-half of the revenue received pursuant to § 18.2-270.01, of the Code of Virginia, and consistent with the provisions of § 3-6.03 of this act, to the general fund in an amount not to exceed \$8,055,000 the first year; and ~~\$1,859,900~~ the second year from the Trauma Center Fund contained in the Department of Health's Financial Assistance for Non Profit Emergency Medical Services Organizations and Localities (40203).
2. On or before June 30 in the second year, the State Comptroller shall transfer \$11,140,100 from the general fund to the Trauma Center Fund contained in the Department of Health's Financial Assistance for Non Profit Emergency Medical Services Organizations and Localities (40203).
- T. On or before June 30 each year, the State Comptroller shall transfer \$600,000 the first year and \$466,600 the second year to the general fund from the Land Preservation Fund (Fund 0216) at the Department of Taxation.
- U. Unless prohibited by federal law or regulation or by the Constitution of Virginia and notwithstanding any contrary provision of state law, on June 30 of each fiscal year, the State Comptroller shall transfer to the general fund of the state treasury the cash balance from any nongeneral fund account that has a cash balance of less than \$100. This provision shall not apply to institutions of higher education, bond proceeds, or trust accounts. The State Comptroller shall consult with the Director of the Department of Planning and Budget in implementing this provision and, for just cause, shall have discretion to exclude certain balances from this transfer or to restore certain balances that have been transferred.
- V.1. The Brunswick Correctional Center operated by the Department of Corrections shall be sold. The Commonwealth may enter into negotiations with (1) the Virginia Tobacco Indemnification and Community Revitalization Commission, (2) regional local governments, and (3) regional industrial development authorities for the purchase of this property as an economic development site.
2. Notwithstanding the provisions of § 2.2-1156, Code of Virginia or any other provisions of law, the proceeds of the sale of the Brunswick Correctional Center shall be paid into the general fund.
- W. On a monthly basis, in the month subsequent to collection, the State Comptroller shall transfer all amounts collected for the fund created pursuant to § 17.1-275.12 of the Code of Virginia, to Items 344, 395, and 420 of this act, for the purposes enumerated in Section 17.1-275.12.
- X. On or before June 30 each year, the State Comptroller shall transfer \$10,518,587 the first year and \$10,518,587 the second year to

1 the general fund from the \$2.00 increase in the annual vehicle registration fee from the special emergency medical services
2 fund contained in the Department of Health's Emergency Medical Services Program (40200).

3 Y. The provisions of Chapter 6.2, Title 58.1, Code of Virginia, notwithstanding, on or before June 30 each year the State
4 Comptroller shall transfer to the general fund from the proceeds of the Virginia Communications Sales and Use Tax (fund
5 0926), the Department of Taxation's indirect costs of administering this tax estimated at \$106,451 the first year and \$106,451
the second year.

6 Z. Any amount designated by the State Comptroller from the June 30, 2018, or June 30, 2019, general fund balance for
7 transportation pursuant to § 2.2-1514B., Code of Virginia, is hereby appropriated.

8 AA. The Department of General Services, with the cooperation and support of the Department of Behavioral Health and
9 Developmental Services, is authorized to sell to Virginia Electric and Power Company, a Virginia corporation d/b/a Dominion
10 Virginia Power, for such consideration as the Governor may approve, a parcel of land containing approximately 15 acres along
11 the northern property line of Southside Virginia Training Center. After deduction of the expenses incurred by the Department
12 of General Services in the sale of the property, the proceeds of the sale shall be deposited to the Behavioral Health and
13 Developmental Services Trust Fund established pursuant to § 37.2-318, Code of Virginia. Any conveyance shall be approved
14 by the Governor or his designee in the manner set forth in § 2.2-1150, Code of Virginia.

15 BB. On or before June 30, of each fiscal year, the State Comptroller shall transfer to the State Health Insurance Fund (Fund
16 06200) the balance from the Administration of Health Benefits Services Fund (Fund 06220) at the Department of Human
17 Resource Management.

18 CC. The Department of General Services is authorized to dispose of the following property currently owned by the Department
19 of Corrections in the manner it deems to be in the best interests of the Commonwealth: Pulaski Correctional Center and White
20 Post Detention and Diversion Center. Such disposal may include sale or transfer to other agencies or to local government
21 entities. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, the proceeds from the sale of all or any part of the
22 properties shall be deposited into the general fund no later than June 30, 2018 .

23 DD. The State Comptroller shall deposit an additional \$300,000 to the general fund on or before June 30, 2019, and an
24 additional \$800,000 to the general fund on or before June 30, 2020, from the fees generated by the Firearms Transaction and
25 Concealed Weapons Permit Programs at the Department of State Police.

26 EE.1. On or before June 30 each year, the State Comptroller shall transfer \$4,414,446 the first year and \$273,627 the second
27 year to the general fund from agency nongeneral funds, as detailed below, to fund a portion of the nongeneral share of costs for
28 the expedited repayment of deferred contributions to the Virginia Retirement System authorized in Chapter 732, 2016 Acts of
29 Assembly.

30	Agency Name	Fund Detail	FY 2019	FY 2020
31	Supreme Court (111)	02800	\$13,506	
32	Virginia State Bar (117)	09117	\$132,793	
33	Department of	02870	\$17,828	
34	Emergency Management			
35	(127)			
36	Department of Motor	04540	\$417,507	
37	Vehicles (154)			
38	Department of Motor	04100	\$31,425	
39	Vehicles (154)			
40	Wilson Workforce and	02203	\$92,218	\$92,217
41	Rehabilitation Center			
42	(203)			
43	Board of Bar Examiners	02233	\$11,896	
44	(233)			
45	Department for Aging	02262	\$4,665	\$4,667
46	and Rehabilitative			
47	Services (262)			
48	Department for Aging	02800	\$53,670	\$53,670

1	and Rehabilitative		
2	Services (262)		
3	Department of	02149	\$63
4	Environmental Quality		
5	(440)		
6	Department of	02440	\$420
7	Environmental Quality		
8	(440)		
9	Department of	02450	\$309
10	Environmental Quality		
11	(440)		
12	Department of	02800	\$6,575
13	Environmental Quality		
14	(440)		
15	Department of	05100	\$5048
16	Environmental Quality		
17	(440)		
18	Department of	09024	\$1,622
19	Environmental Quality		
20	(440)		
21	Department of	09042	\$5
22	Environmental Quality		
23	(440)		
24	Department of	09060	\$34
25	Environmental Quality		
26	(440)		
27	Department of	09070	\$47
28	Environmental Quality		
29	(440)		
30	Department of	09080	\$873
31	Environmental Quality		
32	(440)		
33	Department of	09110	\$1,682
34	Environmental Quality		
35	(440)		
36	Department of	09190	\$914
37	Environmental Quality		
38	(440)		
39	Department of	09143	\$2,891
40	Environmental Quality		
41	(440)		
42	Department of	09250	\$10
43	Environmental Quality		
44	(440)		
45	Department of	09640	\$454
46	Environmental Quality		
47	(440)		
48	Department of Health	02000	\$163,259
49	(601)		
50	Department of Health	02030	\$3,873
51	(601)		
52	Department of Health	02063	\$7,577
53	(601)		
54	Department of Health	02110	\$17,839
55	(601)		
56	Department of Health	02130	\$100,099
57	(601)		

1	Department of Health	02150	\$3,927	
2	(601)			
3	Department of Health	02260	\$2,400	
4	(601)			
5	Department of Health	02480	\$112,729	
6	(601)			
7	Department of Health	02800	\$1,707,240	
8	(601)			
9	Department of Health	09013	\$51,751	
10	(601)			
11	Department of Health	09100	\$3,927	
12	(601)			
13	Department of Health	09312	\$23,326	
14	(601)			
15	Department for the	05910	\$32,019	\$32,019
16	Blind and Vision			
17	Impaired (702)			
18	Department of Social	02022	\$39,869	\$39,870
19	Services (765)			
20	Department of Social	02043	\$39,869	\$39,870
21	Services (765)			
22	Department of Juvenile	02777	\$9,389	
23	Justice (777)			
24	Department of	02711	\$147,786	
25	Corrections (799)			
26	Department of	02320	\$23,995	
27	Corrections (799)			
28	Department of	09530	\$68,864	
29	Corrections (799)			
30	Virginia Foundation for	09430	\$11,313	\$11,314
31	Healthy Youth (852)			
32	Commonwealth's	02957	\$561	
33	Attorneys' Services			
34	Council (957)			
35	Department of Fire	02180	\$44,614	
36	Programs (960)			
37	Alcoholic Beverage	05001	\$1,001,765	
38	Control Authority (999)			
39			\$4,414,446	\$273,627

40 2. Out of the amounts listed above, the Comptroller shall transfer into the Federal Repayment Reserve Fund an amount
41 estimated to be sufficient to pay the federal government in anticipation of a federal repayment resulting from transfers from
42 internal service funds identified in this list. The State Comptroller shall notify the Director, Department of Planning and Budget
43 of the final federal repayment transfer amount prior to making the transfer into the Federal Repayment Reserve Fund.

44 FF. On or before June 30, of each fiscal year, the State Comptroller shall transfer to the Health Insurance Fund - Local (Fund
45 05200) at the Administration of Health Insurance the balance from the Administration of Local Benefits Services Fund (Fund
46 05220) at the Department of Human Resource Management.

47 GG. On or before June 30, of each fiscal year, the State Comptroller shall transfer to the Line of Duty Death and Health
48 Benefits Trust Fund (Fund 07420) at the Administration of Health Insurance the balance from the Administration of Health

- 1 Benefits Payment - LODA Fund (Fund 07422) at the Department of Human Resource Management.
- 2 HH. On or before June 30, of each fiscal year, the State Comptroller shall transfer \$154,743 from Special Funds of the Department
3 of Behavioral Health and Developmental Services (720) to Special Funds at the Office of the State Inspector General (147).
- 4 II. The Department of General Services, with the cooperation and support of the Department of Agriculture and Consumer Services,
5 is authorized to sell, for such consideration and the Governor may approve, a portion of the Eastern Shore Farmers Market, including
6 the Market Office Building at 18491 Garey Road and the Produce Warehouse at 18513 Garey Road, Melfa, Virginia 23410.
7 Notwithstanding the provisions of § 2.2-1156, Code of Virginia, the proceeds from the sale shall first be applied toward remediation
8 options under federal tax law of any outstanding tax-exempt bonds on the property. After deduction of the expenses incurred by the
9 Department of Agriculture and Consumer Services, any proceeds that remain shall be deposited to the general fund no later than
10 June 30, 2020. Any conveyance shall be approved by the Governor in a manner set forth in §2.2-1150, Code of Virginia.
- 11 JJ. On or before June 30 of each fiscal year, the State Comptroller shall transfer to the general fund the portion of the balance of the
12 Disaster Recovery Fund (Fund 02460) at the Virginia Department of Emergency Management that was received as a federal cost
13 recovery. The amounts transferred represent repayment of the sum sufficient fund originally appropriated for federally-declared
14 emergencies. The Department of Emergency Management shall report to the State Comptroller the amount of the balance to be
15 transferred by June 1 of each year.
- 16 KK. Notwithstanding the provisions of subsection A of § 58.1-662, Code of Virginia, and in addition to clause (i) and (ii) of that
17 subsection, monies in the Communications Sales and Use Tax Trust Fund shall not be allocated to the Commonwealth's counties,
18 cities, and towns until after an amount equal to \$2,000,000 the first year is allocated to the general fund. The State Comptroller shall
19 deposit to the general fund \$2,000,000 on or before June 30, 2019 and an additional \$2,000,000 on or before June 30, 2020 from the
20 revenues received from the Communications Sales and Use Tax.
- 21 LL. As required by §4-1.05 b of Chapter 2, 2018 Special Session I, \$168,434 in various inactive nongeneral fund accounts were
22 reverted by the State Comptroller to the general fund in the first year *and \$38,816 in the second year.*
- 23 MM. The transfer of excess amounts in the Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust Fund to
24 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.
- 25 *NN. Notwithstanding any other provision of law, on or before June 30, of the second year, the State Comptroller shall transfer all*
26 *remaining balances, estimated at \$23,000,000, to the general fund from the Taxpayer Relief Fund established pursuant to Enactment*
27 *5 of Chapter 17 and 18, 2019 Acts of Assembly.*
- 28 *OO. On or before June 30, 2020, the State Comptroller shall transfer to the Commonwealth's Development Opportunity Fund*
29 *\$10,000,000 from the Virginia Research Investment Fund at the Higher Education Research Initiative. These amounts shall be from*
30 *the net proceeds of the sale of real property and improvements located in Loudoun County and Fairfax County pursuant to Item*
31 *126.10 paragraph S.5. of this Act.*
- 32 § 3-1.02 INTERAGENCY TRANSFERS
- 33 The Virginia Department of Transportation shall transfer, from motor fuel tax revenues, \$388,254 the first year and \$388,254 the
34 second year to the Department of General Services for motor fuels testing.
- 35 § 3-1.03 SHORT-TERM ADVANCE TO THE GENERAL FUND FROM NONGENERAL FUNDS
- 36 A. To meet the occasional short-term cash needs of the general fund during the course of the year when cumulative year-to-date
37 disbursements exceed temporarily cumulative year-to-date revenue collections, the State Comptroller is authorized to draw cash
38 temporarily from nongeneral fund cash balances deemed to be available, although special dedicated funds related to commodity
39 boards are exempt from this provision. Such cash drawdowns shall be limited to the amounts immediately required by the general
40 fund to meet disbursements made in pursuance of an authorized appropriation. However, the amount of the cash drawdown from any
41 particular nongeneral fund shall be limited to the excess of the cash balance of such fund over the amount otherwise necessary to
42 meet the short-term disbursement requirements of that nongeneral fund. The State Comptroller will ensure that those funds will be
43 replenished in the normal course of business.
- 44 B. In the event that nongeneral funds are not sufficient to compensate for the operating cash needs of the general fund, the State
45 Treasurer is authorized to borrow, temporarily, required funds from cash balances within the Transportation Trust Fund, where such
46 trust fund balances, based upon assessments provided by the Commonwealth Transportation Commissioner, are not otherwise
47 needed to meet the short-term disbursement needs of the Transportation Trust Fund, including any debt service and debt coverage
48 needs, over the life of the borrowing. In addition, the State Treasurer shall ensure that such borrowings are consistent with the terms
49 and conditions of all bond documents, if any, that are relevant to the Transportation Trust Fund.
- 50 C. The Secretary of Finance, the State Treasurer and the Commonwealth Transportation Commissioner shall jointly agree on the
51 amounts of such interfund borrowings. Such borrowed amounts shall be repaid to the Transportation Trust Fund at the earliest
52 practical time when they are no longer needed to meet short-term cash needs of the general fund, provided, however, that such
53 borrowed amounts shall be repaid within the biennium in which they are borrowed. Interest shall accrue daily at the rate per annum

1 equal to the then current one-year United States Treasury Obligation Note rate.

2 D. Any temporary loan shall be evidenced by a loan certificate duly executed by the State Treasurer and the Commonwealth
 3 Transportation Commissioner specifying the maturity date of such loan and the annual rate of interest. Prepayment of
 4 temporary loans shall be without penalty and with interest calculated to such prepayment date. The State Treasurer is
 5 authorized to make, at least monthly, interest payments to the Transportation Trust Fund.

6 **§ 3-2.00 WORKING CAPITAL FUNDS AND LINES OF CREDIT**

7 § 3-2.01 ADVANCES TO WORKING CAPITAL FUNDS

8 A. The State Comptroller shall make available to the Virginia Racing Commission, on July 1 of each year, the amount of
 9 \$125,000 from the general fund as a temporary cash flow advance, to be repaid by December 30 of each year.

10 B. The State Comptroller shall provide a Working Capital Advance for up to \$11,553,000 to the Department of Veterans
 11 Services, on July 1 of the second year, to operate the Puller and Jones & Cabacoy Veterans Care Centers, to be repaid from
 12 revenue generated by the facilities.

13 § 3-2.02 CHARGES AGAINST WORKING CAPITAL FUNDS

14 The State Comptroller may periodically charge the appropriation of any state agency for the expenses incurred for services
 15 received from any program financed and accounted for by working capital funds. Such charge may be made upon receipt of
 16 such documentation as in the opinion of the State Comptroller provides satisfactory evidence of a claim, charge or demand
 17 against the appropriations made to any agency. The amounts so charged shall be recorded to the credit of the appropriate
 18 working capital fund accounts. In the event any portion of the charge so made shall be disputed, the amount in dispute may be
 19 restored to the agency appropriation by direction of the Governor.

20 § 3-2.03 LINES OF CREDIT

21 a. The State Comptroller shall provide lines of credit to the following agencies, not to exceed the amounts shown:

22	Administration of Health Insurance, Health Benefits Services	\$75,000,000
23	Administration of Health Insurance, Line of Duty Act	\$10,000,000
24	Department of Accounts, for the Payroll Service Bureau	\$400,000
25	Department of Accounts, Transfer Payments	\$5,250,000
26	Alcoholic Beverage Control Authority	\$60,000,000
27	Department of Corrections, for Virginia Correctional	\$1,000,000
28	Enterprises	
29	Department of Corrections, for Educational Grant Processing	300,000
30	Department of Emergency Management	\$150,000
31	Department of Environmental Quality	\$5,000,000
32	Department of Human Resource Management, for the	\$10,000,000
33	Workers' Compensation Self Insurance Trust Fund	
34	Department of Behavioral Health and Developmental Services	\$30,000,000
35	Department of Medical Assistance Services, for the Virginia	\$12,000,000
36	Health Care Fund	
37	Department of Motor Vehicles	\$5,000,000
38	Department of the Treasury, for the Unclaimed Property Trust	\$5,000,000
39	Fund	
40	Department of the Treasury, for the State Insurance Reserve	\$25,000,000
41	Trust Fund	
42	Virginia Lottery	\$40,000,000
43	Virginia Information Technologies Agency	\$165,000,000
44	Virginia Tobacco Settlement Foundation	\$3,000,000
45	Department of Historic Resources	\$600,000
46	Department of Fire Programs	\$30,000,000
47	Compensation Board	\$8,000,000
48	Department of Conservation and Recreation	\$4,000,000
49	Department of Military Affairs, for State Active Duty	\$5,000,000
50	Department of Military Affairs, for Federal Cooperative	\$21,000,000
51	Agreements	

1	Innovation and Entrepreneurship Authority	\$2,500,000
2	Department of Motor Vehicles	\$10,500,000
3	Virginia Parole Board	\$50,000

4 b. The State Comptroller shall execute an agreement with each agency documenting the procedures for the line of credit, including,
 5 but not limited to, applicable interest and the method for the drawdown of funds. The provisions of § 4-3.02 b of this act shall not
 6 apply to these lines of credit.

7 c. The State Comptroller, in conjunction with the Departments of General Services and Planning and Budget, shall establish
 8 guidelines for agencies and institutions to utilize a line of credit to support fixed and one-time costs associated with implementation
 9 of office space consolidation, relocation and/or office space co-location strategies, where such line of credit shall be repaid by the
 10 agency or institution based on the cost savings and efficiencies realized by the agency or institution resulting from the consolidation
 11 and/or relocation. In such cases the terms of office space consolidation or co-location strategies shall be approved by the Secretary of
 12 Administration, in consultation with the Secretary of Finance, as demonstrating cost benefit to the Commonwealth. In no case shall
 13 the advances to an agency or institution exceed \$1,000,000 nor the repayment begin more than one year following the
 14 implementation or extend beyond a repayment period of seven years.

15 d. The State Comptroller is hereby authorized to provide lines of credit of up to \$2,500,000 to the Department of Motor Vehicles and
 16 up to \$2,500,000 to the Department of State Police to be repaid from revenues provided under the federal government's
 17 establishment of Uniform Carrier Registration.

18 e. The Virginia Lottery is hereby authorized to use its line of credit to meet cash flow needs for operations at any time during the
 19 year and to provide cash to the Virginia Lottery Fund to meet the required transfer of estimated lottery profits to the Lottery
 20 Proceeds Fund in the month of June, as specified in provisions of § 3-1.01G. of this act. The Virginia Lottery shall repay the line of
 21 credit as actual cash flows become available. The Secretary of Finance is authorized to increase the line of credit to the Virginia
 22 Lottery if necessary to meet operating needs.

23 f. The State Comptroller is hereby authorized to provide a line of credit of up to \$5,000,000 to the Department of Military Affairs to
 24 cover the actual costs of responding to State Active Duty. The line of credit will be repaid as the Department of Military Affairs is
 25 reimbursed from federal or other funds, other than Department of Military Affairs funds.

26 g. The Innovation and Entrepreneurship Investment Authority is hereby authorized to use its line of credit to meet cash flow needs at
 27 any time during the year in support of operational costs in anticipation of reimbursement of said expenditures from signed contracts
 28 and grant awards. The Innovation and Entrepreneurship Investment Authority shall repay the line of credit by June 30 of each fiscal
 29 year.

30 h. The Department of Human Resource Management shall repay the local health insurance option program's initial start-up costs,
 31 funded through the line of credit authorized in Chapter 836, 2017 Acts of Assembly, in fiscal years 2017 and 2018, over a period not
 32 to exceed ten years from the health insurance premiums paid by the local health insurance option program's participants.

33 **§ 3-3.00 GENERAL FUND DEPOSITS**

34 **§ 3-3.01 PAYMENT BY THE STATE TREASURER**

35 The state Treasurer shall transfer an amount estimated at \$50,000 on or before June 30, 2019 and an amount estimated at \$50,000 on
 36 or before June 30, 2020, to the general fund from excess 9(c) sinking fund balances.

37 **§ 3-4.00 AUXILIARY ENTERPRISES AND SPONSORED PROGRAMS IN INSTITUTIONS OF HIGHER EDUCATION**

38 **§ 3-4.01 AUXILIARY ENTERPRISE INVESTMENT YIELDS**

39 A. 1. The educational and general programs in institutions of higher education shall recover the full indirect cost of auxiliary
 40 enterprise programs as certified by institutions of higher education to the Comptroller subject to annual audit by the Auditor of
 41 Public accounts. The State Comptroller shall credit those institutions meeting this requirement with the interest earned by the
 42 investment of the funds of their auxiliary enterprise programs.

43 2. *The University of Virginia's College at Wise is authorized to suspend the transfer of the recovery of the full indirect cost of*
 44 *auxiliary enterprise programs to the educational and general program for the 2020-2022 biennium.*

45 B. No interest shall be credited for that portion of the fund's cash balance that represents any outstanding loans due from the State
 46 Treasurer. The provisions of this section shall not apply to the capital projects authorized under Items C-36.21 and C-36.40 of
 47 Chapter 924, 1997 Acts of Assembly.

48 **§ 3-5.00 ADJUSTMENTS AND MODIFICATIONS TO TAX COLLECTIONS**

49 **§ 3-5.01 RETALIATORY COSTS TO OTHER STATES TAX CREDIT**

1 Notwithstanding any other provision of law, the amount deposited to the Priority Transportation Trust Fund pursuant to § 58.1-
2 2531 shall not be reduced by more than \$266,667 by any refund of the Tax Credit for Retaliatory Costs to Other States
3 available under § 58.1-2510.

4 §3-5.02 PAYMENT OF AUTO RENTAL TAX TO THE GENERAL FUND

5 Notwithstanding the provisions of § 58.1-1741, Code of Virginia, or any other provision of law, all revenues resulting from the
6 fee imposed under subdivision A3 of § 58.1-1736, Code of Virginia, shall be deposited into the general fund after the direct
7 costs of administering the fee are recovered by the Department of Taxation.

8 § 3-5.03 IMPLEMENTATION OF CHAPTER 3, ACTS OF ASSEMBLY OF 2004, SPECIAL SESSION I

9 Revenues deposited into the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established
10 under § 58.1-638.1 of the Code of Virginia pursuant to enactments of the 2004 Special Session of the General Assembly shall
11 be transferred to the general fund and used to meet the Commonwealth's responsibilities for the Standards of Quality prescribed
12 pursuant to Article VIII, Section 2, of the Constitution of Virginia. The Comptroller shall take all actions necessary to effect
13 such transfers monthly, no later than 10 days following the deposit to the Fund. The amounts transferred shall be distributed to
14 localities as specified in Direct Aid to Public Education's (197), State Education Assistance Programs (17800) of this Act. The
15 estimated amount of such transfers are \$389,900,000 the first year and ~~\$409,300,000~~ \$416,100,000 the second year.

16 § 3-5.04 RETAIL SALES & USE TAX EXEMPTION FOR INTERNET SERVICE PROVIDERS

17 Notwithstanding any other provision of law, for purchases made on or after July 1, 2006, any exemption from the retail sales
18 and use tax applicable to production, distribution, and other equipment used to provide Internet-access services by providers of
19 Internet service, as defined in § 58.1-602, Code of Virginia, shall occur as a refund request to the Tax Commissioner. The Tax
20 Commissioner shall develop procedures for such refunds.

21 § 3-5.05 DISPOSITION OF EXCESS FEES COLLECTED BY CLERKS OF THE CIRCUIT COURTS

22 Notwithstanding §§ 15.2-540, 15.2-639, 15.2-848, 17.1-285, and any other provision of law general or special, effective July 1,
23 2009, the Commonwealth shall be entitled to two-thirds of the excess fees collected by the clerks of the circuit courts as
24 required to be reported under § 17.1-283.

25 § 3-5.06 ACCELERATED SALES TAX

26 A. Notwithstanding any other provision of law, in addition to the amounts required under the provisions of §§58.1-615 and
27 58.1-616, any dealer as defined by §58.1-612 or direct payment permit holder pursuant to §58.1-624 with taxable sales and
28 purchases of \$1,000,000 or greater for the 12-month period beginning July 1, and ending June 30 of the immediately preceding
29 calendar year, shall be required to make a payment equal to 90 percent of the sales and use tax liability for the previous June.
30 Such tax payments shall be made on or before the 30th day of June, if payments are made by electronic fund transfer, as
31 defined in § 58.1-202.1. If payment is made by other than electronic funds transfer, such payment shall be made on or before
32 the 25th day of June. Every dealer or direct payment holder shall be entitled to a credit for the payment under this section on the
33 return for June of the current year due July 20.

34 B. The Tax Commissioner may develop guidelines implementing the provisions of this section. Such guidelines shall be
35 exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

36 C. For purposes of this section, taxable sales or purchases shall be computed without regard to the number of certificates of
37 registration held by the dealer. The provisions of this section shall not apply to persons who are required to file only a Form
38 ST-7, Consumer's Use Tax Return.

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

44 E. Payments made pursuant to this section shall be made in accordance with procedures established by the Tax Commissioner
45 and shall be considered general fund revenue, except with respect to those revenues required to be distributed under the
46 provisions of §§ 58.1-605, 58.1-606, 58.1-638(A), 58.1-638(G)-(H), 58.1-638.2, and 58.1-638.3 of the Code of Virginia.

47 F. That the State Comptroller shall make no distribution of the taxes collected pursuant to this section in accordance with §§
48 58.1-605, 58.1-606, 58.1-638, 58.1-638.1, 58.1-638.2 and 58.1-638.3 of the Code of Virginia until the Tax Commissioner
49 makes a written certification to the Comptroller certifying the sales and use tax revenues generated pursuant to this section. The
50 Tax Commissioner shall certify the sales and use tax revenues generated as soon as practicable after the sales and use tax
51 revenues have been paid into the state treasury in any month for the preceding month.

1 G.1. Beginning with the tax payment that would be remitted on or before June 25, 2019, if the payment is made by other than
2 electronic fund transfers, and by June 30, 2019, if payments are made by electronic fund transfer, the provisions of § 3-5.08 of
3 Chapter 874, 2010 Acts of Assembly, shall apply only to those dealers or permit holders with taxable sales and purchases of
4 \$4,000,000 or greater for the 12-month period beginning July 1 and ending June 30 of the immediately preceding calendar year.

5 2. Beginning with the tax payment that would be remitted on or before June 25, 2020, if the payment is made by other than
6 electronic fund transfers, and by June 30, 2020, if payments are made by electronic fund transfer, the provisions of § 3-5.08 of
7 Chapter 874, 2010 Acts of Assembly, shall apply only to those dealers or permit holders with taxable sales and purchases of
8 \$10,000,000 or greater for the 12-month period beginning July 1 and ending June 30 of the immediately preceding calendar year.

9 § 3-5.07 DISCOUNTS AND ALLOWANCES

10 A. Notwithstanding any other provision of law, effective beginning with the return for June 2010, due July 2010, the compensation
11 allowed under § 58.1-622, Code of Virginia, shall be suspended for any dealer required to remit the tax levied under §§ 58.1-603 and
12 58.1-604, Code of Virginia, by electronic funds transfer pursuant to § 58.1-202.1, Code of Virginia, and the compensation available
13 to all other dealers shall be limited to the following percentages of the first three percent of the tax levied under §§ 58.1-603 and
14 58.1-604, Code of Virginia:

15 Monthly Taxable Sales	Percentage
16 \$0 to \$62,500	1.6%
17 \$62,501 to \$208,000	1.2%
18 \$208,001 and above	0.8%

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

21 C. Beginning with the return for June 2011, due July 2011, the compensation under § 58.1-1021.03 shall be reinstated.

22 § 3-5.08 SALES TAX COMMITMENT TO HIGHWAY MAINTENANCE AND OPERATING FUND

23 The sales and use tax revenue for distribution to the Highway Maintenance and Operating Fund shall be consistent with Chapter 766,
24 2013 Acts of Assembly.

25 § 3-5.09 INTANGIBLE HOLDING COMPANY ADDBACK

26 Notwithstanding the provisions of § 58.1-402(B)(8), Code of Virginia, for taxable years beginning on and after January 1, 2004:

27 (i) The exception in § 58.1-402(B)(8)(a)(1) for income that is subject to a tax based on or measured by net income or capital
28 imposed by Virginia, another state, or a foreign government shall be limited *to* and apply only to the portion of such income received
29 by the related member *that owns the intangible property*, which portion is attributed to a state or foreign government in which the
30 *such* related member has sufficient nexus to be *itself* subject to such taxes; and

31 (ii) The exception in § 58.1-402(B)(8)(a)(2) for a related member deriving at least one-third of its gross revenues from licensing to
32 unrelated parties shall be limited and apply ~~only~~ to the portion of such income *received by the related member that owns the*
33 *intangible property and* derived from licensing agreements for which the rates and terms are comparable to the rates and terms of
34 agreements that ~~the~~ *such* related member has ~~actually~~ entered into with unrelated entities.

35 § 3-5.10 REGIONAL FUELS TAX

36 Funds collected pursuant to § 58.1-2291 et seq., Code of Virginia, from the additional sales tax on fuel in certain transportation
37 districts under § 58.1-2291 et seq., Code of Virginia, shall be returned to the respective commissions in amounts equivalent to the
38 shares collected in the respective member jurisdictions. However, no funds shall be collected pursuant to § 58.1-2291 et seq., Code
39 of Virginia, from levying the additional sales tax on aviation fuel as that term is defined in § 58.1-2201, Code of Virginia.

40 § 3-5.11 DEDUCTION FOR ABLE ACT CONTRIBUTIONS

41 A. Effective for taxable years beginning on or after January 1, 2016, an individual shall be allowed a deduction from Virginia
42 adjusted gross income as defined in § 58.1-321, Code of Virginia, for the amount contributed during the taxable year to an ABLE
43 savings trust account entered into with the Virginia College Savings Plan pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1,
44 Code of Virginia. The amount deducted on any individual income tax return in any taxable year shall be limited to \$2,000 per ABLE
45 savings trust account. No deduction shall be allowed pursuant to this section if such contributions are deducted on the contributor's
46 federal income tax return. If the contribution to an ABLE savings trust account exceeds \$2,000 the remainder may be carried
47 forward and subtracted in future taxable years until the ABLE savings trust contribution has been fully deducted; however, in no
48 event shall the amount deducted in any taxable year exceed \$2,000 per ABLE savings trust account.

49 B. Notwithstanding the statute of limitations on assessments contained in § 58.1-312, Code of Virginia, any deduction taken
50 hereunder shall be subject to recapture in the taxable year or years in which distributions or refunds are made for any reason other

1 than (i) to pay qualified disability expenses, as defined in § 529A of the Internal Revenue Code; or (ii) the beneficiary's death.

2 C. A contributor to an ABLE savings trust account who has attained age 70 shall not be subject to the limitation that the amount
3 of the deduction not exceed \$2,000 per ABLE savings trust account in any taxable year. Such taxpayer shall be allowed a
4 deduction for the full amount contributed to an ABLE savings trust account, less any amounts previously deducted.

5 D. The Tax Commissioner shall develop guidelines implementing the provisions of this section, including but not limited to the
6 computation, carryover, and recapture of the deduction provided under this section. Such guidelines shall be exempt from the
7 provisions of the Administrative Process Act (§ 2.2-4000 et seq., Code of Virginia).

8 § 3-5.12 RETAIL SALES AND USE TAX EXEMPTION FOR RESEARCH FOR FEDERALLY FUNDED RESEARCH AND
9 DEVELOPMENT CENTERS

10 A. Notwithstanding any other provision of law or regulation, and beginning July 1, 2016 and ending June 30, 2018, the retail
11 sales and use tax exemption provided for in subdivision 5 of § 58.1-609.3 of the Code of Virginia, applicable to tangible
12 personal property purchased or leased for use or consumption directly and exclusively in basic research or research and
13 development in the experimental or laboratory sense, shall apply to such property used in a federally funded research and
14 development center, regardless of whether such property is used by the purchaser, lessee, or another person or entity.

15 B. Notwithstanding any other provision of law, beginning July 1, 2018, tangible personal property purchased by a federally
16 funded research and development center sponsored by the U.S. Department of Energy shall be exempt from the retail sales and
17 use tax.

18 C. Nothing in this section shall be construed to relieve any federally funded research and development center of any liability for
19 retail sales and use tax due for the purchase of tangible personal property pursuant to the law in effect at the time of the
20 purchase.

21 § 3-5.13 ADMISSIONS TAX

22 Notwithstanding the provisions of § 58.1-3818.02, Code of Virginia, or any other provision of law, subject to the execution of a
23 memorandum of understanding between an entertainment venue and the County of Stafford, Stafford County is authorized to
24 impose a tax on admissions to an entertainment venue located in the county that (i) is licensed to do business in the county for
25 the first time on or after July 1, 2015, and (ii) requires at least 75 acres of land for its operations, and (iii) such land is purchased
26 or leased by the entertainment venue owner on or after June 1, 2015. The tax shall not exceed 10 percent of the amount of
27 charge for admission to any such venue. The provisions of this section shall expire on July 1, 2019 if no entertainment venue
28 exists in Stafford County upon which the tax authorized is imposed.

29 § 3-5.14 SUNSET DATES FOR INCOME TAX CREDITS AND SALES AND USE TAX EXEMPTIONS

30 A. Notwithstanding any other provision of law the General Assembly shall not advance the sunset date on any existing sales tax
31 exemption or tax credit beyond June 30, 2022. Any new sales tax exemption or tax credit enacted by the General Assembly
32 prior to the 2021 regular legislative session shall have a sunset date not later than June 30, 2022. However, this requirement
33 shall not apply to tax exemptions administered by the Department of Taxation under § 58.1-609.11, relating to exemptions for
34 nonprofit entities nor shall it apply to exemptions or tax credits with sunset dates after June 30, 2022, enacted or advanced
35 during the 2016 Session of the General Assembly.

36 B. By November 1, 2020, the Department of Taxation shall report to every member of the General Assembly and to the Joint
37 Subcommittee to Evaluate Tax Preferences, on the revenue impact of every sales tax exemption and tax credit scheduled to
38 expire on or before June 30, 2022. The report shall include the prior fiscal year's state and local sales tax impact of each
39 expiring sales tax exemption, and the prior fiscal year's general fund revenue impact of each expiring tax credit. The tax credit
40 revenue impact analysis shall be inclusive of credits claimed against any tax imposed under Title 58.1 of the Code of Virginia.

41 C. The Department shall provide an updated revenue impact report no later than November 1, 2025, and every five years
42 thereafter, for sales tax exemptions and tax credits set to expire within two years following the date of the report. Such reports
43 shall be distributed to every member of the General Assembly and to the Joint Subcommittee to Evaluate Tax Preferences.

44 § 3-5.15 PROVIDER COVERAGE ASSESSMENT

45 A. The Department of Medical Assistance Services (DMAS) is authorized to levy an assessment upon private acute care
46 hospitals operating in Virginia in accordance with this Item. Private acute care hospitals operating in Virginia shall pay a
47 coverage assessment beginning on or after October 1, 2018. For the purposes of this coverage assessment, the definition of
48 private acute care hospitals shall exclude public hospitals, freestanding psychiatric and rehabilitation hospitals, children's
49 hospitals, long stay hospitals, long-term acute care hospitals and critical access hospitals.

50 B.1. The coverage assessment shall be used only to cover the non-federal share of the "full cost of expanded Medicaid
51 coverage" for newly eligible individuals pursuant to 42 U.S.C. § 1396d(y)(1)[2010] of the Patient Protection and Affordable
52 Care Act, including the administrative costs of collecting the coverage assessment and implementing and operating the

- 1 coverage for newly eligible adults which includes the costs of administering the provisions of the Section 1115 waiver.
- 2 2.a. The “full cost of expanded Medicaid coverage” shall include: 1) any and all Medicaid expenditures related to individuals eligible
3 for Medicaid pursuant to 42 U.S.C. § 1396d(y)(1)[2010] of the Patient Protection and Affordable Care Act, including any federal
4 actions or repayments; and, 2) all administrative costs associated with providing coverage, which includes the costs of administering
5 the provisions of the Section 1115 waiver, and collecting the coverage assessment.
- 6 b. The “full cost of expanded Medicaid coverage” shall be updated: 1) on November 1 of each year based on the official Medicaid
7 forecast and latest administrative cost estimates developed by DMAS; 2) no more than 30 days after the enactment of this Act to
8 reflect policy changes adopted by the latest session of the General Assembly; and 3) on March 1 of any year in which DMAS
9 estimates that the most recent non-federal share of the “full cost of expanded Medicaid coverage” times 1.08 will be insufficient to
10 pay all expenses in 2.a. for that year.
- 11 c. This Act estimates the non-federal share of the cost of Medicaid expansion to be \$86,103,345 the first year and \$293,192,716 the
12 second year. However, these amounts shall not be construed as a limitation on collections or override the provisions of this item that
13 allow for periodic updates of the full cost of coverage.
- 14 C. 1. The Department of Medical Assistance Services (DMAS) shall calculate each hospital's “coverage assessment amount” by
15 multiplying the “coverage assessment percentage” times “net patient service revenue” as defined below.
- 16 2. The “coverage assessment percentage” shall be calculated as (i) 1.08 times the non-federal share of the “full cost of expanded
17 Medicaid coverage” divided by (ii) the total “net patient service revenue” for hospitals subject to the assessment.
- 18 3. Each hospital's “net patient service revenue” equals the amount reported in the most recent Virginia Health Information (VHI)
19 “Hospital Detail Report.” In FY 2019, net patient service revenue shall be prorated by the portion of the year subject to the tax.
20 Hospitals shall certify that the net patient service revenue is hospital revenue and this amount shall be the assessment basis for the
21 following fiscal year.
- 22 D.1. DMAS shall, at a minimum, update the “coverage assessment amount” to be effective on January 1, of each year. DMAS is
23 further authorized to update the “coverage assessment amount” on a quarterly basis to ensure amounts are sufficient to cover the full
24 cost of expanded Medicaid coverage based on the latest estimate. Hospitals shall be given no less than 30 days' notice prior to a
25 change in its coverage assessment amount and be provided with associated calculations. Prior to any change to the coverage
26 assessment amount, DMAS shall perform and incorporate a reconciliation of the Health Care Coverage Assessment Fund. Any
27 estimated excess or shortfall of revenue since the previous reconciliation shall be deducted from or added to the “full cost of
28 expanded Medicaid coverage” for the updated coverage assessment amount.
- 29 2. DMAS shall be responsible for collecting the coverage assessment amount. Hospitals subject to the coverage assessment shall
30 make quarterly payments due no later than July 1, October 1, January 1 and April 1 of each state fiscal year. In FY 2019, quarterly
31 amounts for the remainder of the state fiscal year shall equal one-third of the coverage assessment. In the first year, the first coverage
32 assessment payment shall be due on or after October 1, 2018.
- 33 3. Hospitals that fail to make the coverage assessment payments within 30 days of the due date shall incur a five percent penalty that
34 shall be deposited in the Virginia Health Care Fund. Any unpaid coverage assessment or penalty will be considered a debt to the
35 Commonwealth and DMAS is authorized to recover it as such.
- 36 E. DMAS shall submit a report due September 1 of each year to the Director, Department of Planning and Budget and Chairmen of
37 the House Appropriations and Senate Finance Committees, and the Virginia Hospital and Healthcare Association. The report shall
38 include, for the most recently completed fiscal year, the revenue collected from the coverage assessment, expenditures for purposes
39 authorized by this Item, and the year-end coverage assessment balance in the Health Care Coverage Assessment Fund. The report
40 shall also include a complete and itemized listing of all administrative costs included in the coverage assessment.
- 41 F. All revenue from the coverage assessment excluding penalties, shall be deposited into the Health Care Coverage Assessment
42 Fund. Proceeds from the coverage assessment, excluding penalties, shall not be used for any other purpose than to cover the non-
43 federal share of the full cost of expanded Medicaid coverage.
- 44 G. Any provision of this Item is contingent upon approval by the Centers for Medicare and Medicaid Services if necessary.
- 45 H. The Hospital Payment Policy Advisory Council shall meet to consider the implementation and provisions of the Provider
46 Coverage and Payment Rate Assessments in order to consider and make recommendations to ensure the collection and use of such
47 funds are appropriate and consistent with the intent of the General Assembly. Specifically, the Council shall consider the level of
48 detail and format necessary to develop the report pursuant to paragraph E. The Council shall recommend a format and associated
49 level of detail, to be included in the report to the Joint Subcommittee for Health and Human Resources Oversight. The Joint
50 Subcommittee shall approve the final format and associated level of detail of the report to be submitted by the Department of
51 Medical Assistance Services.

- 1 A. The Department of Medical Assistance Services (DMAS) is hereby authorized to levy a payment rate assessment upon
 2 private acute care hospitals operating in Virginia in accordance with this item. Private acute care hospitals operating in Virginia
 3 shall pay a payment rate assessment beginning on or after October 1, 2018 when all necessary state plan amendments are
 4 approved by the Centers for Medicare and Medicaid Services (CMS). For purposes of this assessment, the definition of private
 5 acute care hospitals shall exclude public hospitals, freestanding psychiatric and rehabilitation hospitals, children's hospitals,
 6 long stay hospitals, long-term acute care hospitals and critical access hospitals.
- 7 B. Proceeds from the payment rate assessment shall be used to i) fund an increase in inpatient and outpatient payment rates paid
 8 to private acute care hospitals operating in Virginia up to the "upper payment limit gap" and ii) fill the "managed care
 9 organization hospital payment gap" for care provided to recipients of medical assistance services. Payments made under the
 10 provisions of this item shall be referred to as "private acute care hospital enhanced payments".
- 11 C.1. The Department of Medical Assistance Services (DMAS) shall calculate each hospital's "payment rate assessment
 12 amount" by multiplying the "payment rate assessment percentage" times "net patient service revenue" as defined below.
- 13 2. The "payment rate assessment percentage" for hospitals shall be calculated as (i) 1.08 times the non-federal share of funding
 14 the "private acute care hospitals enhanced payments" divided by (ii) the total "net patient service revenue" for hospital subject
 15 to the assessment.
- 16 3. Each hospital's "net patient service revenue" equals the amount reported in the most recent Virginia Health Information
 17 (VHI) "Hospital Detail Report." In FY 2019, net patient service revenue shall be prorated by the portion of the year subject to
 18 the tax. Hospitals shall certify that the net patient service revenue is hospital revenue and this amount shall be the assessment
 19 basis for the following fiscal year.
- 20 D. DMAS is authorized to update the payment rate assessment amount on a quarterly basis to ensure amounts are sufficient to
 21 cover the full cost of the private acute care hospital enhanced payments based on the latest estimate. Hospitals shall be given no
 22 less than 30 days prior notice of the new assessment amount and be provided with calculations. Prior to any change to the
 23 payment rate assessment amount, DMAS shall perform and incorporate a reconciliation of the Health Care Provider Payment
 24 Rate Assessment Fund. Any estimated excess or shortfall of revenue since the previous reconciliation shall be deducted from or
 25 added to the calculation of the private acute care hospital enhanced payments.
- 26 E.1. The "upper payment limit" means the limit on payment for inpatient services for recipients of medical assistance
 27 established in accordance with 42 C.F.R. § 447.272 and outpatient services for recipients of medical assistance pursuant to 42
 28 C.F.R. § 447.321 for private hospitals. DMAS shall complete a calculation of the "upper payment limit" for each state fiscal
 29 year with a detailed analysis of how it was determined. The "upper payment limit payment gap" means the difference between
 30 the amount of the private hospital upper payment limit and the amount otherwise paid pursuant to the state plan for inpatient
 31 and outpatient services. The "managed care organization hospital payment gap" means the difference between the amount
 32 included in the capitation rates for inpatient and outpatient services based on historical paid claims and the amount that would
 33 be included when the projected hospital services furnished by private acute care hospitals operating in Virginia are priced
 34 according to the existing State Plan methodology but using 100% for the adjustment factors (including the capital
 35 reimbursement percentage) and full inflation subject to CMS approval under 42 C.F.R. section 438.6(c). As part of the
 36 development of the managed care capitation rates, the DMAS shall calculate a "Medicaid managed care organization (MCO)
 37 supplemental hospital capitation payment adjustment". This is a distinct additional amount shall be added to Medicaid MCO
 38 capitation rates to fund supplemental payments under this section to private acute care hospitals operating in Virginia for
 39 services to Medicaid recipients.
- 40 2. DMAS shall contractually direct Medicaid MCOs to disburse supplemental hospital capitation payment funds consistent with
 41 this section and 42 C.F.R. § 438.6(c), to ensure that all such funds are disbursed to private acute care hospitals operating in
 42 Virginia. In addition, DMAS shall contractually prohibit MCOs from making reductions to or supplanting hospital payments
 43 otherwise paid by MCOs.
- 44 3. DMAS shall make available quarterly a report of the additional capitation payments that are made to each MCO pursuant to
 45 this item. Further, DMAS shall consider recommendations of the Medicaid Hospital Payment Policy and Advisory Council in
 46 designing and implementing the specific elements of the payment rate assessment and private acute care hospital supplemental
 47 payment program authorized by this item.
- 48 F.1. DMAS shall be responsible for collecting the payment rate assessment amount. Hospitals subject to the payment rate
 49 assessment shall make quarterly payments due no later than July 1, October 1, January 1 and April 1 of each state fiscal year. In
 50 FY 2019, the first payment rate assessment payment shall be due on or after October 1, 2018.
- 51 2. Hospitals that fail to make the payment rate assessment payments within 30 days of the due date shall incur a five percent
 52 penalty that shall be deposited in the Virginia Health Care Fund. Any unpaid payment assessment or penalty will be considered
 53 a debt to the Commonwealth and DMAS is authorized to recover it as such.
- 54 G. DMAS shall submit a report due September 1 of each year to the Director, Department of Planning and Budget and
 55 Chairmen of the House Appropriations and Senate Finance Committees. The report shall include, for the most recently

1 completed fiscal year, the revenue collected from the payment rate assessment, expenditures for purposes authorized by this item,
2 and the year-end assessment balance in the Health Care Provider Payment Rate Assessment Fund.

3 H. All revenue from the payment rate assessment shall be deposited into the Health Care Provider Payment Rate Assessment Fund, a
4 special non-reverting fund in the state treasury. Proceeds from the payment rate assessment, excluding penalties, shall not be used
5 for any other purpose than to fund (i) an increase in inpatient and outpatient payment rates paid to private acute care hospitals
6 operating in Virginia up to the private hospital "upper payment limit" and "managed care organization hospital payment gap" for
7 care provided to recipients of medical assistance services, and (ii) the administrative costs of collecting the assessment and of
8 implementing and operating the associated payment rate actions.

9 J. Any provision of this Section is contingent upon approval by the Centers for Medicare and Medicaid Services if necessary.

10 § 3-5.17 TOBACCO TAX STUDY

11 The Joint Subcommittee to Evaluate Tax Preferences is hereby directed to continue studying options for the modernization of
12 § 58.1-1001(A), Code of Virginia, to reflect advances in science and technology in the area of tobacco harm reduction, and the role
13 innovative non-combustible tobacco products can play in reducing harm, including products that produce vapor or aerosol from
14 heating tobacco or liquid nicotine. In addition, the Joint Subcommittee shall study possible reforms to the taxation of tobacco
15 products that will provide fairness and equity for all local governments and also ensure stable tax revenues for the Commonwealth.
16 The Joint Subcommittee shall complete its study and submit a final report with recommended reforms to the Finance Committees of
17 the Virginia Senate and Virginia House of Delegates by November 1, 2019. All agencies of the Commonwealth shall provide
18 assistance for this study, upon request.

19 §3-5.18 HISTORIC PRESERVATION TAX CREDIT

20 Notwithstanding § 58.1-339.2 or any other provision of law, effective for taxable years beginning on and after January 1, 2017, the
21 amount of the Historic Rehabilitation Tax Credit that may be claimed by each taxpayer, including amounts carried over from prior
22 taxable years, shall not exceed \$5 million for any taxable year.

23 § 3-5.19 LAND PRESERVATION TAX CREDIT CLAIMED

24 Notwithstanding § 58.1-512 or any other provision of law, effective for the taxable year beginning on and after January 1, 2017, but
25 before January 1, 2020, the amount of the Land Preservation Tax Credit that may be claimed by each taxpayer, including amounts
26 carried over from prior taxable years, shall not exceed \$20,000

27 § 3-5.20. Omitted.

28 § 3-5.21 TAXPAYER RELIEF FUND

29 A. Notwithstanding any other provision of law, the Comptroller shall transfer any revenues generated by the individual reform
30 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
31 collection of taxes during Fiscal Years 2019 through 2025, estimated to be approximately \$450 million annually, beyond those
32 revenues reasonably expected to be collected due to general economic growth and absent the federal policy changes, less the estimated
33 reduction in revenues needed to implement the tax policy changes set forth in the first enactment of Chapters 17 and 18, 2019 Acts of
34 Assembly for the relevant fiscal year, to the Taxpayer Relief Fund established pursuant to the fifth enactment of that Act. The
35 Governor, in consultation with the State Comptroller and the Tax Commissioner, shall certify to the General Assembly on or before
36 September 1 each year the estimated amount to be transferred to the Fund pursuant to this act.

37 B. For purposes of determining the amounts required to be deposited to the Revenue Stabilization Fund pursuant to Article X, Section
38 8, Constitution of Virginia, the certified amounts for fiscal year 2019 shall not include any amounts transferred from the general fund to
39 the Taxpayer Relief Fund that will be used to provide refunds pursuant to the fourth enactment of Chapters 17 and 18, 2019 Acts of
40 Assembly.

41 C. For the purposes of determining the amounts required to be deposited to the Revenue Reserve Fund pursuant to § 2.2-1831.3, Code
42 of Virginia, and the amounts required to be deposited to the Water Quality Improvement Fund pursuant to § 10.1-2128, Code of
43 Virginia, general fund revenue collections shall not include any amounts transferred to the Taxpayer Relief Fund established pursuant
44 to the fifth enactment of Chapters 17 and 18, 2019 Acts of Assembly.

45 § 3-5.22 NEIGHBORHOOD ASSISTANCE ACT TAX CREDIT

46 Notwithstanding any other provision of law or regulation, in order to be eligible to receive an allocation of credits pursuant to § 58.1-
47 439.20:1, Code of Virginia, at least 50 percent of the persons served by the neighborhood organization, either directly by the
48 neighborhood organization or through the provision of revenues to other organizations or groups serving such persons, shall be low-
49 income persons or eligible students with disabilities and at least 50 percent of the neighborhood organization's revenues shall be used to
50 provide services to low-income persons or to eligible students with disabilities, either directly by the neighborhood organization or

1 through the provision of revenues to other organizations or groups providing such services. A tax credit shall be issued by the
 2 Superintendent of Public Instruction or the Commissioner of Social Services to an individual only upon receipt of a certification
 3 made by a neighborhood organization to whom tax credits were allocated for an approved program pursuant to § 58.1-439.20, §
 4 58.1-439.20:1 or this language.

5 **§ 3-6.00 ADJUSTMENTS AND MODIFICATIONS TO FEES**

6 § 3-6.01 RECORDATION TAX FEE

7 There is hereby assessed a twenty dollar fee on (i) every deed for which the state recordation tax is collected pursuant to §§
 8 58.1-801 A and 58.1-803, Code of Virginia; and (ii) every certificate of satisfaction admitted under § 55-66.6, Code of
 9 Virginia. The revenue generated from fifty percent of such fee shall be deposited to the general fund. The revenue generated
 10 from the other fifty percent of such fee shall be deposited to the Virginia Natural Resources Commitment Fund, a subfund of
 11 the Virginia Water Quality Improvement Fund, as established in § 10.1-2128.1, Code of Virginia. The funds deposited to this
 12 subfund shall be disbursed for the agricultural best management practices cost share program, pursuant to § 10.1-2128.1, Code
 13 of Virginia.

14 § 3-6.02 ANNUAL VEHICLE REGISTRATION FEE (\$4.25 FOR LIFE)

15 Notwithstanding § 46.2-694 paragraph 13 of the Code of Virginia, the additional fee that shall be charged and collected at the
 16 time of registration of each pickup or panel truck and each motor vehicle shall be \$6.25.

17 § 3-6.03 DRIVERS LICENSE REINSTATEMENT FEE

18 Notwithstanding § 46.2-411 of the Code of Virginia, the drivers license reinstatement fee payable to the Trauma Center Fund
 19 shall be \$100 the first year and \$0 the second year. In the second year, notwithstanding the provisions of § 46.2-395 of the
 20 Code of Virginia, no court shall suspend any person's privilege to drive a motor vehicle solely for failure to pay any fines, court
 21 costs, forfeitures, restitution, or penalties assessed against such person. The Commissioner of the Department of Motor
 22 Vehicles shall reinstate a person's privilege to drive a motor vehicle that was suspended prior to July 1, 2019, solely pursuant to
 23 § 46.2-395 of the Code of Virginia and shall waive all fees relating to reinstating such person's driving privileges. Nothing
 24 herein shall require the Commissioner to reinstate a person's driving privileges if such privileges have been otherwise lawfully
 25 suspended or revoked or if such person is otherwise ineligible for a driver's license.

26 § 3-6.04 ASSESSMENT OF ELECTRONIC SUMMONS FEE BY LOCALITIES

27 Nothing in § 17.1-279.1 of the Code of Virginia shall be construed to authorize any county, city, or town to assess the sum set
 28 forth therein upon any summons issued by a law-enforcement agency of the Commonwealth.

PART 4: GENERAL PROVISIONS

§ 4-0.00 OPERATING POLICIES

§ 4-0.01 OPERATING POLICIES

a. Each appropriating act of the General Assembly shall be subject to the following provisions and conditions, unless specifically exempt elsewhere in this act.

b. All appropriations contained in this act, or in any other appropriating act of the General Assembly, are declared to be maximum appropriations and conditional on receipt of revenue.

c. The Governor, as chief budget officer of the state, shall ensure that the provisions and conditions as set forth in this section are strictly observed.

d. Public higher education institutions are not subject to the provisions of § 2.2-4800, Code of Virginia, or the provisions of the Department of Accounts' Commonwealth Accounting Policies and Procedures manual (CAPP) topic 20505 with regard to students who are veterans of the United States armed services and National Guard and are in receipt of federal educational benefits under the G.I. Bill. Public higher education shall establish internal procedures for the continued enrollment of such students to include resolution of outstanding accounts receivable.

e. The provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq. of the Code of Virginia) shall not apply to grants made in support of the 2019 Commemoration to non-profit entities organized under § 501 (c)(3) of the Internal Revenue Code.

f. 1. The State Council of Higher Education for Virginia shall establish a policy for granting undergraduate course credit to entering freshman students who have taken one or more Advanced Placement, Cambridge Advanced (A/AS), College-Level Examination Program (CLEP), or International Baccalaureate examinations by August 1, 2017. The policy shall:

a) Outline the conditions necessary for each public institution of higher education to grant course credit, including the minimum required scores on such examinations;

b) Identify the course credit or other academic requirements of each public institution of higher education that the student satisfies by achieving the minimum required scores on such examinations; and

c) Ensure, to the extent possible, that the grant of course credit is consistent across each public institution of higher education and each such examination.

2. The Council and each public institution of higher education shall make the policy available to the public on its website.

§ 4-1.00 APPROPRIATIONS

§ 4-1.01 PREREQUISITES FOR PAYMENT

a. The State Comptroller shall not pay any money out of the state treasury except pursuant to appropriations in this act or in any other act of the General Assembly making an appropriation during the current biennium.

b. Moneys shall be spent solely for the purposes for which they were appropriated by the General Assembly, except as specifically provided otherwise by § 4-1.03 Appropriation Transfers, § 4-4.01 Capital Projects, or § 4-5.01 a. Settlement of Claims with Individuals. Should the Governor find that moneys are not being spent in accordance with provisions of the act appropriating them, he shall restrain the State Comptroller from making further disbursements, in whole or in part, from said appropriations. Further, should the Auditor of Public Accounts determine that a state or other agency is not spending moneys in accordance with provisions of the act appropriating them, he shall so advise the Governor or other governing authority, the State Comptroller, the Chairman of the Joint Legislative Audit and Review Commission, and Chairmen of the Senate Finance and House Appropriations Committees.

c. Exclusive of revenues paid into the general fund of the state treasury, all revenues earned or collected by an agency, and contained in an appropriation item to the agency shall be expended first during the fiscal year, prior to the expenditure of any general fund appropriation within that appropriation item, unless prohibited by statute or by the terms and conditions of any gift, grant or donation.

§ 4-1.02 WITHHOLDING OF SPENDING AUTHORITY

a. For purposes of this subsection, withholding of spending authority is defined as any action pursuant to a budget reduction plan approved by the Governor to address a declared shortfall in budgeted revenue that impedes or limits the ability to spend appropriated moneys, regardless of the mechanism used to effect such withholding.

b.1. Changed Expenditure Factors: The Governor is authorized to reduce spending authority, by withholding allotments of

1 appropriations, when expenditure factors, such as enrollments or population in institutions, are smaller than the estimates upon
 2 which the appropriation was based. Moneys generated from the withholding action shall not be reallocated for any other
 3 purpose, provided the withholding of allotments of appropriations under this provision shall not occur until at least 15 days
 4 after the Governor has transmitted a statement of changed factors and intent to withhold moneys to the Chairmen of the House
 5 Appropriations and Senate Finance Committees.

6 2. Moneys shall not be withheld on the basis of reorganization plans or program evaluations until such plans or evaluations
 7 have been specifically presented in writing to the General Assembly at its next regularly scheduled session.

8 c. Increased Nongeneral Fund Revenue:

9 1. General fund appropriations to any state agency for operating expenses are supplemental to nongeneral fund revenues
 10 collected by the agency. To the extent that nongeneral fund revenues collected in a fiscal year exceed the estimate on which the
 11 operating budget was based, the Governor is authorized to withhold general fund spending authority, by withholding allotments
 12 of appropriations, in an equivalent amount. However, this limitation shall not apply to (a) restricted excess tuition and fees for
 13 educational and general programs in the institutions of higher education, as defined in § 4-2.01 c of this act; (b) appropriations
 14 to institutions of higher education designated for fellowships, scholarships and loans; (c) gifts or grants which are made to any
 15 state agency for the direct costs of a stipulated project; (d) appropriations to institutions for the mentally ill or intellectually
 16 disabled payable from the Behavioral Health and Developmental Services Revenue Fund; and (e) general fund appropriations
 17 for highway construction and mass transit. Moneys unallotted under this provision shall not be reallocated for any other
 18 purpose.

19 2. To the degree that new or additional grant funds become available to supplement general fund appropriations for a program,
 20 following enactment of an appropriation act, the Governor is authorized to withhold general fund spending authority, by
 21 withholding allotments of appropriations, in an amount equivalent to that provided from grant funds, unless such action is
 22 prohibited by the original provider of the grant funds. The withholding action shall not include general fund appropriations,
 23 which are required to match grant funds. Moneys unallotted under this provision shall not be reallocated for any other purpose.

24 d. Reduced General Fund Resources:

25 1. The term "general fund resources" as applied in this subsection includes revenues collected and paid into the general fund of
 26 the state treasury during the current biennium, transfers to the general fund of the state treasury during the current biennium,
 27 and all unexpended balances brought forward from the previous biennium.

28 2. In the event that general fund resources are estimated by the Governor to be insufficient to pay in full all general fund
 29 appropriations authorized by the General Assembly, the Governor shall, subject to the qualifications herein contained, withhold
 30 general fund spending authority, by withholding allotments of appropriations, to prevent any expenditure in excess of the
 31 estimated general fund resources available.

32 3. In making this determination, the Governor shall take into account actual general fund revenue collections for the current
 33 fiscal year and the results of a formal written re-estimate of general fund revenues for the current and next biennium, prepared
 34 within the previous 90 days, in accordance with the process specified in § 2.2-1503, Code of Virginia. Said re-estimate of
 35 general fund revenues shall be communicated to the Chairmen of the Senate Finance, House Appropriations and House Finance
 36 Committees, prior to taking action to reduce general fund allotments of appropriations on account of reduced resources.

37 4.a) In addition to monthly reports on the status of revenue collections relative to the current fiscal year's estimate, the
 38 Governor shall provide a written quarterly assessment of the current economic outlook for the remainder of the fiscal year to
 39 the Chairmen of the House Appropriations, House Finance, and Senate Finance Committees.

40 b) Within five business days after the preliminary close of the state accounts at the end of the fiscal year, the State Comptroller
 41 shall provide the Governor with the actual total of (1) individual income taxes, (2) corporate income taxes, and (3) sales taxes
 42 for the just-completed fiscal year, with a comparison of such actual totals with the total of such taxes in the official budget
 43 estimate for that fiscal year. If that comparison indicates that the total of (1) individual income taxes, (2) corporate income
 44 taxes, and (3) sales taxes, as shown on the preliminary close, was one percent or more below the amount of such taxes in the
 45 official budget estimate for the just-completed fiscal year, the Governor shall prepare a written re-estimate of general fund
 46 revenues for the current biennium and the next biennium in accordance with § 2.2-1503, Code of Virginia, to be reported to the
 47 Chairmen of the Senate Finance, House Finance and House Appropriations Committees, not later than September 1 following
 48 the close of the fiscal year.

49 5.a) The Governor shall take no action to withhold allotments until a written plan detailing specific reduction actions approved
 50 by the Governor, identified by program and appropriation item, has been presented to the Chairmen of the House
 51 Appropriations and Senate Finance Committees. Subsequent modifications to the approved reduction plan also must be
 52 submitted to the Chairmen of the House Appropriations and Senate Finance Committees, prior to withholding allotments of
 53 appropriations.

54 b) In addition to the budget reduction plan approved by the Governor, all budget reduction proposals submitted by state

1 agencies to the Governor or the Governor's staff, including but not limited to the Department of Planning and Budget, the Governor's
2 Cabinet secretaries, or the Chief of Staff, whether submitted electronically or otherwise, shall be made available via electronic means
3 to the Chairmen of the House Appropriations and Senate Finance Committees concurrently with that budget reduction plan.

4 6. In effecting the reduction of expenditures, the Governor shall not withhold allotments of appropriations for:

5 a) More than 15 percent cumulatively of the annual general fund appropriation contained in this act for operating expenses of any
6 one state or nonstate agency or institution designated in this act by title, and the exact amount withheld, by state or nonstate agency
7 or institution, shall be reported within five calendar days to the Chairmen of the Senate Finance and House Appropriations
8 Committees. State agencies providing funds directly to grantees named in this act shall not apportion a larger cut to the grantee than
9 the proportional cut apportioned to the agency. Without regard to § 4-5.05 b.4. of this act, the remaining appropriation to the grantee
10 which is not subject to the cut, equal to at least 85 percent of the annual appropriation, shall be made by July 31, or in two equal
11 installments, one payable by July 31 and the other payable by December 31, if the remaining appropriation is less than or equal to
12 \$500,000, except in cases where the normal conditions of the grant dictate a different payment schedule.

13 b) The payment of principal and interest on the bonded debt or other bonded obligations of the Commonwealth, its agencies and its
14 authorities, or for payment of a legally authorized deficit.

15 c) The payments for care of graves of Confederate and historical African American dead.

16 d) The employer contributions, and employer-paid member contributions, to the Social Security System, Virginia Retirement
17 System, Judicial Retirement System, State Police Officers Retirement System, Virginia Law Officers Retirement System, Optional
18 Retirement Plan for College and University Faculty, Optional Retirement Plan for Political Appointees, Optional Retirement Plan
19 for Superintendents, the Volunteer Service Award Program, the Virginia Retirement System's group life insurance, sickness and
20 disability, and retiree health care credit programs for state employees, state-supported local employees and teachers. If the Virginia
21 Retirement System Board of Trustees approves a contribution rate for a fiscal year that is lower than the rate on which the
22 appropriation was based, or if the United States government approves a Social Security rate that is lower than that in effect for the
23 current budget, the Governor may withhold excess contributions. However, employer and employee paid rates or contributions for
24 health insurance and matching deferred compensation for state employees, state-supported local employees and teachers may not be
25 increased or decreased beyond the amounts approved by the General Assembly. Payments for the employee benefit programs listed
26 in this paragraph may not be delayed beyond the customary billing cycles that have been established by law or policy by the
27 governing board.

28 e) The payments in fulfillment of any contract awarded for the design, construction and furnishing of any state building.

29 f) The salary of any state officer for whom the Constitution of Virginia prohibits a change in salary.

30 g) The salary of any officer or employee in the Executive Department by more than two percent (irrespective of the fund source for
31 payment of salaries and wages); however, the percentage of reduction shall be uniformly applied to all employees within the
32 Executive Department.

33 h) The appropriation supported by the State Bar Fund, as authorized by § 54.1-3913, Code of Virginia, unless the supporting
34 revenues for such appropriation are estimated to be insufficient to pay the appropriation.

35 7. The Governor is authorized to withhold specific allotments of appropriations by a uniform percentage, a graduated reduction or on
36 an individual basis, or apply a combination of these actions, in effecting the authorized reduction of expenditures, up to the
37 maximum of 15 percent, as prescribed in subdivision 6a of this subsection.

38 8. Each nongeneral fund appropriation shall be payable in full only to the extent the nongeneral fund revenues from which the
39 appropriation is payable are estimated to be sufficient. The Governor is authorized to reduce allotments of nongeneral fund
40 appropriations by the amount necessary to ensure that expenditures do not exceed the supporting revenues for such appropriations;
41 however, the Governor shall take no action to reduce allotments of appropriations for major nongeneral fund sources on account of
42 reduced revenues until such time as a formal written re-estimate of revenues for the current and next biennium, prepared in
43 accordance with the process specified in § 2.2-1503, Code of Virginia, has been reported to the Chairmen of the Senate Finance,
44 House Finance, and House Appropriations Committees. For purposes of this subsection, major nongeneral fund sources are defined
45 as Highway Maintenance and Operating Fund and Transportation Trust Fund.

46 9. Notwithstanding any contrary provisions of law, the Governor is authorized to transfer to the general fund on June 30 of each year
47 of the biennium, or within 20 days from that date, any available unexpended balances in other funds in the state treasury, subject to
48 the following:

49 a) The Governor shall declare in writing to the Chairmen of the Senate Finance and House Appropriations Committees that a fiscal
50 emergency exists which warrants the transfer of nongeneral funds to the general fund and reports the exact amount of such transfer
51 within five calendar days of the transfer;

52 b) No such transfer may be made from retirement or other trust accounts, the State Bar Fund as authorized by § 54.1-3913, Code of
53 Virginia, debt service funds, or federal funds; and

1 c) The Governor shall include for informative purposes, in the first biennial budget he submits subsequent to the transfer, the
2 amount transferred from each account or fund and recommendations for restoring such amounts.

3 10. The Director, Department of Planning and Budget, shall make available via electronic means a report of spending authority
4 withheld under the provisions of this subsection to the Chairmen of the Senate Finance and House Appropriations Committees
5 within five calendar days of the action to withhold. Said report shall include the amount withheld by agency and appropriation
6 item.

7 11. If action to withhold allotments of appropriation under this provision is inadequate to eliminate the imbalance between
8 projected general fund resources and appropriations, the Speaker of the House of Delegates and the President pro tempore of
9 the Senate shall be advised in writing by the Governor, so that they may consider requesting a special session of the General
10 Assembly.

11 § 4-1.03 APPROPRIATION TRANSFERS

12 GENERAL

13 a. During any fiscal year, the Director, Department of Planning and Budget, may transfer appropriation authority from one state
14 or other agency to another, to effect the following:

15 1) distribution of amounts budgeted in the central appropriation to agencies, or withdrawal of budgeted amounts from agencies
16 in accordance with specific language in the central appropriation establishing reversion clearing accounts;

17 2) distribution of pass-through grants or other funds held by an agency as fiscal agent;

18 3) correction of errors within this act, where such errors have been identified in writing by the Chairmen of the House
19 Appropriations and Senate Finance Committees;

20 4) proper accounting between fund sources 0100 and 0300 in higher education institutions;

21 5) transfers specifically authorized elsewhere in this act or as specified in the Code of Virginia;

22 6) to supplement capital projects in order to realize efficiencies or provide for cost overruns unrelated to changes in size or
23 scope; or

24 7) to administer a program for another agency or to effect budgeted program purposes approved by the General Assembly,
25 pursuant to a signed agreement between the respective agencies.

26 b. During any fiscal year, the Director, Department of Planning and Budget, may transfer appropriation authority within an
27 agency to effect proper accounting between fund sources and to effect program purposes approved by the General Assembly,
28 unless specifically provided otherwise in this act or as specified in the Code of Virginia. However, appropriation authority for
29 local aid programs and aid to individuals, with the exception of student financial aid, shall not be transferred elsewhere without
30 advance notice to the Chairmen of the House Appropriations and Senate Finance Committees. Further, any transfers between
31 capital projects shall be made only to realize efficiencies or provide for cost overruns unrelated to changes in size or scope.

32 c.1. In addition to authority granted elsewhere in this act, the Director, Department of Planning and Budget, may transfer
33 operating appropriations authority among sub-agencies within the Judicial System, the Department of Corrections, and the
34 Department of Behavioral Health and Developmental Services to effect changes in operating expense requirements which may
35 occur during the biennium.

36 2. The Director, Department of Planning and Budget, may transfer appropriations from the Department of Behavioral Health
37 and Developmental Services to the Department of Medical Assistance Services, consisting of the general fund amounts
38 required to match federal funds for reimbursement of services provided by its institutions and Community Services Boards.

39 3. The Director, Department of Planning and Budget, may transfer appropriations from the Office of Comprehensive Services
40 to the Department of Medical Assistance Services, consisting of the general fund amounts required to match federal funds for
41 reimbursement of services provided to eligible children.

42 4. The Director, Department of Planning and Budget, may transfer an appropriation or portion thereof within a state or other
43 agency, or from one such agency to another, to support changes in agency organization, program or responsibility enacted by
44 the General Assembly to be effective during the current biennium.

45 5. The Director, Department of Planning and Budget, may transfer appropriations from the second year to the first year, with
46 said transfer to be reported in writing to the Chairmen of the Senate Finance and House Appropriations Committees within five
47 calendar days of the transfer, when the expenditure of such funds is required to:

48 a) address a threat to life, safety, health or property, or

- 1 b) provide for unbudgeted cost increases for statutorily required services or federally mandated services, in order to continue those
2 services at the present level, or
- 3 c) provide for payment of overtime salaries and wages, when the obligations for payment of such overtime were incurred during a
4 situation deemed threatening to life, safety, health, or property, or
- 5 d) provide for payments to the beneficiaries of certain public safety officers killed in the line of duty, as authorized in Title 2.2,
6 Chapter 4, Code of Virginia and for payments to the beneficiaries of certain members of the National Guard and United States
7 military reserves killed in action in any armed conflict on or after October 7, 2001, as authorized in § 44-93.1 B., Code of Virginia,
8 or
- 9 e) continue a program at the present level of service or at an increased level of service when required to address unanticipated
10 increases in workload such as enrollment, caseload or like factors, or unanticipated costs, or
- 11 f) to address unanticipated business or industrial development opportunities which will benefit the state's economy, provided that
12 any such appropriations be used in a manner consistent with the purposes of the program as originally appropriated.
- 13 6. An appropriation transfer shall not occur except through properly executed appropriation transfer documents designed specifically
14 for that purpose, and all transactions effecting appropriation transfers shall be entered in the state's computerized budgeting and
15 accounting systems.
- 16 7. The Director, Department of Planning and Budget, may transfer from any other agency, appropriations to supplement any project
17 of the Virginia Public Building Authority authorized by the General Assembly and approved by the Governor. Such capital project
18 shall be transferred to the state agency designated as the managing agency for the Virginia Public Building Authority.
- 19 8. In the event of the transition of a city to town status pursuant to the provisions of Chapter 41 of Title 15.2 of the Code of Virginia
20 (§ 15.2-4100 et seq.) or the consolidation of a city and a county into a single city pursuant to the provisions of Chapter 35 of Title
21 15.2, Code of Virginia (§ 15.2-3500 et seq.) subsequent to July 1, 1999, the provisions of § 15.2-1302 shall govern distributions
22 from state agencies to the county in which the town is situated or to the consolidated city, and the Director, Department of Planning
23 and Budget, is authorized to transfer appropriations or portions thereof within a state agency, or from one such agency to another, if
24 necessary to fulfill the requirements of § 15.2-1302.

25 § 4-1.04 APPROPRIATION INCREASES

26 a. UNAPPROPRIATED NONGENERAL FUNDS:

27 1. Sale of Surplus Materials:

28 The Director, Department of Planning and Budget, is hereby authorized to increase the appropriations to any state agency by the
29 amount of credit resulting from the sale of surplus materials under the provisions of § 2.2-1125, Code of Virginia.

30 2. Insurance Recovery:

31 The Director, Department of Planning and Budget, shall increase the appropriation authority for any state agency by the amount of
32 the proceeds of an insurance policy or from the State Insurance Reserve Trust Fund, for expenditures as far as may be necessary, to
33 pay for the repair or replacement of lost, damaged or destroyed property, plant or equipment.

34 3. Gifts, Grants and Other Nongeneral Funds:

35 a) Subject to § 4-1.02 c, Increased Nongeneral Fund Revenue, and the conditions stated in this section, the Director, Department of
36 Planning and Budget, is hereby authorized to increase the appropriations to any state agency by the amount of the proceeds of
37 donations, gifts, grants or other nongeneral funds paid into the state treasury in excess of such appropriations during a fiscal year.
38 Such appropriations shall be increased only when the expenditure of moneys is authorized elsewhere in this act or is required to:

39 1) address a threat to life, safety, health or property or

40 2) provide for unbudgeted increases in costs for services required by statute or services mandated by the federal government, in
41 order to continue those services at the present level or implement compensation adjustments approved by the General Assembly, or

42 3) provide for payment of overtime salaries and wages, when the obligations for payment of such overtime were incurred during a
43 situation deemed threatening to life, safety, health, or property, or

44 4) continue a program at the present level of service or at an increased level of service when required to address unanticipated
45 increases in noncredit instruction at institutions of higher education or business and industrial development opportunities which will
46 benefit the state's economy, or

47 5) participate in a federal or sponsored program provided that the provisions of § 4-5.03 shall also apply to increases in
48 appropriations for additional gifts, grants, and other nongeneral fund revenue which require a general fund match as a condition of

- 1 their acceptance; or
- 2 6) realize cost savings in excess of the additional funds provided, or
- 3 7) permit a state agency or institution to use a donation, gift or grant for the purpose intended by the donor, or
- 4 8) provide for cost overruns on capital projects and for capital projects authorized under § 4-4.01 m of this act, or
- 5 9) address caseload or workload changes in programs approved by the General Assembly.
- 6 b) The above conditions shall not apply to donations and gifts to the endowment funds of institutions of higher education.
- 7 c) Each state agency and institution shall ensure that its budget estimates include a reasonable estimate of receipts from
- 8 donations, gifts or other nongeneral fund revenue. The Department of Planning and Budget shall review such estimates and
- 9 verify their accuracy, as part of the budget planning and review process.
- 10 d) No obligation or expenditure shall be made from such funds until a revised operating budget request is approved by the
- 11 Director, Department of Planning and Budget. Expenditures from any gift, grant or donation shall be in accordance with the
- 12 purpose for which it was made; however, expenditures for property, plant or equipment, irrespective of fund source, are subject
- 13 to the provisions of §§ 4-2.03 Indirect Costs, 4-4.01 Capital Projects General, and 4-5.03 b Services and Clients-New Services,
- 14 of this act.
- 15 e) Nothing in this section shall exempt agencies from complying with § 4-2.01 a Solicitation and Acceptance of Donations,
- 16 Gifts, Grants, and Contracts of this act.
- 17 4. Any nongeneral fund cash balance recorded on the books of the Department of Accounts as unexpended on the last day of
- 18 the fiscal year may be appropriated for use in the succeeding fiscal year with the prior written approval of the Director,
- 19 Department of Planning and Budget, unless the General Assembly shall have specifically provided otherwise. Revenues
- 20 deposited to the Virginia Health Care Fund shall be used only as the state share of Medicaid, unless the General Assembly
- 21 specifically authorizes an alternate use. With regard to the appropriation of other nongeneral fund cash balances, the Director
- 22 shall make a listing of such transactions available to the public via electronic means no less than ten business days following
- 23 the approval of the appropriation of any such balance.
- 24 5. Reporting:
- 25 The Director, Department of Planning and Budget, shall make available via electronic means a report on increases in
- 26 unappropriated nongeneral funds in accordance with § 4-8.00, Reporting Requirements, or as modified by specific provisions in
- 27 this subsection.
- 28 b. AGRIBUSINESS EQUIPMENT FOR THE DEPARTMENT OF CORRECTIONS
- 29 The Director of the Department of Planning and Budget may increase the Department of Corrections appropriation for the
- 30 purchase of agribusiness equipment or the repair or construction of agribusiness facilities by an amount equal to fifty percent of
- 31 any annual amounts in excess of fiscal year 1992 deposits to the general fund from agribusiness operations. It is the intent of
- 32 the General Assembly that appropriation increases for the purposes specified shall not be used to reduce the general fund
- 33 appropriations for the Department of Corrections.
- 34 § 4-1.05 REVERSION OF APPROPRIATIONS AND REAPPROPRIATIONS
- 35 a. GENERAL FUND OPERATING EXPENSE:
- 36 1.a) General fund appropriations which remain unexpended on (i) the last day of the previous biennium or (ii) the last day of
- 37 the first year of the current biennium, shall be reappropriated and allotted for expenditure where required by the Code of
- 38 Virginia, where necessary for the payment of preexisting obligations for the purchase of goods or services, or where desirable,
- 39 in the determination of the Governor, to address any of the six conditions listed in § 4-1.03 c.5 of this act or to provide financial
- 40 incentives to reduce spending to effect current or future cost savings. With the exception of the unexpended general fund
- 41 appropriations of agencies in the Legislative Department, the Judicial Department, the Independent Agencies, or institutions of
- 42 higher education, all other such unexpended general fund appropriations unexpended on the last day of the previous biennium
- 43 or the last day of the first year of the current biennium shall revert to the general fund.
- 44 b) General fund appropriations for agencies in the Legislative Department, the Judicial Department, and the Independent
- 45 Agencies shall be reappropriated, except as may be specifically provided otherwise by the General Assembly. General fund
- 46 appropriations shall also be reappropriated for institutions of higher education, subject to § 23.1-1002, Code of Virginia.
- 47 c) To improve the stability in institutional planning and predictability for students and families to prepare for the cost of higher
- 48 education, public higher education institutions are encouraged to employ the financial management strategy of establishing an
- 49 institutional reserve fund supported by any unexpended education and general appropriations of the institution at the end of the
- 50 fiscal year. The establishment of such a fund is designed to foster more long-term planning, promote efficient resource

1 utilization and reduce the need for substantial year-to-year increases in tuition, thereby increasing affordability for Virginians.
 2 Independent of the provisions of § 23.1-1001, institutions are authorized to carry over education and general unexpended balances to
 3 establish and maintain a reserve fund in an amount not to exceed three percent of their general fund appropriation for educational
 4 and general programs in the most recently-completed fiscal year. Any use of the reserve fund shall be approved by the Board of
 5 Visitors of the affected institution, and the institution shall immediately report the details of the approved plan for use of the reserve
 6 fund to the Governor, the Secretary of Education, the Secretary of Finance and the Chairmen of the House Appropriations and
 7 Senate Finance Committees. Any reserve fund shall be subject to the provisions of § 23.1-1303.B.11.

8 2. a. The Governor shall report within five calendar days after completing the reappropriation process to the Chairmen of the Senate
 9 Finance and House Appropriations Committees on the reappropriated amounts for each state agency in the Executive Department.
 10 He shall provide a preliminary report of reappropriation actions on or before November 1 and a final report on or before December
 11 20 to the Chairmen of the House Appropriations and Senate Finance Committees.

12 b. The Director, Department of Planning and Budget, may transfer reappropriated amounts within an agency to cover nonrecurring
 13 costs.

14 3. Pursuant to subsection E of § 2.2-1125, Code of Virginia, the determination of compliance by an agency or institution with
 15 management standards prescribed by the Governor shall be made by the Secretary of Finance and the Secretary having jurisdiction
 16 over the agency or institution, acting jointly.

17 4. The general fund resources available for appropriation in the first enactment of this act include the reversion of certain
 18 unexpended balances in operating appropriations as of June 30 of the prior fiscal year, which were otherwise required to be
 19 reappropriated by language in the Appropriation Act.

20 5. Upon request, the Director, Department of Planning and Budget, shall provide a report to the Chairmen of the House
 21 Appropriations and Senate Finance Committees showing the amount reverted for each agency and the total amount of such
 22 reversions.

23 b. NONGENERAL FUND OPERATING EXPENSE:

24 Based on analysis by the State Comptroller, when any nongeneral fund has had no increases or decreases in fund balances for a
 25 period of 24 months, the State Comptroller shall promptly transfer and pay the balance into the fund balance of the general fund. If it
 26 is subsequently determined that an appropriate need warrants repayment of all or a portion of the amount transferred, the Director,
 27 Department of Planning and Budget shall include repayment in the next budget bill submitted to the General Assembly. This
 28 provision does not apply to funds held in trust by the Commonwealth.

29 c. CAPITAL PROJECTS:

30 1. Upon certification by the Director, Department of Planning and Budget, the State Comptroller is hereby authorized to revert to the
 31 fund balance of the general fund any portion of the unexpended general fund cash balance and corresponding appropriation or
 32 reappropriation for a capital project when the Director determines that such portion is not needed for completion of the project. The
 33 State Comptroller may similarly return to the appropriate fund source any part of the unexpended nongeneral fund cash balance and
 34 reduce any appropriation or reappropriation which the Director determines is not needed to complete the project.

35 2. The unexpended general fund cash balance and corresponding appropriation or reappropriation for capital projects shall revert to
 36 and become part of the fund balance of the general fund during the current biennium as of the date the Director, Department of
 37 Planning and Budget, certifies to the State Comptroller that the project has been completed in accordance with the intent of the
 38 appropriation or reappropriation and there are no known unpaid obligations related to the project. The State Comptroller shall return
 39 the unexpended nongeneral fund cash balance, if there be any, for such completed project to the source from which said nongeneral
 40 funds were obtained. Likewise, he shall revert an equivalent portion of the appropriation or reappropriation of said nongeneral funds.

41 3. The Director, Department of Planning and Budget, may direct the restoration of any portion of the reverted amount if he shall
 42 subsequently verify an unpaid obligation or requirement for completion of the project. In the case of a capital project for which an
 43 unexpended cash balance was returned and appropriation or reappropriation was reverted in the prior biennium, he may likewise
 44 restore any portion of such amount under the same conditions.

45 § 4-1.06 LIMITED ADJUSTMENTS OF APPROPRIATIONS

46 a. LIMITED CONTINUATION OF APPROPRIATIONS.

47 Notwithstanding any contrary provision of law, any unexpended balances on the books of the State Comptroller as of the last day of
 48 the previous biennium shall be continued in force for such period, not exceeding 10 days from such date, as may be necessary in
 49 order to permit payment of any claims, demands or liabilities incurred prior to such date and unpaid at the close of business on such
 50 date, and shown by audit in the Department of Accounts to be a just and legal charge, for values received as of the last day of the
 51 previous biennium, against such unexpended balances.

52 b. LIMITATIONS ON CASH DISBURSEMENTS.

1 Notwithstanding any contrary provision of law, the State Comptroller may begin preparing the accounts of the Commonwealth
 2 for each subsequent fiscal year on or about 10 days before the start of such fiscal year. The books will be open only to enter
 3 budgetary transactions and transactions that will not require the receipt or disbursement of funds until after June 30. Should an
 4 emergency arise, or in years in which July 1 falls on a weekend requiring the processing of transactions on or before June 30,
 5 the State Comptroller may, with notification to the Auditor of Public Accounts, authorize the disbursement of funds drawn
 6 against appropriations of the subsequent fiscal year, not to exceed the sum of three million dollars (\$3,000,000) from the
 7 general fund. This provision does not apply to debt service payments on bonds of the Commonwealth which shall be made in
 8 accordance with bond documents, trust indentures, and/or escrow agreements.

9 § 4-1.07 ALLOTMENTS

10 Except when otherwise directed by the Governor within the limits prescribed in §§ 4-1.02 Withholding of Spending Authority,
 11 4-1.03 Appropriation Transfers, and 4-1.04 Appropriation Increases of this act, the Director, Department of Planning and
 12 Budget, shall prepare and act upon the allotment of appropriations required by this act, and by § 2.2-1819, Code of Virginia,
 13 and the authorizations for rates of pay required by this act. Such allotments and authorizations shall have the same effect as if
 14 the personal signature of the Governor were subscribed thereto. This section shall not be construed to prohibit an appeal by the
 15 head of any state agency to the Governor for reconsideration of any action taken by the Director, Department of Planning and
 16 Budget, under this section.

17 § 4-2.00 REVENUES

18 § 4-2.01 NONGENERAL FUND REVENUES

19 a. SOLICITATION AND ACCEPTANCE OF DONATIONS, GIFTS, GRANTS, AND CONTRACTS:

20 1. No state agency shall solicit or accept any donation, gift, grant, or contract without the written approval of the Governor
 21 except under written guidelines issued by the Governor which provide for the solicitation and acceptance of nongeneral funds,
 22 except that donations or gifts to the Virginia War Memorial Foundation that are small in size and number and valued at less
 23 than \$5,000, such as library items or small display items, may be approved by the Executive Director of the Virginia War
 24 Memorial in consultation with the Secretary of Veterans Affairs and Homeland Security. All other gifts and donations to the
 25 Virginia War Memorial Foundation must receive written approval from the Secretary of Veterans Affairs and Homeland
 26 Security.

27 2. The Governor may issue policies in writing for procedures which allow state agencies to solicit and accept nonmonetary
 28 donations, gifts, grants, or contracts except that donations, gifts and grants of real property shall be subject to § 4-4.00 of this
 29 act and § 2.2-1149, Code of Virginia. This provision shall apply to donations, gifts and grants of real property to endowment
 30 funds of institutions of higher education, when such endowment funds are held by the institution in its own name and not by a
 31 separately incorporated foundation or corporation.

32 3. The preceding subdivisions shall not apply to property and equipment acquired and used by a state agency or institution
 33 through a lease purchase agreement and subsequently donated to the state agency or institution during or at the expiration of the
 34 lease purchase agreement, provided that the lessor is the Virginia College Building Authority.

35 4. The use of endowment funds for property, plant or equipment for state-owned facilities is subject to §§ 4-2.03 Indirect Costs,
 36 4-4.01 Capital Projects-General and 4-5.03 Services and Clients of this act.

37 b. HIGHER EDUCATION TUITION AND FEES

38 1. Except as provided in Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of
 39 Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly, all nongeneral fund collections by public institutions of
 40 higher education, including collections from the sale of dairy and farm products, shall be deposited in the state treasury in
 41 accordance with § 2.2-1802, Code of Virginia, and expended by the institutions of higher education in accordance with the
 42 appropriations and provisions of this act, provided, however, that this requirement shall not apply to private gifts, endowment
 43 funds, or income derived from endowments and gifts.

44 2. a) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at
 45 levels they deem to be appropriate for all resident student groups based on, but not limited to, competitive market rates,
 46 provided that the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund
 47 appropriation for educational and general programs provided in this act.

48 b) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels
 49 they deem to be appropriate for all nonresident student groups based on, but not limited to, competitive market rates, provided
 50 that: i) the tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students cover at
 51 least 100 percent of the average cost of their education, as calculated through base adequacy guidelines adopted, and
 52 periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies, and ii) the total revenue
 53 generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and

- 1 general programs provided in this act.
- 2 c) For institutions charging nonresident students less than 100 percent of the cost of education, the State Council of Higher
3 Education for Virginia may authorize a phased approach to meeting this requirement, when in its judgment, it would result in annual
4 tuition and fee increases for nonresident students that would discourage their enrollment.
- 5 d) The Boards of Visitors or other governing bodies of institutions of higher education shall not increase the current proportion of
6 nonresident undergraduate students if the institution's nonresident undergraduate enrollment exceeds 25 percent. Norfolk State
7 University, Virginia Military Institute, Virginia State University, and two-year public institutions are exempt from this restriction.
- 8 3. a) In setting the nongeneral fund appropriation for educational and general programs at the institutions of higher education, the
9 General Assembly shall take into consideration the appropriate student share of costs associated with providing full funding of the
10 base adequacy guidelines referenced in subparagraph 2. b), raising average salaries for teaching and research faculty to the 60th
11 percentile of peer institutions, and other priorities set forth in this act.
- 12 b) In determining the appropriate state share of educational costs for resident students, the General Assembly shall seek to cover at
13 least 67 percent of educational costs associated with providing full funding of the base adequacy guidelines referenced in
14 subparagraph 2. b), raising average salaries for teaching and research faculty to the 60th percentile of peer institutions, and other
15 priorities set forth in this act.
- 16 4. a) Each institution and the State Council of Higher Education for Virginia shall monitor tuition, fees, and other charges, as well as
17 the mix of resident and nonresident students, to ensure that the primary mission of providing educational opportunities to citizens of
18 Virginia is served, while recognizing the material contributions provided by the presence of nonresident students. The State Council
19 of Higher Education for Virginia shall also develop and enforce uniform guidelines for reporting student enrollments and the
20 domiciliary status of students.
- 21 b) The State Council of Higher Education for Virginia shall report to the Governor and the Chairmen of the House Appropriations
22 and Senate Finance Committees no later than August 1 of each year the annual change in total charges for tuition and all required
23 fees approved and allotted by the Board of Visitors. As it deems appropriate, the State Council of Higher Education for Virginia
24 shall provide comparative national, peer, and market data with respect to charges assessed students for tuition and required fees at
25 institutions outside of the Commonwealth.
- 26 c) Institutions of higher education are hereby authorized to make the technology service fee authorized in Chapter 1042, 2003 Acts
27 of Assembly, part of ongoing tuition revenue. Such revenues shall continue to be used to supplement technology resources at the
28 institutions of higher education.
- 29 d) Except as provided in Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly,
30 and Chapters 675 and 685 of the 2009 Acts of Assembly, each institution shall work with the State Council of Higher Education for
31 Virginia and the Virginia College Savings Plan to determine appropriate tuition and fee estimates for tuition savings plans.
- 32 5. It is the intent of the General Assembly that each institution's combined general and nongeneral fund appropriation within its
33 educational and general program closely approximate the anticipated annual budget each fiscal year.
- 34 6. Nonresident graduate students employed by an institution as teaching assistants, research assistants, or graduate assistants and
35 paid at an annual contract rate of \$4,000 or more may be considered resident students for the purposes of charging tuition and fees.
- 36 7. The fund source "Higher Education Operating" within educational and general programs for institutions of higher education
37 includes tuition and fee revenues from nonresident students to pay their proportionate share of the amortized cost of the construction
38 of buildings approved by the Commonwealth of Virginia Educational Institutions Bond Act of 1992 and the Commonwealth of
39 Virginia Educational Facilities Bond Act of 2002.
- 40 8. a) 1) Except as provided in Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of
41 Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly, mandatory fees for purposes other than educational and general
42 programs shall not be increased for Virginia undergraduates beyond three percent annually, excluding requirements for wage, salary,
43 and fringe benefit increases, authorized by the General Assembly. Fee increases required to carry out actions that respond to
44 mandates of federal agencies are also exempt from this provision, provided that a report on the purposes of the amount of the fee
45 increase is submitted to the Chairmen of the House Appropriations and Senate Finance Committees by the institution of higher
46 education at least 30 days prior to the effective date of the fee increase.
- 47 2) The University of Mary Washington is hereby authorized to undertake a review of its tuition and fee structure for the purpose of
48 more closely aligning auxiliary fees, including room, board, and the comprehensive fee, with auxiliary expenditure budgets.
49 Adjustments to mandatory fees in auxiliary programs may exceed three percent subject to annual approval by the University's Board
50 of Visitors to the extent required to effect budgetary alignment of revenues and expenditures. This exemption will be limited to the
51 period beginning in fiscal year 2019-20 and extending through the end of fiscal year 2023-24.
- 52 b) This restriction shall not apply in the following instances: fee increases directly related to capital projects authorized by the
53 General Assembly; fee increases to support student health services; and other fee increases specifically authorized by the General

- 1 Assembly.
- 2 c) Due to the small mandatory non-educational and general program fees currently assessed students in the Virginia
3 Community College System, increases in any one year of no more than \$15 shall be allowed on a cost-justified case-by-case
4 basis, subject to approval by the State Board for Community Colleges.
- 5 9. Any institution of higher education granting new tuition waivers to resident or nonresident students not authorized by the
6 Code of Virginia must absorb the cost of any discretionary waivers.
- 7 10. Tuition and fee revenues from nonresident students taking courses through Virginia institutions from the Southern Regional
8 Education Board's Southern Regional Electronic Campus must exceed all direct and indirect costs of providing instruction to
9 those students. Tuition and fee rates to meet this requirement shall be established by the Board of Visitors of the institution.
- 10 c. HIGHER EDUCATION PLANNED EXCESS REVENUES:
- 11 An institution of higher education, except for those public institutions governed by Chapters 933 and 943 of the 2006 Acts of
12 Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly, may
13 generate and retain tuition and fee revenues in excess of those provided in § 4-2.01 b Higher Education Tuition and Fees,
14 subject to the following:
- 15 1. Such revenues are identified by language in the appropriations in this act to any such institution.
- 16 2. The use of such moneys is fully documented by the institution to the Governor prior to each fiscal year and prior to
17 allotment.
- 18 3. The moneys are supplemental to, and not a part of, ongoing expenditure levels for educational and general programs used as
19 the basis for funding in subsequent biennia.
- 20 4. The receipt and expenditure of these moneys shall be recorded as restricted funds on the books of the Department of
21 Accounts and shall not revert to the surplus of the general fund at the end of the biennium.
- 22 5. Tuition and fee revenues generated by the institution other than as provided herein shall be subject to the provisions of § 4-
23 1.04 a.3 Gifts, Grants, and Other Nongeneral Funds of this act.
- 24 § 4-2.02 GENERAL FUND REVENUE
- 25 a. STATE AGENCY PAYMENTS INTO GENERAL FUND:
- 26 1. Except as provided in § 4-2.02 a.2., all moneys, fees, taxes, charges and revenues received at any time by the following
27 agencies from the sources indicated shall be paid immediately into the general fund of the state treasury:
- 28 a) Marine Resources Commission, from all sources, except:
- 29 1) Revenues payable to the Public Oyster Rocks Replenishment Fund established by § [28.2-542](#), Code of Virginia.
- 30 2) Revenue payable to the Virginia Marine Products Fund established by § [3.2-2705](#), Code of Virginia.
- 31 3) Revenue payable to the Virginia Saltwater Recreational Fishing Development Fund established by § [28.2-302.3](#), Code of
32 Virginia.
- 33 4) Revenue payable to the Marine Fishing Improvement Fund established by § [28.2-208](#), Code of Virginia.
- 34 5) Revenue payable to the Marine Habitat and Waterways Improvement Fund established by § [28.2-1206](#), Code of Virginia.
- 35 b1) Department of Labor and Industry, or any other agency, for the administration of the state labor and employment laws
36 under Title 40.1, Code of Virginia.
- 37 2) Department of Labor and Industry, from boiler and pressure vessel inspection certificate fees, pursuant to § [40.1-51.15](#), Code
38 of Virginia.
- 39 c) All state institutions for the mentally ill or intellectually disabled, from fees or per diem paid employees for the performance
40 of services for which such payment is made, except for a fee or per diem allowed by statute to a superintendent or staff member
41 of any such institution when summoned as a witness in any court.
- 42 d) Secretary of the Commonwealth, from all sources.
- 43 e) The Departments of Corrections and Juvenile Justice, as required by law, including revenues from sales of dairy and other
44 farm products.

- 1 f) Auditor of Public Accounts, from charges for audits or examinations when the law requires that such costs be borne by the county,
2 city, town, regional government or political subdivision of such governments audited or examined.
- 3 g) Department of Education, from repayment of student scholarships and loans, except for the cost of such collections.
- 4 h) Department of the Treasury, from the following source:
5 Fees collected for handling cash and securities deposited with the State Treasurer pursuant to § 46.2-454, Code of Virginia.
- 6 i) Attorney General, from recoveries of attorneys' fees and costs of litigation.
- 7 j) Department of Social Services, from net revenues received from child support collections after all disbursements are made in
8 accordance with state and federal statutes and regulations, and the state's share of the cost of administering the programs is paid.
- 9 k) Department of General Services, from net revenues received from refunds of overpayments of utilities charges in prior fiscal
10 years, after deduction of the cost of collection and any refunds due to the federal government.
- 11 l) Without regard to paragraph e) above, the following revenues shall be excluded from the requirement for deposit to the general
12 fund and shall be deposited as follows: (1) payments to Virginia Correctional Enterprises shall be deposited into the Virginia
13 Correctional Enterprises Fund; (2) payments to the Departments of Corrections and Juvenile Justice for work performed by inmates,
14 work release prisoners, probationers or wards, which are intended to cover the expenses of these inmates, work release prisoners,
15 probationers, or wards, shall be retained by the respective agencies for their use; and (3) payments to the Departments of Corrections
16 and Juvenile Justice for work performed by inmates in educational programs shall be retained by the agency to increase vocational
17 training activities and to purchase work tools and work clothes for inmates, upon release.
- 18 m) the Department of State Police, from the fees generated by the Firearms Transaction Program Fund, the Concealed Weapons
19 Program, and the Conservator of the Peace Program pursuant to §§ 18.2-308, 18.2-308.2:2 and 19.2-13, Code of Virginia
- 20 2. The provisions of § 4-2.02 a.1. State Agency Payments into General Fund shall not apply to proceeds from the sale of surplus
21 materials pursuant to § 2.2-1125, Code of Virginia. However, the State Comptroller is authorized to transfer to the general fund of
22 the state treasury, out of the credits under § 4-1.04 a.1 Unappropriated Nongeneral Funds – Sale of Surplus Materials of this act,
23 sums derived from the sale of materials originally purchased with general fund appropriations. The State Comptroller may authorize
24 similar transfers of the proceeds from the sale of property not subject to § 2.2-1124, Code of Virginia, if said property was originally
25 acquired with general fund appropriations, unless the General Assembly provides otherwise.
- 26 n) Without regard to § 4-2.02 a.1 above, payments to the Treasurer of Virginia assessed to insurance companies for the safekeeping
27 and handling of securities or surety bonds deposited as insurance collateral shall be deposited into the Insurance Collateral
28 Assessment Fund to defray such safekeeping and handling expenses.
- 29 b. DEFINITION OF GENERAL FUND REVENUE FOR PERSONAL PROPERTY RELIEF ACT
- 30 Notwithstanding any contrary provision of law, for purposes of subsection C of § 58.1-3524 and subsection B of § 58.1-3536, Code
31 of Virginia, the term general fund revenues, excluding transfers, is defined as (i) all state taxes, including penalties and interest,
32 required and/or authorized to be collected and paid into the general fund of the state treasury pursuant to Title 58.1, Code of
33 Virginia; (ii) permits, fees, licenses, fines, forfeitures, charges for services, and revenue from the use of money and property required
34 and/or authorized to be paid into the general fund of the treasury; and (iii) amounts required to be deposited to the general fund of
35 the state treasury pursuant to § 4-2.02 a.1., of this act. However, in no case shall (i) lump-sum payments, (ii) one-time payments not
36 generated from the normal operation of state government, or (iii) proceeds from the sale of state property or assets be included in the
37 general fund revenue calculations for purposes of subsection C of § 58.1-3524 and subsection B of § 58.1-3536, Code of Virginia.
- 38 c. DATE OF RECEIPT OF REVENUES:
- 39 All June general fund collections received under Subtitle I of Title 58.1, Code of Virginia, bearing a postmark date or electronic
40 transactions with a settlement or notification date on or before the first business day in July, when June 30 falls on a Saturday or
41 Sunday, shall be considered as June revenue and recorded under guidelines established annually by the Department of Accounts.
- 42 d. RECOVERIES BY THE OFFICE OF THE ATTORNEY GENERAL
- 43 1. As a condition of the appropriation for Item 59 of this Act, there is hereby created the Disbursement Review Committee (the
44 "Committee"), the members of which are the Attorney General, who shall serve as chairman; two members of the House of
45 Delegates appointed by the Speaker of the House; two members of the Senate appointed by the Chairman of the Senate Committee
46 on Rules; and two members appointed by the Governor.
- 47 2. Whenever forfeitures are available for distribution by the Attorney General through programs overseen by either the U.S.
48 Department of Justice Asset Forfeiture Program or the U.S. Treasury Executive Office for Asset Forfeiture, by virtue of the Attorney
49 General's participation on behalf of the Commonwealth or on behalf of an agency of the Commonwealth, the Attorney General shall
50 seek input from the Committee, to the extent permissible under applicable federal law and guidelines, for the preparation of a

1 proposed Distribution Plan (the "Plan") regarding the distribution and use of money or property, or both. If a federal entity must
 2 approve the Plan for such distribution or use, or both, and does not approve the Plan submitted by the Attorney General, the
 3 Plan may be revised if deemed appropriate and resubmitted to the federal entity for approval following notification of the
 4 Committee. If the federal entity approves the original Plan or a revised Plan, the Attorney General shall inform the Committee,
 5 and ensure that such money or property, or both, is distributed or used, or both, in a manner that is consistent with the Plan
 6 approved by the federal entity. The distribution of any money or property, or both, shall be done in a manner as prescribed by
 7 the State Comptroller and consistent with any federal authorization in order to ensure proper accounting on the books of the
 8 Commonwealth.

9 e. REVENUES GENERATED FROM CLIMATE CHANGE COMPACTS

10 Any revenues generated through participation in any regional climate change compact, including but not limited to the
 11 Regional Greenhouse Gas Initiative and the Transportation Climate Initiative, shall be deposited in the general fund and shall
 12 not be transferred to any other entity as a condition of such compact nor shall such funds be expended for any projects or
 13 programs without the express approval of the General Assembly as evidenced by an appropriation of such funds in a general
 14 Appropriation Act with the exception of expenditures required pursuant to any contracts signed prior to the passage of this act
 15 by the General Assembly.

16 § 4-2.03 INDIRECT COSTS

17 a. INDIRECT COST RECOVERIES FROM GRANTS AND CONTRACTS:

18 Each state agency, including institutions of higher education, which accepts a grant or contract shall recover full statewide and
 19 agency indirect costs unless prohibited by the grantor agency or exempted by provisions of this act.

20 b. AGENCIES OTHER THAN INSTITUTIONS OF HIGHER EDUCATION:

21 The following conditions shall apply to indirect cost recoveries received by all agencies other than institutions of higher
 22 education:

23 1. The Governor shall include in the recommended nongeneral fund appropriation for each agency in this act the amount which
 24 the agency includes in its revenue estimate as an indirect cost recovery. The recommended nongeneral fund appropriations shall
 25 reflect the indirect costs in the program incurring the costs.

26 2. If actual agency indirect cost recoveries exceed the nongeneral fund amount appropriated in this act, the Director,
 27 Department of Planning and Budget, is authorized to increase the nongeneral fund appropriation to the agency by the amount of
 28 such excess indirect cost recovery. Such increase shall be made in the program incurring the costs.

29 3. Statewide indirect cost recoveries shall be paid into the general fund of the state treasury, unless the agency is specifically
 30 exempted from this requirement by language in this act. Any statewide indirect cost recoveries received by the agency in excess
 31 of the exempted sum shall be deposited to the general fund of the state treasury.

32 c. INSTITUTIONS OF HIGHER EDUCATION:

33 The following conditions shall apply to indirect cost recoveries received by institutions of higher education:

34 1. Seventy percent shall be retained by the institution as an appropriation of moneys for the conduct and enhancement of
 35 research and research-related requirements. Such moneys may be used for payment of principal of and interest on bonds issued
 36 by or for the institution pursuant to § 23.1-1106, Code of Virginia, for any appropriate purpose of the institution, including, but
 37 not limited to, the conduct and enhancement of research and research-related requirements.

38 2. Thirty percent of the indirect cost recoveries for the level of sponsored programs authorized in the appropriations in Part 1 of
 39 Chapter 1042 of the Acts of Assembly of 2003, shall be included in the educational and general revenues of the institution to
 40 meet administrative costs.

41 3. Institutions of higher education may retain 100 percent of the indirect cost recoveries related to research grant and contract
 42 levels in excess of the levels authorized in Chapter 1042 of the Acts of Assembly of 2003. This provision is included as an
 43 additional incentive for increasing externally funded research activities.

44 d. REPORTS

45 The Director, Department of Planning and Budget, shall make available via electronic means a report to the Chairmen of the
 46 Senate Finance and House Appropriations Committees and the public no later than September 1 of each year on the indirect
 47 cost recovery moneys administratively appropriated.

48 e. REGULATIONS:

49 The State Comptroller is hereby authorized to issue regulations to carry out the provisions of this subsection, including the

1 establishment of criteria to certify that an agency is in compliance with the provisions of this subsection.

2 **§ 4-3.00 DEFICIT AUTHORIZATION AND TREASURY LOANS**

3 § 4-3.01 DEFICITS

4 a. GENERAL:

5 1. Except as provided in this section no state agency shall incur a deficit. No state agency receiving general fund appropriations
6 under the provisions of this act shall obligate or expend moneys in excess of its general fund appropriations, nor shall it obligate or
7 expend moneys in excess of nongeneral fund revenues that are collected and appropriated.

8 2. The Governor is authorized to approve deficit funding for a state agency under the following conditions:

9 a) an unanticipated federal or judicial mandate has been imposed,

10 b) insufficient moneys are available in the first year of the biennium for start-up of General Assembly-approved action, or

11 c) delay pending action by the General Assembly at its next legislative session will result in the curtailment of services required by
12 statute or those required by federal mandate or will produce a threat to life, safety, health or property.

13 d) Such approval by the Governor shall be in writing under the conditions described in § 4-3.02 a Authorized Deficit Loans of this
14 act and shall be promptly communicated to the Chairmen of the House Appropriations and Senate Finance Committees within five
15 calendar days of deficit approval.

16 3. Deficits shall not be authorized for capital projects.

17 4. The Department of Transportation may obligate funds in excess of the current biennium appropriation for projects of a capital
18 nature not covered by § 4-4.00 Capital Projects, of this act provided such projects a) are delineated in the Virginia Transportation
19 Six-Year Improvement Program, as approved by the Commonwealth Transportation Board; and b) have sufficient cash allocated to
20 each such project to cover projected costs in each year of the Program; and provided that c) sufficient revenues are projected to meet
21 all cash obligations for such projects as well as all other commitments and appropriations approved by the General Assembly in the
22 biennial budget.

23 b. UNAUTHORIZED DEFICITS: If any agency contravenes any of the prohibitions stated above, thereby incurring an unauthorized
24 deficit, the Governor is hereby directed to withhold approval of such excess obligation or expenditure. Further, there shall be no
25 reimbursement of said excess, nor shall there be any liability or obligation upon the state to make any appropriation hereafter to meet
26 such unauthorized deficit. Further, those members of the governing board of any such agency who shall have voted therefor, or its
27 head if there be no governing board, making any such excess obligation or expenditure shall be personally liable for the full amount
28 of such unauthorized deficit and, at the discretion of the Governor, shall be deemed guilty of neglect of official duty and be subject
29 to removal therefor. Further, the State Comptroller is hereby directed to make public any such unauthorized deficit, and the Director,
30 Department of Planning and Budget, is hereby directed to set out such unauthorized deficits in the next biennium budget. In addition,
31 the Governor is directed to bring this provision of this act to the attention of the members of the governing board of each state
32 agency, or its head if there be no governing board, within two weeks of the date that this act becomes effective. The governing board
33 or the agency head shall execute and return to the Governor a signed acknowledgment of such notification.

34 c. TOTAL AUTHORIZED DEFICITS: The amount which the Governor may authorize, under the provisions of this section during
35 the current biennium, to be expended from loans repayable out of the general fund of the state treasury, for all state agencies, or
36 other agencies combined, in excess of general fund appropriations for the current biennium, shall not exceed one and one-half
37 percent (1 1/2%) of the revenues collected and paid into the general fund of the state treasury as defined in § 4-2.02 b. of this act
38 during the last year of the previous biennium and the first year of the current biennium.

39 d. The Governor shall report any such authorized and unauthorized deficits to the Chairmen of the House Appropriations and Senate
40 Finance Committees within five calendar days of deficit approval. By August 15 of each year, the Governor shall provide a
41 comprehensive report to the Chairmen of the House Appropriations and Senate Finance Committees detailing all such deficits.

42 § 4-3.02 TREASURY LOANS

43 a. AUTHORIZED DEFICIT LOANS: A state agency requesting authorization for deficit spending shall prepare a plan for the
44 Governor's review and approval, specifying appropriate financial, administrative and management actions necessary to eliminate the
45 deficit and to prevent future deficits. If the Governor approves the plan and authorizes a state agency to incur a deficit under the
46 provisions of this section, the amount authorized shall be obtained by the agency by borrowing the authorized amount on such terms
47 and from such sources as may be approved by the Governor. At the close of business on the last day of the current biennium, any
48 unexpended balance of such loan shall be applied toward repayment of the loan, unless such action is contrary to the conditions of
49 the loan approval. The Director, Department of Planning and Budget, shall set forth in the next biennial budget all such loans which
50 require an appropriation for repayment. A copy of the approved plan to eliminate the deficit shall be transmitted to the Chairmen of
51 the House Appropriations and the Senate Finance Committees within five calendar days of approval.

- 1 b. ANTICIPATION LOANS: Authorization for anticipation loans are limited to the provisions below.
- 2 1.a) When the payment of authorized obligations for operating expenses is required prior to the collection of nongeneral fund
3 revenues, any state agency may borrow from the state treasury the required sums with the prior written approval of the
4 Secretary of Finance or his designee as to the amount, terms and sources of such funds; such loans shall not exceed the amount
5 of the anticipated collections of such revenues and shall be repaid only from such revenues when collected.
- 6 b) When the payment of authorized obligations for capital expenses is required prior to the collection of nongeneral fund
7 revenues or proceeds from authorized debt, any state agency or body corporate and politic, constituting a public corporation
8 and government instrumentality, may borrow from the state treasury the required sums with the prior written approval of the
9 Secretary of Finance or his designee as to the amount, terms and sources of such funds; such loans in anticipation of bond
10 proceeds shall not exceed the amount of the anticipated proceeds from debt authorized by the General Assembly and shall be
11 repaid only from such proceeds when collected.
- 12 2. Anticipation loans for operating expenses shall be in amounts not greater than the sum identified by the agency as the
13 minimum amount required to meet the projected expenditures. The term of any anticipation loans granted for operating
14 expenses shall not exceed twelve months.
- 15 3. Before an anticipation loan for a capital project is authorized, the agency shall develop a plan for financing such capital
16 project; approval of the State Treasurer shall be obtained for all plans to incur authorized debt.
- 17 4. Anticipation loans for capital projects shall be in amounts not greater than the sum identified by the agency as required to
18 meet the projected expenditures for the project within the current biennium.
- 19 5. To ensure that such loans are repaid as soon as practical and economical, the Department of Planning and Budget shall
20 monitor the construction and expenditure schedules of all approved capital projects that will be paid for with proceeds from
21 authorized debt and have anticipation loans.
- 22 6. Unless otherwise prohibited by federal or state law, the State Treasurer shall charge current market interest rates on
23 anticipation loans made for operating purposes and capital projects subject to the following:
- 24 a) Anticipation loans for capital projects for which debt service will be paid with general fund appropriations shall be exempt
25 from interest payments on borrowed balances.
- 26 b) Interest payments on anticipation loans for nongeneral fund capital projects or nongeneral fund operating expenses shall be
27 made from appropriated nongeneral fund revenues. Such interest shall not be paid with the funds from the anticipation loan or
28 from the proceeds of authorized debt without the approval of the State Treasurer.
- 29 c) REPORTING: All outstanding loans shall be reported by the Governor to the Chairmen of the House Appropriations and
30 Senate Finance Committees by August 15 of each year. The report shall include a status of the repayment schedule for each
31 loan.
- 32 c. ANTICIPATION LOANS FOR PROJECTS NOT INCLUDED IN THIS ACT OR FOR PROJECTS AUTHORIZED
33 UNDER § 4-4.01M: Authorization for anticipation loans for projects not included in this act or for projects authorized under §
34 4-4.01 m are limited to the provisions below:
- 35 1. Such loans are limited to those projects that shall be repaid from revenues derived from nongeneral fund sources.
- 36 2.a) When the payment of authorized obligations for operating expenses is required prior to the collection of nongeneral fund
37 revenues, any state agency may borrow from the state treasury the required sum with the prior written approval of the Secretary
38 of Finance or his designee as to the amount, terms, and sources of such funds. Such loans shall not exceed the amount of the
39 anticipated collections of such nongeneral fund revenues and shall be repaid only from such nongeneral fund revenues when
40 collected.
- 41 b) When the payment of obligations for capital expenses for projects authorized under § 4-4.01 m is required prior to the
42 collection of nongeneral fund revenues, any state agency or body corporate and politic, constituting a public corporation and
43 government instrumentality, may borrow from the state treasury the required sums with the prior written approval of the
44 Secretary of Finance or his designee as to the amount, terms and sources of such funds. Such loans shall be repaid only from
45 nongeneral fund revenues associated with the project.
- 46 3. Anticipation loans for operating expenses shall be in amounts not greater than the sum identified by the agency as the
47 minimum amount required to meet projected expenditures. The term of any anticipation loans granted for operating expenses
48 shall not exceed 12 months.
- 49 4. Before an anticipation loan is provided for a capital project authorized under § 4-4.01 m, the agency shall develop a plan for
50 repayment of such loan and approval of the Director of the Department of Planning and Budget shall be obtained for all such
51 plans and reported to the Chairman of the House Appropriations and Senate Finance Committees.

1 5. Anticipation loans for capital projects authorized under § 4-4.01 m shall be in amounts not greater than the sum identified by the
2 agency as required to meet the projected expenditures for the project within the current biennium. Such loans shall be repaid only
3 from nongeneral fund revenues associated with the project.

4 6. The State Treasurer shall charge current market interest rates on anticipation loans made for capital projects authorized under § 4-
5 4.01 m. Interest payments on anticipation loans for nongeneral fund capital projects authorized under § 4-4.01 m shall be made from
6 appropriated nongeneral fund revenues. Such interest shall not be paid with the funds from the anticipation loan without the approval
7 of the Director of the Department of Planning and Budget.

8 a) REPORTING: All outstanding loans shall be reported by the Governor to the Chairmen of the House Appropriations and Senate
9 Finance Committees by August 15 of each year. The report shall include a status of the repayment schedule for each loan.

10 § 4-3.03 CAPITAL LEASES

11 a. GENERAL:

12 1. As part of their capital budget submission, all agencies and institutions of the Commonwealth proposing building projects that
13 may qualify as capital lease agreements, as defined in Generally Accepted Accounting Principles (GAAP), and that may be
14 supported in whole, or in part, from appropriations provided for in this act, shall submit copies of such proposals to the Directors of
15 the Departments of Planning and Budget and General Services, the State Comptroller, and the State Treasurer. The Secretary of
16 Finance may promulgate guidelines for the review and approval of such requests.

17 2. The proposals shall be submitted in such form as the Secretary of Finance may prescribe. The Comptroller and the Director,
18 Department of General Services shall be responsible for evaluating the proposals to determine if they qualify as capital lease
19 agreements. The State Treasurer shall be responsible for incorporating existing and authorized capital lease agreements in the annual
20 Debt Capacity Advisory Committee reports.

21 b. APPROVAL OF FINANCINGS:

22 1. For any project which qualifies as a capital lease, as defined in the preceding subdivisions a 1 and 2, and which is financed
23 through the issuance of securities, the Treasury Board shall approve the terms and structure of such financing pursuant to § 2.2-2416,
24 Code of Virginia.

25 2. For any project for which costs will exceed \$5,000,000 and which is financed through a capital lease transaction, the Treasury
26 Board shall approve the financing terms and structure of such capital lease in addition to such other reviews and approvals as may be
27 required by law. Prior to consideration by the Treasury Board, the Departments of Accounts, General Services, and Planning and
28 Budget shall notify the Treasury Board upon their approval of any transaction which qualifies as a capital lease under the terms of
29 this section. The State Treasurer shall notify the Chairmen of the House Appropriations and Senate Finance Committees of the
30 action of the Treasury Board as it regards this subdivision within five calendar days of its action.

31 c. REPORTS: Not later than December 20 of each year, the Secretary of Finance and the Secretary of Administration shall jointly be
32 responsible for providing the Chairmen of the House Appropriations and Senate Finance Committees with recommendations
33 involving proposed capital lease agreements.

34 d. This section shall not apply to capital leases that are funded entirely with nongeneral fund revenues and are entered into by public
35 institutions of higher education governed by Chapters 933 and 943 of the 2006 Acts of Assembly. Furthermore, the Department of
36 General Services is authorized to enter into capital leases for executive branch agencies provided that the resulting capital lease is
37 funded entirely with nongeneral funds, is approved based on the requirements of § 4-3.03 b.1 and 2 above, and would not be
38 considered tax supported debt of the Commonwealth.

39 § 4-4.00 CAPITAL PROJECTS

40 § 4-4.01 GENERAL

41 a. Definition:

42 1. Unless defined otherwise, when used in this section, "capital project" or "project" means acquisition of property and new
43 construction and improvements related to state-owned property, plant or equipment (including plans therefor), as the terms
44 "acquisition", "new construction", and "improvements" are defined in the instructions for the preparation of the Executive Budget.
45 "Capital project" or "project" shall also mean any improvements to property leased for use by a state agency, and not owned by the
46 state, when such improvements are financed by public funds, except as hereinafter provided in subdivisions 3 and 4 of this
47 subsection.

48 2. The provisions of this section are applicable equally to acquisition of property and plant by purchase, gift, or any other means,
49 including the acquisition of property through a lease/purchase contract, regardless of the method of financing or the source of funds.
50 Acquisition of property by lease shall be subject to § 4-3.03 of this act.

- 1 3. The provisions of this section shall not apply to property or equipment acquired by lease or improvements to leased property
2 and equipment when the improvements are provided by the lessor pursuant to the terms of the lease and upon expiration of the
3 lease remain the property of the lessor.
- 4 4. The provisions of this section shall not apply to property leased by state agencies for the purposes described in §§ 2.2-1151 C
5 and 33.2-1010, Code of Virginia.
- 6 b. Notwithstanding any other provisions of law, requests for appropriations for capital projects shall be subject to the following:
- 7 1. The agency shall submit a capital project proposal for all requested capital projects. Such proposals shall be submitted to the
8 Director, Department of Planning and Budget, for review and approval in accordance with guidelines prescribed by the
9 director. Projects shall be developed to meet agency functional and space requirements within a cost range comparable to
10 similar public and private sector projects.
- 11 2. Except for institutions of higher education governed by Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594
12 and 616 of the 2008 Acts of Assembly and Chapters 675 and 685 of the 2009 Acts of Assembly, financings for capital projects
13 shall comply, where applicable, with the Treasury Board Guidelines issued pursuant to § 2.2-2416, Code of Virginia, and any
14 subsequent amendments thereto.
- 15 3. As part of any request for appropriations for an armory, the Department of Military Affairs shall obtain a written
16 commitment from the host locality to share in the operating expense of the armory.
- 17 c. Each agency head shall provide annually to the Director, Department of Planning and Budget, a report on the use of the
18 maintenance reserve appropriation of the agency in Part 2 of this act. In the use of its maintenance reserve appropriation, an
19 agency shall give first priority to the repair or replacement of roof on buildings under control of the agency. The agency head
20 shall certify in the agency's annual maintenance reserve report that to the best of his or her knowledge, all necessary roof
21 repairs have been accomplished or are in the process of being accomplished. Such roof repairs and replacements shall be in
22 accord with the technical requirements of the Commonwealth's Construction and Professional Services Manual.
- 23 d. The Department of Planning and Budget shall review its approach to capital outlay planning and budgeting from time to time
24 and make available via electronic means a report of any proposed change to the Chairmen of the House Appropriations and
25 Senate Finance Committees and the public prior to its implementation. Such report shall include an analysis of the impact of the
26 suggested change on affected agencies and institutions.
- 27 e. Nothing in §§ 2-0 and 4-4.00 of this act shall be deemed to override the provisions of §§ 2.2-1132 and 62.1-132.6, Code of
28 Virginia, amended by Chapter 488, 1997 Acts of Assembly, relating to Virginia Port Authority capital projects and
29 procurement activities.
- 30 f. Legislative Approval: It is the intent of the General Assembly that, with the exceptions noted in this paragraph and paragraph
31 m, all capital projects to be undertaken by agencies of the Commonwealth, including institutions of higher education, shall be
32 pursuant to approvals by the General Assembly as provided in the Six-Year Capital Outlay Plan established pursuant to § 2.2-
33 1515, et seq., Code of Virginia. Otherwise, the consideration of capital projects shall be limited to:
- 34 1. Supplementing projects which have been bid and determined to have insufficient funding to be placed under contract, and
- 35 2. Projects declared by the Governor or the General Assembly to be of an emergency nature, which may avoid an increase in
36 cost or otherwise result in a measurable benefit to the state, and/or which are required for the continued use of existing
37 facilities.
- 38 3. This paragraph does not prohibit the initiation of projects authorized by § 4-4.01 m hereof, or projects included under the
39 central appropriations for capital project expenses in this act.
- 40 g. Preliminary Requirements: In regard to each capital project for which appropriation or reappropriation is made pursuant to
41 this act, or which is hereafter considered by the Governor for inclusion in the Executive Budget, or which is offered as a gift or
42 is considered for purchase, the Governor is hereby required: (1) to determine the urgency of its need, as compared with the need
43 for other capital projects as herein authorized, or hereafter considered; (2) to determine whether the proposed plans and
44 specifications for each capital project are suitable and adequate, and whether they involve expenditures which are excessive for
45 the purposes intended; (3) to determine whether labor, materials, and other requirements, if any, needed for the acquisition or
46 construction of such project can and will be obtained at reasonable cost; and (4) to determine whether or not the project
47 conforms to a site or master plan approved by the agency head or board of visitors of an institution of higher education for a
48 program approved by the General Assembly.
- 49 h. Initiation Generally:
- 50 1. No architectural or engineering planning for, or construction of, or purchase of any capital project shall be commenced or
51 revised without the prior written approval of the Governor or his designee.

- 1 2. The requirements of § 10.1-1190, Code of Virginia, shall be met prior to the release of funds for a major state project, provided,
 2 however, that the Governor or his designee is authorized to release from any appropriation for a major state project made pursuant to
 3 this act such sum or sums as may be necessary to pay for the preparation of the environmental impact report required by § 10.1-
 4 1188, Code of Virginia.
- 5 3. The Governor, at his discretion, or his designee may release from any capital project appropriation or reappropriation made
 6 pursuant to this act such sum (or sums) as may be necessary to pay for the preparation of plans and specifications by architects and
 7 engineers, provided that the estimated cost of the construction covered by such drawings and specifications does not exceed the
 8 appropriation therefor; provided, further, however, that the architectural and engineering fees paid on completion of the preliminary
 9 design for any such project may be based on such estimated costs as may be approved by the Governor in writing, where it is shown
 10 to the satisfaction of the Governor that higher costs of labor or material, or both, or other unforeseen conditions, have made the
 11 appropriation inadequate for the completion of the project for which the appropriation was made, and where in the judgment of the
 12 Governor such changed conditions justify the payment of architectural or engineering fees based on costs exceeding the
 13 appropriation.
- 14 4. Architectural or engineering contracts shall not be awarded in perpetuity for capital projects at any state institution, agency or
 15 activity.
- 16 i. Capital Projects Financed with Bonds: Capital projects proposed to be financed with (i) 9 (c) general obligation bonds or (ii) 9(d)
 17 obligations where debt service is expected to be paid from project revenues or revenues of the agency or institution, shall be
 18 reviewed as follows:
- 19 1. By August 15 of each year, requests for inclusion in the Executive Budget of capital projects to be financed with 9(c) general
 20 obligation bonds shall be submitted to the State Treasurer for evaluation of financial feasibility. Submission shall be in accordance
 21 with the instructions prescribed by the State Treasurer. The State Treasurer shall distribute copies of financial feasibility studies to
 22 the Director, Department of Planning and Budget, the Secretary for the submitting agency or institution, the Chairmen of the House
 23 Appropriations and Senate Finance Committees, and the Director, State Council of Higher Education for Virginia, if the project is
 24 requested by an institution of higher education.
- 25 2. By August 15 of each year, institutions shall also prepare and submit copies of financial feasibility studies to the State Council of
 26 Higher Education for Virginia for 9(d) obligations where debt service is expected to be paid from project revenues or revenues of the
 27 institution. The State Council of Higher Education for Virginia shall identify the impact of all projects requested by the institutions
 28 of higher education, and as described in § 4-4.01 j.1. of this act, on the current and projected cost to students in institutions of higher
 29 education and the impact of the project on the institution's need for student financial assistance. The State Council of Higher
 30 Education for Virginia shall report such information to the Secretary of Finance and the Chairmen of the House Appropriations and
 31 Senate Finance Committees no later than October 1 of each year.
- 32 3. Prior to the issuance of debt for 9(c) general obligation projects, when more than one year has elapsed since the review of
 33 financial feasibility specified in § 4-4.01 j 1 above, an updated feasibility study shall be prepared by the agency and reviewed by the
 34 State Treasurer prior to requesting the Governor's Opinion of Financial Feasibility required under Article X, Section 9 (c), of the
 35 Constitution of Virginia.
- 36 j. Transfers to supplement capital projects from nongeneral funds may be made under the conditions set forth in §§ 4-1.03 a, 4-1.04
 37 a.3, and 4-4.01 m of this act.
- 38 k.1. Change in Size and Scope: Unless otherwise provided by law, the scope, which is the function or intended use, of any capital
 39 project may not be substantively changed, nor its size increased or decreased by more than five percent in size beyond the plans and
 40 justification which were the basis for the appropriation or reappropriation in this act or for the Governor's authorization pursuant to §
 41 4-4.01 m of this act. However, this prohibition is not applicable to changes in size and scope required because of circumstances
 42 determined by the Governor to be an emergency, or requirements imposed by the federal government when such capital project is
 43 for armories or other defense-related installations and is funded in whole or in part by federal funds. Furthermore, this prohibition
 44 shall not apply to minor increases, beyond five percent, in square footage determined by the Director, Department of General
 45 Services, to be reasonable and appropriate based on a written justification submitted by the agency stating the reason for the
 46 increase, with the provision that such increase will not increase the cost of the project beyond the amount appropriated; nor to
 47 decreases in size beyond five percent to offset unbudgeted costs when such costs are determined by the Director, Department of
 48 Planning and Budget, to be reasonable based on a written justification submitted by the agency specifying the amount and nature of
 49 the unbudgeted costs and the types of actions that will be taken to decrease the size of the project. The written justification shall also
 50 include a certification, signed by the agency head, that the resulting project will be consistent with the original programmatic intent
 51 of the appropriations.
- 52 2. If space planning, energy conservation, and environmental standards guides for any type of construction have been approved by
 53 the Governor or the General Assembly, the Governor shall require capital projects to conform to such planning guides.
- 54 l. Projects Not Included In This Act:
- 55 1. Authorization by Governor:

- 1 a) The Governor may authorize initiation of, planning for, construction of or acquisition of a nongeneral fund capital project not
 2 specifically included in this act or provided for a program approved by the General Assembly through appropriations, under
 3 one or more of the following conditions:
- 4 1) The project is required to meet an emergency situation.
- 5 2) The project is to be operated as an auxiliary enterprise or sponsored program in an institution of higher education and will be
 6 fully funded by revenues of auxiliary enterprises or sponsored programs.
- 7 3) The project is to be operated as an educational and general program in an institution of higher education and will be fully
 8 funded by nongeneral fund revenues of educational and general programs or from private gifts and indirect cost recoveries.
- 9 4) The project consists of plant or property which has become available or has been received as a gift.
- 10 5) The project has been recommended for funding by the Tobacco Indemnification and Community Revitalization Commission
 11 or the Virginia Tobacco Settlement Foundation.
- 12 b) The foregoing conditions are subject to the following criteria:
- 13 1) Funds are available within the appropriations made by this act (including those subject to §§ 4-1.03 a, 4-1.04 a.3, and 4-2.03)
 14 without adverse effect on other projects or programs, or from unappropriated nongeneral fund revenues or balances.
- 15 2) In the Governor's opinion such action may avoid an increase in cost or otherwise result in a measurable benefit to the state.
- 16 3) The authorization includes a detailed description of the project, the project need, the total project cost, the estimated
 17 operating costs, and the fund sources for the project and its operating costs.
- 18 4) The Chairmen of the House Appropriations and Senate Finance Committees shall be notified by the Governor prior to the
 19 authorization of any capital project under the provisions of this subsection.
- 20 5) Permanent funding for any project initiated under this section shall only be from nongeneral fund sources.
- 21 2. Authorization by Director, Department of Planning and Budget:
- 22 a) The Director, Department of Planning and Budget, may authorize initiation of a capital project not included in this act, if the
 23 General Assembly has enacted legislation to fund the project from bonds of the Virginia Public Building Authority, Virginia
 24 College Building Authority, or from reserves created by refunding of bonds issued by those Authorities.
- 25 3. Delegated authorization by Boards of Visitors, Public Institutions of Higher Education:
- 26 a) In accordance with § 4-5.06 of this act, the board of visitors of any public institution of higher education that: i) has met the
 27 eligibility criteria set forth in Chapters 933 and 945 of the 2005 Acts of Assembly for additional operational and administrative
 28 autonomy, including having entered into a memorandum of understanding with the Secretary of Administration for delegated
 29 authority of nongeneral fund capital outlay projects, and ii) has received a sum sufficient nongeneral fund appropriation for
 30 emergency projects as set out in Part 2: Capital Project Expenses of this act, may authorize the initiation of any capital project
 31 that is not specifically set forth in this act provided that the project meets at least one of the conditions and criteria identified in
 32 § 4-4.01 m 1 of this act.
- 33 b) At least 30 days prior to the initiation of a project under this provision, the board of visitors must notify the Governor and
 34 Chairmen of the House Appropriations and Senate Finance Committees and must provide a life-cycle budget analysis of the
 35 project. Such analysis shall be in a form to be prescribed by the Auditor of Public Accounts.
- 36 c) The Commonwealth of Virginia shall have no general fund obligation for the construction, operation, insurance, routine
 37 maintenance, or long-term maintenance of any project authorized by the board of visitors of a public institution of higher
 38 education in accordance with this provision.
- 39 m. Acquisition, maintenance, and operation of buildings and nonbuilding facilities in colleges and universities shall be subject
 40 to the following policies:
- 41 1. The anticipated program use of the building or nonbuilding facility should determine the funding source for expenditures for
 42 acquisition, construction, maintenance, operation, and repairs.
- 43 2. Expenditures for land acquisition, site preparation beyond five feet from a building, and the construction of additional
 44 outdoor lighting, sidewalks, outdoor athletic and recreational facilities, and parking lots in the Virginia Community College
 45 System shall be made only from appropriated federal funds, Trust and Agency funds, including local government allocations or
 46 appropriations, or the proceeds of indebtedness authorized by the General Assembly.
- 47 3. The general policy of the Commonwealth shall be that parking services are to be operated as an auxiliary enterprise by all

- 1 colleges and universities. Institutions should develop sufficient reserves for ongoing maintenance and replacement of parking
2 facilities.
- 3 4. Except as provided in paragraph 2 above, expenditures for maintenance, replacement, and repair of outdoor lighting, sidewalks,
4 and other infrastructure facilities may be made from any appropriated funds.
- 5 5. Expenditures for operations, maintenance, and repair of athletic, recreational, and public service facilities, both indoor and
6 outdoor, should be from nongeneral funds. However, this condition shall not apply to any indoor recreational facility existing on a
7 community college campus as of July 1, 1988.
- 8 6.a.1. At institutions of higher education that have met the eligibility criteria for additional operational and administrative authority
9 as set forth in Chapters 933 and 945 of the 2005 Acts of Assembly or Chapters 824 and 829 of the 2008 Acts of Assembly, any
10 repair, renovation, or new construction project costing up to \$3,000,000 shall be exempt from the capital outlay review and approval
11 process. For purposes of this paragraph, projects shall not include any subset of a series of projects, which in combination would
12 exceed the \$3,000,000 maximum.
- 13 2. All state agencies and institutions of higher education shall be exempt from the capital review and approval process for repair,
14 renovation, or new construction projects costing up to \$3,000,000.
- 15 b. Blanket authorizations funded entirely by nongeneral funds may be used for 1) renovation and infrastructure projects costing up to
16 \$3,000,000 and 2) the planning of nongeneral fund new construction and renovation projects through bidding, with bid award made
17 after receipt of a construction authorization. The Director, Department of Planning and Budget, may provide exemptions to the
18 threshold.
- 19 7. It is the policy of the Commonwealth that the institutions of higher education shall treat the maintenance of their facilities as a
20 priority for the allocation of resources. No appropriations shall be transferred from the "Operation and Maintenance of Plant"
21 subprogram except for closely and definitely related purposes, as approved by the Director, Department of Planning and Budget, or
22 his designee. A report providing the rationale for each approved transfer shall be made to the Chairmen of the House Appropriations
23 and Senate Finance Committees.
- 24 n. Legislative Intent and Reporting: Appropriations for capital projects shall be deemed to have been made for purposes which
25 require their expenditure, or being placed under contract for expenditure, during the current biennium. Agencies to which such
26 appropriations are made in this act or any other act are required to report progress as specified by the Governor. If, in the opinion of
27 the Governor, these reports do not indicate satisfactory progress, he is authorized to take such actions as in his judgment may be
28 necessary to meet legislative intent as herein defined. Reporting on the progress of capital projects shall be in accordance with § 4-
29 8.00, Reporting Requirements.
- 30 o. No expenditure from a general fund appropriation in this act shall be made to expand or enhance a capital outlay project beyond
31 that anticipated when the project was initially approved by the General Assembly except to comply with requirements imposed by
32 the federal government when such capital project is for armories or other defense-related installations and is funded in whole or in
33 part by federal funds. General fund appropriations in excess of those necessary to complete the project shall not be reallocated to
34 expand or enhance the project, or be reallocated to a different project. The prohibitions in this subsection shall not apply to transfers
35 from projects for which reappropriations have been authorized.
- 36 p. Local or private funds to be used for the acquisition, construction or improvement of capital projects for state agency use as owner
37 or lessee shall be deposited into the state treasury for appropriation prior to their expenditure for such projects.
- 38 q. State-owned Registered Historic Landmarks: To guarantee that the historical and/or architectural integrity of any state-owned
39 properties listed on the Virginia Landmarks Register and the knowledge to be gained from archaeological sites will not be adversely
40 affected because of inappropriate changes, the heads of those agencies in charge of such properties are directed to submit all plans
41 for significant alterations, remodeling, redecoration, restoration or repairs that may basically alter the appearance of the structure,
42 landscaping, or demolition to the Department of Historic Resources. Such plans shall be reviewed within thirty days and the
43 comments of that department shall be submitted to the Governor through the Department of General Services for use in making a
44 final determination.
- 45 r.1. The Governor may authorize the conveyance of any interest in property or improvements thereon held by the Commonwealth to
46 the educational or real estate foundation of any institution of higher education where he finds that such property was acquired with
47 local or private funds or by gift or grant to or for the use of the institution, and not with funds appropriated to the institution by the
48 General Assembly. Any approved conveyance shall be exempt from § 2.2-1156, Code of Virginia, and any other statute concerning
49 conveyance, transfer or sale of state property. If the foundation conveys any interest in the property or any improvements thereon,
50 such conveyance shall likewise be exempt from compliance with any statute concerning disposition of state property. Any income or
51 proceeds from the conveyance of any interest in the property shall be deemed to be local or private funds and may be used by the
52 foundation for any foundation purpose.
- 53 2. This section shall not apply to public institutions of higher education governed by Chapters 933 and 943 of the 2006 Acts of
54 Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, Chapters 824 and 829 of the 2008 Acts of Assembly, and Chapters

- 1 675 and 685 of the 2009 Acts of Assembly.
- 2 s.1. Facility Lease Agreements Involving Institutions of Higher Education: In the case of any lease agreement involving state-
 3 owned property controlled by an institution of higher education, where the lease has been entered into consistent with the
 4 provisions of § 2.2-1155, Code of Virginia, the Governor may amend, adjust or waive any project review and reporting
 5 procedures of Executive agencies as may reasonably be required to promote the property improvement goals for which the
 6 lease agreement was developed.
- 7 2. This section shall not apply to public institutions of higher education governed by Chapters 933 and 943 of the 2006 Acts of
 8 Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, Chapters 824 and 829 of the 2008 Acts of Assembly, and
 9 Chapters 675 and 685 of the 2009 Acts of Assembly.
- 10 t. Energy-efficiency Projects: Improvements to state-owned properties for the purpose of energy-efficiency shall be treated as
 11 follows:
- 12 1. Such improvements shall be considered an operating expense, provided that:
- 13 a) the scope of the project meets or exceeds the applicable energy-efficiency standards set forth in the American Society of
 14 Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE), the Illuminating Engineering Society (IES) standard 90.1-
 15 1989 and is limited to measures listed in guidelines issued by the Department of General Services;
- 16 b) the project is financed consistent with the provisions of § 2.2-2417, Code of Virginia, which requires Treasury Board
 17 approval and is executed through a nonprofessional services contract with a vendor approved by the Department of General
 18 Services;
- 19 c) the scope of work has been reviewed and recommended by the Department of Mines, Minerals and Energy;
- 20 d) the total cost does not exceed \$3,000,000; and
- 21 e) if the total cost exceeds \$3,000,000, but does not exceed \$7,000,000, the energy savings from the project offset the total cost
 22 of the project, including debt service and interest payments.
- 23 2. If (a) the total cost of the improvement exceeds \$7,000,000 or (b) the total cost exceeds \$3,000,000, but does not exceed
 24 \$7,000,000, and the energy savings from the project do not fully offset the total cost of the project, including debt services and
 25 interest payments, the improvement shall be considered a capital expense regardless of the type of improvement and the
 26 following conditions must be met:
- 27 a) the scope of the project meets or exceeds the applicable energy-efficiency standards set forth in the American Society of
 28 Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE), the Illuminating Engineering Society (IES) standard 90.1-
 29 1989 and is limited to measures listed in guidelines issued by the Department of General Services;
- 30 b) the project is financed consistent with the provisions of § 2.2-2417, Code of Virginia, which requires Treasury Board
 31 approval and is executed through a nonprofessional services contract with a vendor approved by the Department of General
 32 Services;
- 33 c) the scope of work has been reviewed and recommended by the Department of Mines, Minerals and Energy;
- 34 d) the project has been reviewed by the Department of Planning and Budget; and
- 35 e) the project has been approved by the Governor.
- 36 3. If the total project exceeds \$250,000, the agency director will submit written notification to the Director, Department of
 37 Planning and Budget, verifying that the project meets all of the conditions in subparagraph 1 above.
- 38 The provisions of §§ 2.0 and 4-4.01 of this act and the provisions of § 2.2-1132, Code of Virginia, shall not apply to energy
 39 conservation projects that qualify as capital expenses.
- 40 4. As used in this paragraph, “improvement” does not include (a) constructing, enlarging, altering, repairing or demolishing a
 41 building or structure, (b) changing the use of a building either within the same use group or to a different use group when the
 42 new use requires greater degrees of structural strength, fire protection, exit facilities or sanitary provisions, or (c) removing or
 43 disturbing any asbestos-containing materials during demolition, alteration, renovation of or additions to building or structures.
 44 If the projected scope of an energy-efficiency project includes any of these elements, it shall be subject to the capital outlay
 45 process as set out in this section.
- 46 5. The Director, Department of Planning and Budget, shall notify the Chairmen of the House Appropriations and Senate
 47 Finance Committees upon the initiation of any energy-efficiency projects under the provisions of this paragraph.
- 48 u. No expenditures shall be authorized for the purchase of fee simple title to any real property to be used for a correctional

1 facility or for the actual construction of a correctional facility provided for in this act, or by reference hereto, that involves
 2 acquisition or new construction of youth or adult correctional facilities on real property which was not owned by the Commonwealth
 3 on January 1, 1995, until the governing body of the county, city or town wherein the project is to be located has adopted a resolution
 4 supporting the location of such project within the boundaries of the affected jurisdiction. The foregoing does not prohibit
 5 expenditures for site studies, real estate options, correctional facility design and related expenditures.

6 v. Except for institutions of higher education governed by Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and
 7 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly, any alternative financing agreement
 8 entered into between a state agency or institution of higher education and a private entity or affiliated foundation must be reviewed
 9 and approved by the Treasury Board.

10 w. Prior to requesting authorization for new dormitory capital projects, institutions of higher education shall conduct a cost study to
 11 determine whether an alternative financing arrangement or public-private transaction would provide a more effective option for the
 12 construction of the proposed facility. This study shall be submitted to the Department of Planning and Budget as part of the budget
 13 development process and shall be evaluated by the Governor prior to submitting his proposed budget.

14 x. Construction or improvement projects of the Department of Military Affairs are not exempt from the capital outlay review process
 15 when the state procurement process is utilized, except for those projects with both an estimated cost of \$3,000,000 or less and are
 16 100 percent federally reimbursed. The Department of Military Affairs shall submit by July 30 of each year to the Department of
 17 Planning and Budget a list of such projects that were funded pursuant to this exemption in the previous fiscal year and any projects
 18 that would be eligible for such funding in future fiscal years.

19 **§ 4-4.02 PLANNING AND BUDGETING**

20 a. It shall be the intent of the General Assembly to make biennial appropriations for a capital improvements program sufficient to
 21 address the program needs of the Commonwealth. The capital improvements program shall include maintenance and deferred
 22 maintenance of the Commonwealth's existing facilities, and of the facility requirements necessary to deliver the programs of state
 23 agencies and institutions.

24 b. In effecting these policies, the Governor shall establish a capital budget plan to address the renewal and replacement of the
 25 Commonwealth's physical plant, using such guidelines as recommended by industry or government to maintain the Commonwealth's
 26 investment in its property and plant.

27 **§ 4-5.00 SPECIAL CONDITIONS AND RESTRICTIONS ON EXPENDITURES**

28 **§ 4-5.01 TRANSACTIONS WITH INDIVIDUALS**

29 a. SETTLEMENT OF CLAIMS: Whenever a dispute, claim or controversy involving the interest of the Commonwealth is settled
 30 pursuant to § 2.2-514, Code of Virginia, payment may be made out of any appropriations, designated by the Governor, to the state
 31 agency(ies) which is (are) party to the settlement.

32 b. STUDENT FINANCIAL ASSISTANCE FOR HIGHER EDUCATION:

33 1. General:

34 a) The appropriations made in this act to state institutions of higher education within the Items for student financial assistance may
 35 be expended for any one, all, or any combination of the following purposes: grants to undergraduate students enrolled at least one-
 36 half time in a degree, certificate, industry-based certification and related programs that do not qualify for other sources of student
 37 financial assistance or diploma program; grants to full-time graduate students; graduate assistantships: grants to students enrolled
 38 full-time in a dual or concurrent undergraduate and graduate program. The institutions may also use these appropriations for the
 39 purpose of supporting work study programs. The institution is required to transfer to educational and general appropriations all funds
 40 used for work study or to pay graduate assistantships. Institutions may also contribute to federal or private student grant aid
 41 programs requiring matching funds by the institution, except for programs requiring work. The State Council of Higher Education
 42 for Virginia shall annually review each institution's plan for the expenditures of its general fund appropriation for undergraduate
 43 student financial assistance prior to the start of the fall term to determine program compliance. The institution's plan shall include the
 44 institution's assumptions and calculations for determining the cost of attendance, student financial need, and student remaining need
 45 as well as an award schedule or description of how funds are awarded. For the purposes of the proposed plan, each community
 46 college shall be considered independently. No limitations shall be placed on the awarding of nongeneral fund appropriations made in
 47 this act to state institutions of higher education within the Items for student financial assistance other than those found previously in
 48 this paragraph and as follows: (i) funds derived from in-state student tuition will not subsidize out-of-state students, (ii) students
 49 receiving these funds must be making satisfactory academic progress, (iii) awards made to students should be based primarily on
 50 financial need, and (iv) institutions should make larger grant and scholarship awards to students taking the number of credit hours
 51 necessary to complete a degree in a timely manner.

52 b) All awards made to undergraduate students from such Items shall be for Virginia students only and such awards shall offset all, or
 53 portions of, the costs of tuition and required fees, and, in the case of students qualifying under subdivision b 2 c)1) hereof, the cost of

1 books. All undergraduate financial aid award amounts funded by this appropriation shall be proportionate to the remaining need
 2 of individual students, with students with higher levels of remaining need receiving grants before other students. No criteria
 3 other than the need of the student shall be used to determine the award amount. Because of the low cost of attendance and
 4 recognizing that federal grants provide a much higher portion of cost than at other institutions, a modified approach and
 5 minimum award amount for the neediest VGAP student should be implemented for community college and Richard Bland
 6 College students based on remaining need and the combination of federal and grant state aid. Student financial need shall be
 7 determined by a need-analysis system approved by the Council.

8 c)1) All need-based awards made to graduate students shall be determined by the use of a need-analysis system approved by the
 9 Council.

10 2) As part of the six-year financial plans required in the provisions of Chapters 933 and 945 of the 2005 Acts of Assembly,
 11 each institution of higher education shall report the extent to which tuition and fee revenues are used to support graduate
 12 student aid and graduate compensation and how the use of these funds impacts planned increases in student tuition and fees.

13 d) A student who receives a grant under such Items and who, during a semester, withdraws from the institution which made the
 14 award must surrender the unearned portion. The institution shall calculate the unearned portion of the award based on the
 15 percentage used for federal Return to Title IV program purposes.

16 e) An award made under such Items to assist a student in attending an institution's summer session shall be prorated according
 17 to the size of comparable awards made in that institution's regular session.

18 f) The provisions of this act under the heading "Student Financial Assistance for Higher Education" shall not apply to (1) the
 19 soil scientist scholarships authorized under § 23.1-615, Code of Virginia and (2) need-based financial aid programs for
 20 industry-based certification and related programs that do not qualify for other sources of student financial assistance, which will
 21 be subject to guidelines developed by the State Council of Higher Education for Virginia.

22 g) Unless noted elsewhere in this act, general fund awards shall be named "Commonwealth" grants.

23 h) Unless otherwise provided by statute, undergraduate awards shall not be made to students seeking a second or additional
 24 baccalaureate degree until the financial aid needs of first-degree seeking students are fully met.

25 2. Grants To Undergraduate Students:

26 a) Each institution which makes undergraduate grants paid from its appropriation for student financial assistance shall expend
 27 such sums as approved for that purpose by the Council.

28 b) A student receiving an award must be duly admitted and enrolled in a degree, certificate or diploma program at the
 29 institution making the award, and shall be making satisfactory academic progress as defined by the institution for the purposes
 30 of eligibility under Title IV of the federal Higher Education Act, as amended.

31 c)1) It is the intent of the General Assembly that students eligible under the Virginia Guaranteed Assistance Program (VGAP)
 32 authorized in Title 23.1, Chapter 4.4:2, Code of Virginia, shall receive grants before all other students at the same institution
 33 with equivalent remaining need from the appropriations for undergraduate student financial assistance found in Part 1 of this
 34 act (service area 1081000 - Scholarships). In each instance, VGAP eligible students shall receive awards greater than other
 35 students with equivalent remaining need.

36 2) The amount of each VGAP grant shall vary according to each student's remaining need and the total of tuition, all required
 37 fees and the cost of books at the institution the student will attend upon acceptance for admission. The actual amount of the
 38 VGAP award will be determined by the proportionate award schedule adopted by each institution; however, those students with
 39 the greatest financial need shall be guaranteed an award at least equal to tuition.

40 3) It is the intent of the General Assembly that the Virginia Guaranteed Assistance Program serve as an incentive to financially
 41 needy students now attending elementary and secondary school in Virginia to raise their expectations and their academic
 42 performance and to consider higher education an achievable objective in their futures.

43 4) Students may not receive a VGAP and a Commonwealth grant in the same semester.

44 3. Grants To Graduate Students:

45 a) An individual award may be based on financial need but may, in addition to or instead of, be based on other criteria
 46 determined by the institution making the award. The amount of an award shall be determined by the institution making the
 47 award; however, the Council shall annually be notified as to the maximum size of a graduate award that is paid from funds in
 48 the appropriation.

49 b) A student receiving a graduate award paid from the appropriation must be duly admitted into a graduate degree program at
 50 the institution making the award.

1 c) Not more than 50 percent of the funds designated by an institution as graduate grants from the appropriation, and approved as
 2 such by the Council, shall be awarded to persons not eligible to be classified as Virginia domiciliary resident students except in cases
 3 where the persons meet the criteria outlined in § 4-2.01b.6.

4 4. Matching Funds: Any institution of higher education may, with the approval of the Council, use funds from its appropriation for
 5 fellowships and scholarships to provide the institutional contribution to any student financial aid program established by the federal
 6 government or private sources which requires the matching of the contribution by institutional funds, except for programs requiring
 7 work.

8 5. Discontinued Loan Program:

9 a) If any federal student loan program for which the institutional contribution was appropriated by the General Assembly is
 10 discontinued, the institutional share of the discontinued loan program shall be repaid to the fund from which the institutional share
 11 was derived unless other arrangements for the use of the funds are recommended by the Council and approved by the Department of
 12 Planning and Budget. Should the institution be permitted to retain the federal contributions to the program, the funds shall be used
 13 according to arrangements authorized by the Council and approved by the Department of Planning and Budget.

14 b)1) An institution of higher education may discontinue its student loan fund established pursuant to Title 23.1, Chapter 4.01, Code
 15 of Virginia. The full amount of cash in such discontinued loan fund shall be paid into the state treasury into a nonrevertible
 16 nongeneral fund account. Prior to such payment, the State Comptroller shall verify its accuracy, including the fact that the cash held
 17 by the institution in the loan fund will be fully depleted by such payment. The loan fund shall not be reestablished thereafter for that
 18 institution.

19 2) The cash so paid into the state treasury shall be used only for grants to undergraduate and graduate students in the Higher
 20 Education Student Financial Assistance program according to arrangements authorized by the Council and approved by the
 21 Department of Planning and Budget.

22 3) Payments on principal and interest of any promissory notes held by the discontinued loan fund shall continue to be received by
 23 the institution, which shall deposit such payments in the state treasury to the nonrevertible nongeneral fund account specified in
 24 subdivision (1) preceding, to be used for grants as specified in subdivision (2) preceding.

25 6. Reporting: The Council shall collect student-specific information for undergraduate students as is necessary for the operation of
 26 the Student Financial Assistance Program. The Council shall maintain regulations governing the operation of the Student Financial
 27 Assistance Program based on the provisions outlined in this section, the Code of Virginia, and State Council policy.

28 C. PAYMENTS TO CITIZEN MEMBERS OF NONLEGISLATIVE BODIES:

29 Notwithstanding any other provision of law, executive branch agencies shall not pay compensation to citizen members of boards,
 30 commissions, authorities, councils, or other bodies from any fund for the performance of such members' duties in the work of the
 31 board, commission, authority, council, or other body.

32 d. VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

33 1. Notwithstanding any other provision of law, the Virginia Birth-Related Neurological Injury Compensation Program is authorized
 34 to require each admitted claimant's parent or legal guardian to purchase private health insurance (the "primary payer") to provide
 35 coverage for the actual medically necessary and reasonable expenses as described in Virginia Code § 38.2-5009(A)(1) that were, or are,
 36 incurred as a result of the admitted claimant's birth-related neurological injury and for the admitted claimant's benefit. Provided,
 37 however, that the Program shall reimburse, upon receipt of proof of payment, solely the portion of the premiums that is attributable to
 38 the admitted claimant's post-admission coverage from the effective date of this provision forward and paid for by the admitted
 39 claimant's parent or legal guardian.

40 2. The State Corporation Commission shall develop a report containing options and recommendations for improving the actuarial
 41 soundness of financing for the Virginia Birth-Related Neurological Injury Compensation Program. The report shall be presented to the
 42 Governor and Chairmen of the House Appropriations and Senate Finance Committees no later than November 1, 2017.

43 § 4-5.02 THIRD PARTY TRANSACTIONS

44 a. EMPLOYMENT OF ATTORNEYS:

45 1.a) All attorneys authorized by this act to be employed by any state agency and all attorneys compensated out of any moneys
 46 appropriated in this session of the General Assembly shall be appointed by the Attorney General and be in all respects subject to the
 47 provisions of Title 2.2, Chapter 5, Code of Virginia, to the extent not to conflict with Title 12.1, Chapter 4, Code of Virginia;
 48 provided, however, that if the Governor certifies the need for independent legal counsel for any Executive Department agency, such
 49 agency shall be free to act independently of the Office of the Attorney General in regard to selection, and provided, further, that
 50 compensation of such independent legal counsel shall be paid from the moneys appropriated to such Executive Department agency
 51 or from the moneys appropriated to the Office of the Attorney General.

1 b) For purposes of this act, "attorney" shall be defined as an employee or contractor who represents an agency before a court,
 2 board or agency of the Commonwealth of Virginia or political subdivision thereof. This term shall not include members of the
 3 bar employed by an agency who perform in a capacity that does not require a license to practice law, including but not limited
 4 to, instructing, managing, supervising or performing normal or customary duties of that agency.

5 2. This section does not apply to attorneys employed by state agencies in the Legislative Department, Judicial Department or
 6 Independent Agencies.

7 3. Reporting on employment of attorneys shall be in accordance with § 4-8.00, Reporting Requirements.

8 4. Notwithstanding § 2.2-510.1 of the Code of Virginia and any other conflicting provision of law, the Virginia Retirement
 9 System may enter into agreements to seek i) recovery of investment losses in foreign jurisdictions, and ii) legal advice related
 10 to its investments. Any such agreements shall be reported to the Office of the Attorney General as soon as practicable.

11 b. STUDIES AND CONSULTATIVE SERVICES REQUIRED BY GENERAL ASSEMBLY: No expenditure for payments
 12 on third party nongovernmental contracts for studies or consultative services shall be made out of any appropriation to the
 13 General Assembly or to any study group created by the General Assembly, nor shall any such expenditure for third party
 14 nongovernmental contracts be made by any Executive Department agency in response to a legislative request for a study,
 15 without the prior approval of two of the following persons: the Chairman of the House Appropriations Committee; the
 16 Chairman of the Senate Finance Committee; the Speaker of the House of Delegates; the President pro tempore of the Senate.
 17 All such expenditures shall be made only in accordance with the terms of a written contract approved as to form by the
 18 Attorney General.

19 c. USE OF CONSULTING SERVICES: All state agencies and institutions of higher education shall make a determination of
 20 "return on investment" as part of the criteria for awarding contracts for consulting services.

21 d. DEBT COLLECTION SERVICES:

22 1. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the Virginia Commonwealth University
 23 Health System Authority shall have the option to participate in the Office of the Attorney General's debt collection process.
 24 Should the Authority choose not to participate, the Authority shall have the authority to collect its accounts receivable by
 25 engaging private collection agents and attorneys to pursue collection actions, and to independently compromise, settle, and
 26 discharge accounts receivable claims.

27 2. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the University of Virginia Medical Center
 28 shall have the authority to collect its accounts receivable by engaging private collection agents and attorneys to pursue
 29 collection actions, and to independently compromise, settle, and discharge accounts receivable claims, provided that the
 30 University of Virginia demonstrates to the Secretary of Finance that debt collection by an agent other than the Office of the
 31 Attorney General is anticipated to be more cost effective. Nothing in this paragraph is intended to limit the ability of the
 32 University of Virginia Medical Center from voluntarily contracting with the Office of the Attorney General's Division of Debt
 33 Collection in cases where the Center would benefit from the expertise of legal counsel and collection services offered by the
 34 Office of the Attorney General.

35 3. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the Department of Taxation shall be
 36 exempt from participating in the debt collection process of the Office of the Attorney General.

37 § 4-5.03 SERVICES AND CLIENTS

38 a. CHANGED COST FACTORS:

39 1. No state agency, or its governing body, shall alter factors (e.g., qualification level for receipt of payment or service) which
 40 may increase the number of eligible recipients for its authorized services or payments, or alter factors which may increase the
 41 unit cost of benefit payments within its authorized services, unless the General Assembly has made an appropriation for the
 42 cost of such change.

43 2. Notwithstanding any other provision of law, the Department of Planning and Budget, with assistance from agencies that
 44 operate internal service funds as requested, shall establish policies and procedures for annually reviewing and approving
 45 internal service fund overhead surcharge rates and working capital reserves.

46 3. By September 1 each year, state agencies that operate an internal service fund, pursuant to §§ 2.2-803, 2.2-1101, and 2.2-
 47 2013, Code of Virginia, that have an impact on agency expenditures, shall submit a report to the Department of Planning and
 48 Budget and the Joint Legislative Audit and Review Commission to include all information as required by the Department of
 49 Planning and Budget to conduct a thorough review of overhead surcharge rates, revenues, expenditures, full-time positions, and
 50 working capital reserves for each internal service fund. The report shall include any proposed modifications in rates to be
 51 charged by internal service funds for review and approval by the Department of Planning and Budget. In its review, the
 52 Department of Planning and Budget shall determine whether the requested rate modifications are consistent with budget
 53 assumptions. The format by which agencies submit the operating plan for each internal service fund shall be determined by the

- 1 Department of Planning and Budget with assistance from agencies that operate internal service funds as requested.
- 2 4. State agencies that operate internal service funds may not change a billable overhead surcharge rate to another state agency unless
3 the resulting change is provided in the final General Assembly enacted budget.
- 4 5. State agencies that operate more than one internal service fund shall comply with the review and approval requirements detailed in
5 this Item for each internal service fund.
- 6 6. As determined by the Director, Department of Planning and Budget, state agencies that operate select programs where an agency
7 provides a service to and bills other agencies shall be subject to the annual review of the agency's internal service funds consistent
8 with the provisions of this Item, unless such payment for services is pursuant to a memorandum of understanding authorized by § 4-
9 1.03 a. 7 of this act.
- 10 7. The Governor is authorized to change internal service fund overhead surcharge rates, including the creation of new rates, beyond
11 the rates enacted in the budget in the event of an emergency or to implement actions approved by the General Assembly, upon prior
12 notice to the Chairmen of the House Appropriations and Senate Finance Committees. Such prior notice shall be no less than five
13 days prior to enactment of a revised or new rate and shall include the basis of the rate change and the impact on state agencies.
- 14 8. Notwithstanding any other provision of law, the Commonwealth's statewide electronic procurement system and program known
15 as eVA shall have all rates and working capital reserves reviewed and approved by the Department of Planning and Budget
16 consistent with the provisions of this Item.
- 17 9. State agencies that are partially or fully funded with nongeneral funds and are billed for services provided by another state agency
18 shall pay the nongeneral fund cost for the service from the agency's applicable nongeneral fund revenue source consistent with an
19 appropriation proration of such expenses.
- 20 b. NEW SERVICES:
- 21 1. No state agency shall begin any new service that will call for future additional property, plant or equipment or that will require an
22 increase in subsequent general or nongeneral fund operating expenses without first obtaining the authorization of the General
23 Assembly.
- 24 2. Pursuant to the policies and procedures of the State Council of Higher Education regarding approval of academic programs and
25 the concomitant enrollment, no state institution of higher education shall operate any academic program with funds in this act unless
26 approved by the Council and included in the Executive Budget, or approved by the General Assembly. The Council may grant
27 exemptions to this policy in exceptional circumstances.
- 28 3. a) The General Assembly is supportive of the increasing commitment by both Virginia Tech and the Carilion Clinic to the
29 success of the programs at the Virginia Tech/Carilion School of Medicine and the Virginia Tech/Carilion Research Institute, and
30 encourages these two institutions to pursue further developments in their partnership. Therefore, notwithstanding § 4-5.03 c. of the
31 Appropriation Act, if through the efforts of these institutions to further strengthen the partnership, Virginia Tech acquires the
32 Virginia Tech Carilion School of Medicine during the current biennium, the General Assembly approves the creation and
33 establishment of the Virginia Tech/Carilion School of Medicine within the institution notwithstanding § 23.1-203 Code of Virginia.
34 No additional funds are required to implement establishment of the Virginia Tech/Carilion School of Medicine within the institution.
- 35 b) Virginia Tech Carilion School of Medicine is hereby authorized to transfer funds to the Department of Medical Assistance
36 Services to fully fund the state share for Medicaid supplemental payments to the teaching hospital affiliated with the Virginia Tech
37 Carilion School of Medicine. These Medicaid supplemental fee-for-service and/or capitation payments to managed care
38 organizations are for the purpose of securing access to Medicaid hospital services in Western Virginia. The funds to be transferred
39 must comply with 42 CFR 433.51.
- 40 4. Reporting on all new services shall be in accordance with § 4-8.00, Reporting Requirements.
- 41 c. OFF-CAMPUS SITES OF INSTITUTIONS OF HIGHER EDUCATION:
- 42 No moneys appropriated by this act shall be used for off-campus sites unless as provided for in this section.
- 43 1. A public college or university seeking to create, establish, or operate an off-campus instructional site, funded directly or indirectly
44 from the general fund or with revenue from tuition and mandatory educational and general fees generated from credit course
45 offerings, shall first refer the matter to the State Council of Higher Education for Virginia for its consideration and approval. The
46 State Council of Higher Education for Virginia may provide institutions with conditional approval to operate the site for up to one
47 year, after which time the college or university must receive approval from the Governor and General Assembly, through legislation
48 or appropriation, to continue operating the site.
- 49 2. For the colleges of the Virginia Community College System, the State Board for Community Colleges shall be responsible for
50 approving off-campus locations. Sites governed by this requirement are those at any locations not contiguous to the main campus of
51 the institution, including locations outside Virginia.

1 3. a) The provisions herein shall not apply to credit offerings on the site of a public or private entity if the offerings are
 2 supported entirely with private, local, or federal funds or revenue from tuition and mandatory educational and general fees
 3 generated entirely by course offerings at the site.

4 b) Offerings at previously approved off-campus locations shall also not be subject to these provisions.

5 c) Further, the provisions herein do not govern the establishment and operations of campus sites with a primary function of
 6 carrying out grant and contract research where direct and indirect costs from such research are covered through external
 7 funding sources. Such locations may offer limited graduate education as appropriate to support the research mission of the site.

8 d) Nothing herein shall prohibit an institution from offering non-credit continuing education programs at sites away from the
 9 main campus of a college or university.

10 4. The State Council of Higher Education shall establish guidelines to implement this provision.

11 d. PERFORMANCE MEASUREMENT

12 1. In accordance with § 2.2-1501, Code of Virginia, the Department of Planning and Budget shall develop a programmatic
 13 budget and accounting structure for all new programs and activities to ensure that it provides the appropriate financial and
 14 performance measures to determine if programs achieve desired results and outcomes. The Department of Accounts shall
 15 provide assistance as requested by the Department of Planning and Budget. The Department of Planning and Budget shall
 16 provide this information each year when the Governor submits the budget in accordance with § 2.2-1509, Code of Virginia, to
 17 the Chairmen of the House Appropriations, House Finance, and Senate Finance Committees.

18 2.a) Within thirty days of the enactment of this act, the Director, Department of Planning and Budget, shall make available via
 19 electronic means to the Chairmen of the House Appropriations and Senate Finance Committees and the public a list of the new
 20 initiatives for which appropriations are provided in this act.

21 b) Not later than ninety days after the end of the first year of the biennium, the Director, Department of Planning and Budget,
 22 shall make available via electronic means a report on the performance of each new initiative contained in the list, to be
 23 submitted to the Chairmen of the House Appropriations and Senate Finance Committees and the public. The report shall
 24 compare the actual results, including expenditures, of the initiative with the anticipated results and the appropriation for the
 25 initiative. This information shall be used to determine whether the initiative should be extended beyond the beginning period.
 26 In the preparation of this report, all state agencies shall provide assistance as requested by the Department of Planning and
 27 Budget.

28 § 4-5.04 GOODS AND SERVICES

29 a. STUDENT ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION:

30 1. Public Information Encouraged: Each public institution of higher education is expected and encouraged to provide
 31 prospective students with accurate and objective information about its programs and services. The institution may use public
 32 funds under the control of the institution's Board of Visitors for the development, preparation and dissemination of factual
 33 information about the following subjects: academic programs; special programs for minorities; dates, times and procedures for
 34 registration; dates and times of course offerings; admission requirements; financial aid; tuition and fee schedules; and other
 35 information normally distributed through the college catalog. This information may be presented in any and all media, such as
 36 newspapers, magazines, television or radio where the information may be in the form of news, public service announcements or
 37 advertisements. Other forms of acceptable presentation would include brochures, pamphlets, posters, notices, bulletins, official
 38 catalogs, flyers available at public places and formal or informal meetings with prospective students.

39 2. Excessive Promotion Prohibited: Each public institution of higher education is prohibited from using public funds under the
 40 control of the institution's Board of Visitors for the development, preparation, dissemination or presentation of any material
 41 intended or designed to induce students to attend by exaggerating or extolling the institution's virtues, faculty, students,
 42 facilities or programs through the use of hyperbole. Artwork and photographs which exaggerate or extol rather than supplement
 43 or complement permissible information are prohibited. Mass mailings are generally prohibited; however, either mass mailings
 44 or newspaper inserts, but not both, may be used if other methods of distributing permissible information are not economically
 45 feasible in the institution's local service area.

46 3. Remedial Education: Senior institutions of higher education shall make arrangements with community colleges for the
 47 remediation of students accepted for admission by the senior institutions.

48 4. Compliance: The president or chancellor of each institution of higher education is responsible for the institution's compliance
 49 with this subsection.

50 b. INFORMATION TECHNOLOGY FACILITIES AND SERVICES:

51 1.a) The Virginia Information Technologies Agency shall procure information technology and telecommunications goods and

- 1 services of every description for its own benefit or on behalf of other state agencies and institutions, or authorize other state agencies
2 or institutions to undertake such procurements on their own.
- 3 b) Except for research projects, research initiatives, or instructional programs at public institutions of higher education, or any non-
4 major information technology project request from the Virginia Community College System, Longwood University, or from an
5 institution of higher education which is a member of the Virginia Association of State Colleges and University Purchasing
6 Professionals (VASCUPP) as of July 1, 2003, or any procurement of information technology and telecommunications goods and
7 services by public institutions of higher education governed by some combination of Chapters 933 and 945 of the 2005 Acts of
8 Assembly, Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, Chapters 824
9 and 829 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly, requests for authorization from
10 state agencies and institutions to procure information technology and telecommunications goods and services on their own behalf
11 shall be made in writing to the Chief Information Officer or his designee. Members of VASCUPP as of July 1, 2003, are hereby
12 recognized as: The College of William and Mary, George Mason University, James Madison University, Old Dominion University,
13 Radford University, Virginia Commonwealth University, Virginia Military Institute, Virginia Polytechnic Institute and State
14 University, and the University of Virginia.
- 15 c) The Chief Information Officer or his designee may grant the authorization upon a written determination that the request conforms
16 to the statewide information technology plan and the individual information technology plan of the requesting agency or institution.
- 17 d) Any procurement authorized by the Chief Information Officer or his designee for information technology and telecommunications
18 goods and services, including geographic information systems, shall be issued by the requesting state agency or institution in
19 accordance with the regulations, policies, procedures, standards, and guidelines of the Virginia Information Technologies Agency.
- 20 e) Nothing in this subsection shall prevent public institutions of higher education or the Virginia Community College System from
21 using the services of Network Virginia.
- 22 f) To ensure that the Commonwealth's research universities maintain a competitive position with access to the national optical
23 research network infrastructure including the National LambdaRail and Internet2, the Network Virginia Contract Administrator is
24 hereby authorized to renegotiate the term of the existing contracts. Additionally, the contract administrator is authorized to
25 competitively negotiate additional agreements in accordance with the Code of Virginia and all applicable regulations, as required, to
26 establish and maintain research network infrastructure.
- 27 2. If the billing rates and associated systems for computer, telecommunications and systems development services to state agencies
28 are altered, the Director, Department of Planning and Budget, may transfer appropriations from the general fund between programs
29 affected. These transfers are limited to actions needed to adjust for overfunding or underfunding the program appropriations affected
30 by the altered billing systems.
- 31 3. The provisions of this subsection shall not in any way affect the duties and responsibilities of the State Comptroller under the
32 provisions of § 2.2-803, Code of Virginia.
- 33 4. It is the intent of the General Assembly that information technology (IT) systems, products, data, and service costs, including
34 geographic information systems (GIS), be contained through the shared use of existing or planned equipment, data, or services
35 which may be available or soon made available for use by state agencies, institutions, authorities, and other public bodies. State
36 agencies, institutions, and authorities shall cooperate with the Virginia Information Technologies Agency in identifying the
37 development and operational requirements for proposed IT and GIS systems, products, data, and services, including the proposed
38 use, functionality, capacity and the total cost of acquisition, operation and maintenance.
- 39 5. This section shall not apply to public institutions of higher education governed by some combination of Chapters 933 and 945 of
40 the 2005 Acts of Assembly, Chapters 933 and 943 of the 2006 Acts of Assembly or Chapters 594 and 616 of the 2008 Acts of
41 Assembly, Chapters 824 and 829 of the 2008 Acts of Assembly and Chapters 675 and 685 of the 2009 Acts of Assembly, or to the
42 Virginia Alcoholic Beverage Control Authority.
- 43 6. Notwithstanding any other provision of law, state agencies that do not receive computer services from the Virginia Information
44 Technologies Agency may develop their own policies and procedures governing the sale of surplus computers and laptops to their
45 employees or officials. Any proceeds from the sale of surplus computers or laptops shall be deposited into the appropriate fund or
46 funds used to purchase the equipment.
- 47 c. MOTOR VEHICLES AND AIRCRAFT:
- 48 1. No motor vehicles shall be purchased or leased with public funds by the state or any officer or employee on behalf of the state
49 without the prior written approval of the Director, Department of General Services.
- 50 2. The institutions of higher education and the Alcoholic Beverage Control Authority shall be exempt from this provision but shall
51 be required to report their entire inventory of purchased and leased vehicles including the cost of such to the Director of the
52 Department of General Services by June 30 of each year. The Director of the Department of General Services shall compare the cost
53 of vehicles acquired by institutions of higher education and the Authority to like vehicles under the state contract. If the comparison

- 1 demonstrates for a given institution or the Authority that the cost to the Commonwealth is greater for like vehicles than would
 2 be the case based on a contract of statewide applicability, the Governor or his designee may suspend the exemption granted to
 3 the institution or the Authority pursuant to this subparagraph c.
- 4 3. The Director, Department of General Services, is hereby authorized to transfer surplus motor vehicles among the state
 5 agencies, and determine the value of such surplus equipment for the purpose of maintaining the financial accounts of the state
 6 agencies affected by such transfers.
- 7 d. MOTION PICTURE, TELEVISION AND RADIO SERVICES PRODUCTION: Except for public institutions of higher
 8 education governed by Chapters 933 and 943 of the 2006 Acts of Assembly, no state Executive Department agency or the
 9 Virginia Lottery Department shall expend any public funds for the production of motion picture films or of programs for
 10 television transmission, or for the operation of television or radio transmission facilities, without the prior written approval of
 11 the Governor or as otherwise provided in this act, except for educational television programs produced for elementary-
 12 secondary education by authority of the Virginia Information Technologies Agency. The Joint Subcommittee on Rules is
 13 authorized to provide the approval of such expenditures for legislative agencies. For judicial agencies and independent
 14 agencies, other than the Virginia Lottery Department, prior approval action rests with the supervisory bodies of these entities.
 15 With respect to television programs which are so approved and other programs which are otherwise authorized or are not
 16 produced for television transmission, state agencies may enter into contracts without competitive sealed bidding, or competitive
 17 negotiation, for program production and transmission services which are performed by public telecommunications entities, as
 18 defined in § 2.2-2006, Code of Virginia.
- 19 e. TRAVEL: Reimbursement for the cost of travel on official business of the state government is authorized to be paid pursuant
 20 to law and regulations issued by the State Comptroller to implement such law. Notwithstanding any contrary provisions of law:
- 21 1. For the use of personal automobiles in the discharge of official duties outside the continental limits of the United States, the
 22 State Comptroller may authorize an allowance not exceeding the actual cost of operation of such automobiles;
- 23 2. The first 15,000 miles of use during each fiscal year of personal automobiles in the discharge of official duties within the
 24 continental limits of the United States shall be reimbursed at an amount equal to the most recent business standard mileage rate
 25 as established by the Internal Revenue Service for employees or self-employed individuals to use in computing their income tax
 26 deductible costs for operating passenger vehicles owned or leased by them for business purposes, or in the instance of a state
 27 employee, at the lesser of (a) the IRS rate or (b) the lowest combined capital and operational trip pool rate charged by the
 28 Department of General Services, Office of Fleet Management Services (OFMS), posted on the OFMS website at time of travel,
 29 for the use of a compact state-owned vehicle. If the head of the state agency concerned certifies that a state-owned vehicle was
 30 not available, or if, according to regulations issued by the State Comptroller, the use of a personal automobile in lieu of a state-
 31 owned automobile is considered to be an advantage to the state, the reimbursement shall be at the rate of the IRS rate. For such
 32 use in excess of 15,000 miles in each fiscal year, the reimbursement shall be at a rate of 13.0 cents per mile, unless a state-
 33 owned vehicle is not available; then the rate shall be the IRS rate;
- 34 3. The State Comptroller may authorize exemptions to restrictions upon use of common carrier accommodations;
- 35 4. The State Comptroller may authorize reimbursement by per diem in lieu of actual costs of meals and any other expense
 36 category deemed necessary for the efficient and effective operation of state government;
- 37 5. State employees traveling on official business of state government shall be reimbursed for their travel costs using the same
 38 bank account authorized by the employee in which their net pay is direct deposited; and
- 39 6. This section shall not apply to members and employees of public school boards.
- 40 f. SMALL PURCHASE CHARGE CARD, ELECTRONIC DATA INTERCHANGE, DIRECT DEPOSIT, AND PAYLINE
 41 OPT OUT: The State Comptroller is hereby authorized to charge state agencies a fee of \$5 per check or earnings notice when,
 42 in his judgment, agencies have failed to comply with the Commonwealth's electronic commerce initiatives to reduce
 43 unnecessary administrative costs for the printing and mailing of state checks and earning notices. The fee shall be collected by
 44 the Department of Accounts through accounting entries.
- 45 g. PURCHASES OF APPLIANCES AND EQUIPMENT: State agencies and institutions shall purchase Energy Star rated
 46 appliances and equipment in all cases where such appliances and equipment are available.
- 47 h. ELECTRONIC PAYMENTS: Any recipient of payments from the State Treasury who receives six or more payments per
 48 year issued by the State Treasurer shall receive such payments electronically. The State Treasurer shall decide the appropriate
 49 method of electronic payment and, through his warrant issuance authority, the State Comptroller shall enforce the provisions of
 50 this section. The State Comptroller is authorized to grant administrative relief to this requirement when circumstances justify
 51 non-electronic payment.
- 52 i. LOCAL AND NON-STATE SAVINGS AND EFFICIENCIES: It is the intent of the General Assembly that State agencies
 53 shall encourage and assist local governments, school divisions, and other non-state governmental entities in their efforts to

1 achieve cost savings and efficiencies in the provision of mandated functions and services including but not limited to finance,
2 procurement, social services programs, and facilities management.

3 j. TELECOMMUNICATION SERVICES AND DEVICES:

4 1. The Chief Information Officer and the State Comptroller shall develop statewide requirements for the use of cellular telephones
5 and other telecommunication devices by in-scope Executive Department agencies, addressing the assignment, evaluation of need,
6 safeguarding, monitoring, and usage of these telecommunication devices. The requirements shall include an acceptable use
7 agreement template clearly defining an employee's responsibility when they receive and use a telecommunication device. Statewide
8 requirements shall require some form of identification on a device in case it is lost or stolen and procedures to wipe the device clean
9 of all sensitive information when it is no longer in use.

10 2. In-scope Executive Department agencies providing employees with telecommunication devices shall develop agency-specific
11 policies, incorporating the guidance provided in § 4-5.04 k. 1. of this act and shall maintain a cost justification for the assignment or
12 a public health, welfare and safety need.

13 3. The Chief Information Officer shall determine the optimal number of telecommunication vendors and plans necessary to meet the
14 needs of in-scope Executive Department agency personnel. The Chief Information Officer shall regularly procure these services and
15 provide statewide contracts for use by all such agencies. These contracts shall require the vendors to provide detailed usage
16 information in a useable electronic format to enable the in-scope agencies to properly monitor usage to make informed purchasing
17 decisions and minimize costs.

18 4. The Chief Information Officer shall examine the feasibility of providing tools for in-scope Executive Department agencies to
19 analyze usage and cost data to assist in determining the most cost effective plan combinations for the entity as a whole and
20 individual users.

21 k. ALTERNATIVE PROCUREMENT: If any payment is declared unconstitutional for any reason or if the Attorney General finds
22 in a formal, written, legal opinion that a payment is unconstitutional, in circumstances where a good or service can constitutionally
23 be the subject of a purchase, the administering agency of such payment is authorized to use the affected appropriation to procure, by
24 means of the Commonwealth's Procurement Act, goods and services, which are similar to those sought by such payment in order to
25 accomplish the original legislative intent.

26 l. MEDICAL SERVICES: No expenditures from general or nongeneral fund sources may be made out of any appropriation by the
27 General Assembly for providing abortion services, except otherwise as required by federal law *or state statute*.

28 m. BODY-WORN CAMERAS: No expenditures from general or nongeneral fund sources may be made by any state agency or
29 authority for the purchase or implementation of body-worn cameras or body-worn camera systems.

30 § 4-5.05 NONSTATE AGENCIES, INTERSTATE COMPACTS AND ORGANIZATIONAL MEMBERSHIPS

31 a. The accounts of any agency, however titled, which receives funds from this or any other appropriating act, and is not owned or
32 controlled by the Commonwealth of Virginia, shall be subject to audit or shall present an audit acceptable to the Auditor of Public
33 Accounts when so directed by the Governor or the Joint Legislative Audit and Review Commission.

34 b.1. For purposes of this subsection, the definition of "nonstate agency" is that contained in § 2.2-1505, Code of Virginia.

35 2. Allotment of appropriations to nonstate agencies shall be subject to the following criteria:

36 a) Such agency is located in and operates in Virginia.

37 b) The agency must be open to the public or otherwise engaged in activity of public interest, with expenditures having actually been
38 incurred for its operation.

39 3. No allotment of appropriations shall be made to a nonstate agency until such agency has certified to the Secretary of Finance that
40 cash or in-kind contributions are on hand and available to match equally all or any part of an appropriation which may be provided
41 by the General Assembly, unless the organization is specifically exempted from this requirement by language in this act. Such
42 matching funds shall not have been previously used to meet the match requirement in any prior appropriation act.

43 4. Operating appropriations for nonstate agencies equal to or in excess of \$150,000 shall be disbursed to nonstate agencies in twelve
44 or fewer equal monthly installments depending on when the first payment is made within the fiscal year. Operating appropriations
45 for nonstate agencies of less than \$150,000 shall be disbursed in one payment once the nonstate agency has successfully met
46 applicable match and application requirements.

47 5. The provisions of § 2.2-4343 A 14, Code of Virginia shall apply to any expenditure of state appropriations by a nonstate agency.

48 c.1. Each interstate compact commission and each organization in which the Commonwealth of Virginia or a state agency thereof
49 holds membership, and the dues for which are provided in this act or any other appropriating act, shall submit its biennial budget
50 request to the state agency under which such commission or organization is listed in this act. The state agency shall include the

1 request of such commission or organization within its own request, but identified separately. Requests by the commission or
2 organization for disbursements from appropriations shall be submitted to the designated state agency.

3 2. Each state agency shall submit by November 1 each year, a report to the Director, Department of Planning and Budget,
4 listing the name and purpose for organizational memberships held by that agency with annual dues of \$5,000 or more. The
5 institutions of higher education shall be exempt from this reporting requirement.

6 § 4-5.06 DELEGATION OF AUTHORITY

7 a. The designation in this act of an officer or agency head to perform a specified duty shall not be deemed to supersede the
8 authority of the Governor to delegate powers under the provisions of § 2.2-104 , Code of Virginia.

9 b. The nongeneral fund capital outlay decentralization programs initiated pursuant to § 4-5.08b of Chapter 912, 1996 Acts of
10 Assembly as continued in subsequent appropriation acts are hereby made permanent. Decentralization programs for which
11 institutions have executed memoranda of understanding with the Secretary of Administration pursuant to the provisions of § 4-
12 5.08b of Chapter 912, 1996 Acts of Assembly shall no longer be considered pilot projects, and shall remain in effect until
13 revoked.

14 c. Institutions wishing to participate in a nongeneral fund capital outlay decentralization program for the first time shall submit
15 a letter of interest to the appropriate Cabinet Secretary. Within 90 calendar days of the receipt of the institution's request to
16 participate, the responsible Cabinet Secretary shall determine whether the institution meets the eligibility criteria and, if
17 appropriate, establish a decentralization program at the institution. The Cabinet Secretary shall report to the Governor and
18 Chairmen of the Senate Finance and House Appropriations Committees by December 1 of each year all institutions that have
19 applied for inclusion in a decentralization program and whether the institutions have been granted authority to participate in the
20 decentralization program.

21 d. The provisions identified in § 4-5.08 f and § 4-5.08 h of Chapter 1042 of the Acts of Assembly of 2003 pertaining to pilot
22 programs for selected capital outlay projects and memoranda of understanding in institutions of higher education are hereby
23 continued. Notwithstanding these provisions, those projects shall be insured through the state's risk management liability
24 program.

25 e. If during an independent audit conducted by the Auditor of Public Accounts, the audit discloses that an institution is not
26 performing within the terms of the memoranda of understanding or their addenda, the Auditor shall report this information to
27 the Governor, the responsible Cabinet Secretary, and the Chairmen of the Senate Finance and House Appropriations
28 Committees.

29 f. Institutions that have executed memoranda of understanding with the Secretary of Administration for nongeneral fund capital
30 outlay decentralization programs are hereby granted a waiver from the provisions of § 2.2-4301, Competitive Negotiation,
31 subdivision 3a, Code of Virginia, regarding the not to exceed amount of \$100,000 for a single project, the not to exceed sum of
32 \$500,000 for all projects performed, and the option to renew for two additional one-year terms.

33 g. Notwithstanding any contrary provision of law or this act, delegations of authority in this act to the Governor shall apply
34 only to agencies and personnel within the Executive Department, unless specifically stated otherwise.

35 h. This section shall not apply to public institutions of higher education governed by Chapters 933 and 943 of the 2006 Acts of
36 Assembly.

37 § 4-5.07 LEASE, LICENSE OR USE AGREEMENTS

38 a. Agencies shall not acquire or occupy real property through lease, license or use agreement until the agency certifies to the
39 Director, Department of General Services, that (i) funds are available within the agency's appropriations made by this act for
40 the cost of the lease, license or use agreement and (ii) except for good cause as determined by the Department of General
41 Services, the volume of such space conforms with the space planning procedures for leased facilities developed by the
42 Department of General Services and approved by the Governor. The Department of General Services shall acquire and hold
43 such space for use by state departments, agencies and institutions within the Executive Branch and may utilize brokerage
44 services, portfolio management strategies, strategic planning, transaction management, project and construction management,
45 and lease administration strategies consistent with industry best practices as adopted by the Department from time to time.
46 These provisions may be waived in writing by the Director, Department of General Services. However, these provisions shall
47 not apply to institutions of higher education that have met the conditions prescribed in subsection B of § 23.1-1006, Code of
48 Virginia.

49 b. Agencies acquiring personal property in accordance with § 2.2-2417, Code of Virginia, shall certify to the State Treasurer
50 that funds are available within the agency's appropriations made by this act for the cost of the lease.

51 § 4-5.08 SEMICONDUCTOR MANUFACTURING PERFORMANCE GRANT PROGRAMS

52 a. The Comptroller shall not draw any warrants to issue checks for semiconductor manufacturing performance grant programs,

1 pursuant to Title 59.1, Chapter 22.3, Code of Virginia, without a specific legislative appropriation. The appropriation shall be in
 2 accordance with the terms and conditions set forth in a memorandum of understanding between a qualified manufacturer and the
 3 Commonwealth. These terms and conditions shall supplement the provisions of the Semiconductor Manufacturing Performance
 4 Grant Program, the Semiconductor Memory or Logic Wafer Manufacturing Performance Grant Program, and the Semiconductor
 5 Memory or Logic Wafer Manufacturing Performance Grant Program II, as applicable, and shall include but not be limited to the
 6 numbers and types of semiconductor wafers that are produced; the level of investment directly related to the building and equipment
 7 for manufacturing of wafers or activities ancillary to or supportive of such manufacturer within the eligible locality; and the direct
 8 employment related to these programs. To that end, the Secretary of Commerce and Trade shall certify in writing to the Governor
 9 and to the Chairmen of the House Appropriations and Senate Finance Committees the extent to which a qualified manufacturer met
 10 the terms and conditions. The appropriation shall be made in full or in proportion to a qualified manufacturer's fulfillment of the
 11 memorandum of understanding.

12 b. The Governor shall consult with the House Appropriations and Senate Finance Committees before amending any existing
 13 memorandum of understanding. These Committees shall have the opportunity to review any changes prior to their execution by the
 14 Commonwealth.

15 § 4-5.09 DISPOSITION OF SURPLUS REAL PROPERTY

16 a. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, the departments, divisions, institutions, or agencies of the
 17 Commonwealth, or the Governor, shall sell or lease surplus real property only under the following circumstances:

18 1. Any emergency declared in accordance with §§ 44-146.18:2 or § 44-146.28, Code of Virginia, or

19 2. Not less than thirty days after the Governor notifies, in writing, the Chairmen of the House Appropriations and Senate Finance
 20 Committees regarding the planned conveyance, including a statement of the proceeds to be derived from such conveyance and the
 21 individual or entity taking title to such property.

22 3. Surplus property valued at less than \$5,000,000 that is possessed and controlled by a public institution of higher education,
 23 pursuant to §§ 2.2-1149 and 2.2-1153, Code of Virginia.

24 b. In any circumstance provided for in subsection a of this section, the cognizant board or governing body of the agency or
 25 institution holding title or otherwise controlling the state-owned property shall approve, in writing, the proposed conveyance of the
 26 property.

27 c. In accordance with § 15.2-2005, Code of Virginia, the consent of the General Assembly is herein provided for the road known as
 28 Standpipe Road, that was relocated and established on a portion of the Virginia Department of Transportation's Culpeper District
 29 Office property, identified as Tax Map No. 50-28, to improve the operational efficiency of the local road network in the Town of
 30 Culpeper. Further, the Virginia Department of Transportation is hereby authorized to convey to the Town of Culpeper, upon such
 31 terms and conditions as the Department deems proper and for such considerations the Department may determine, the property on
 32 which "Standpipe Road (Relocated)(Variable Width R/W)" on the plat entitled "plat Showing Property and Various Easements for
 33 Standpipe Road Relocated, Tax Map 50-28, Town of Culpeper, Culpeper County, Virginia" prepared by ATCS P.L.C and sealed
 34 March 14, 2012, together with easements to the Town of Culpeper for electric utility, slopes and drainage as shown on said plat.
 35 The conveyance shall be made with the approval of the Governor and in a form approved by the Attorney General. The appropriate
 36 officials of the Commonwealth are hereby authorized to prepare, execute, and deliver such deed and other documents as may be
 37 necessary to accomplish the conveyance.

38 d. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, if tax-exempt bonds were issued by the Commonwealth or its
 39 related authorities, boards or institutions to finance the acquisition, construction, improvement or equipping of real property,
 40 proceeds from the sale or disposition of such property and any improvements may first be applied toward remediation options
 41 available under federal law to maintain the tax-exempt status of such bonds.

42 § 4-5.10 SURPLUS PROPERTY TRANSFERS FOR ECONOMIC DEVELOPMENT

43 a. The Commonwealth shall receive the fair market value of surplus state property which is designated by the Governor for
 44 economic development purposes, and for any properties owned by an Industrial Development Authority in any county where the
 45 Commonwealth has a continuing interest based on the deferred portion of the purchase price, which shall be assessed by more than
 46 one independent appraiser certified as a Licensed General Appraiser. Such property shall not be disposed of for less than its fair
 47 market value as determined by the assessments.

48 b. Recognizing the commercial, business and industrial development potential of certain lands declared surplus, and for any
 49 properties owned by an Industrial Development Authority in any county where the Commonwealth has a continuing interest based
 50 on the deferred portion of the purchase price, the Governor shall be authorized to utilize funds available in the Governor's discretion,
 51 to meet the requirements of the preceding subsection a. Sale proceeds, together with the money from the Commonwealth's
 52 Development Opportunity Fund, shall be deposited as provided in § 2.2-1156 D, Code of Virginia.

53 c. Within thirty days of closing on the sale of surplus property designated for economic development, the Governor or his designee

1 shall report to the Chairmen of the Senate Finance and House Appropriations Committees. The report shall include information
 2 on the number of acres sold, sales price, amount of proceeds deposited to the general fund and Conservation Resources Fund,
 3 and the fair market value of the sold property.

4 d. Except for subaqueous lands that have been filled prior to January 1, 2006, the Governor shall not sell or convey those
 5 subaqueous lands identified by metes and bounds in Chapter 884 of the Acts of the Assembly of 2006.

6 e. Prior to July 1, 2019, and notwithstanding any provision of law to the contrary, the Commonwealth of Virginia shall begin
 7 the process to convey, as is and pursuant to § 2.2-1150, approximately 150 acres of land located within County of York,
 8 Virginia, known as Tax Parcel 12-00-00-003 (the Property) to the Eastern Virginia Regional Industrial Facility Authority
 9 (hereinafter referred to Authority) for an amount not to exceed \$1,000,000. Location of the 150 acres within the Property shall
 10 be agreed to between the Commonwealth of Virginia and the Authority prior to execution of the property transfer, the
 11 Commonwealth of Virginia shall provide to the Authority copies of the two most recent state appraisals for the 150 acres parcel
 12 agreed to by the parties, and in no case shall the transaction price exceed the average of the two most recent state appraisals.
 13 The Authority shall reimburse the Commonwealth of Virginia, at property closing, for the appraisals and other Commonwealth
 14 of Virginia costs to prepare and execute the conveyance documents. The conveyance of the Property should occur no later than
 15 December 31, 2019.

16 1. The Authority is authorized to convey the property rights of the 150 acres, conveyed by the Commonwealth in paragraph e.,
 17 to the operator of a 20 megawatt solar facility for the amount the Authority acquired the property and any closing costs
 18 associated with its acquisition from the Commonwealth of Virginia.

19 2. Any remaining Property as agreed to by the Commonwealth of Virginia and the Authority shall be made available for
 20 purchase by the Authority for an amount not to exceed \$350,000, and the Commonwealth is authorized to sell such property to
 21 the Authority pursuant to § 2.2-1150 . A deed restriction in the Commonwealth of Virginia and Authority property sale
 22 described in this section, e.2, shall limit the sale of such property by the Authority to unmanned systems companies or
 23 companies related to the unmanned system industries locating to the Hampton Roads Unmanned Systems Park for amounts as
 24 determined by the Authority. The Authority shall reimburse the Commonwealth of Virginia, at property closing, for any
 25 appraisals and other Commonwealth of Virginia costs to prepare and execute the conveyance documents related to this
 26 transaction.

27 ~~§ 4-5.11~~ LIMITATIONS ON USE OF STATE FUNDING

28 Notwithstanding any other provision of the Code of Virginia, no expenditures from the general, special, or other nongeneral
 29 fund sources from any appropriation by the General Assembly shall be used to support membership or participation in the
 30 Regional Greenhouse Gas Initiative (RGGI) until such time as the General Assembly has approved such membership as
 31 evidenced by language authorizing such action in the Appropriation Act, with the exception of any expenditures required
 32 pursuant to any contract signed prior to the passage of this act by the General Assembly; nor shall any RGGI auction proceeds
 33 be used to supplement any appropriation in this act without express General Assembly approval.

34 § 4-5.12 SEAT OF GOVERNMENT TRAFFIC AND PEDESTRIAN SAFETY

35 In order to implement and maintain traffic and pedestrian operational safety and security enhancements and secure the seat of
 36 government, the Commonwealth Transportation Board shall, not later than January 1, 2020, add to the state primary highway
 37 system, pursuant to § 33.2-314, Code of Virginia, those portions of the rights-of-way located in the City of Richmond identified
 38 as Bank Street from 9th Street to 14th Street, 10th Street from Main Street to Bank Street, 12th Street from Main Street to Bank
 39 Street, and Governor Street from Main Street to Bank Street and, pursuant to the responsibilities of the Department of General
 40 Services (DGS) (§ 2.2-1129) and the Division of Capitol Police (DCP) (§ 30-34.2:1), DGS and DCP shall control those rights-
 41 of-way and pedestrian and vehicular traffic thereon. The rights-of-way so transferred shall be in addition to the 50 miles per
 42 year authorized to be transferred under § 33.2-314(A).

43 § 4-6.00 POSITIONS AND EMPLOYMENT

44 § 4-6.01 EMPLOYEE COMPENSATION

45 a. The compensation of all kinds and from all sources of each appointee of the Governor and of each officer and employee in
 46 the Executive Department who enters the service of the Commonwealth or who is promoted to a vacant position shall be fixed
 47 at such rate as shall be approved by the Governor in writing or as is in accordance with rules and regulations established by the
 48 Governor. No increase shall be made in such compensation except with the Governor's written approval first obtained or in
 49 accordance with the rules and regulations established by the Governor. In all cases where any appointee, officer or employee is
 50 employed or promoted to fill a vacancy in a position for which a salary is specified by this act, the Governor may fix the salary
 51 of such officer or employee at a lower rate or amount within the respective level than is specified. In those instances where a
 52 position is created by an act of the General Assembly but not specified by this act, the Governor may fix the salary of such
 53 position in accordance with the provisions of this subsection.

54 b. Annual salaries of persons appointed to positions by the General Assembly, pursuant to the provisions of §§ 2.2-200 and 2.2-

1 400, Code of Virginia, shall be paid in the amounts shown. However, if an incumbent is reappointed, his or her salary may be as
2 high as his or her prior salary.

3		July 1, 2018	June 25, 2019	November 25, 2019
4		to	to	to
5		June 24, 2019	November 24, 2019	June 30, 2020
5	Chief of Staff	\$175,000	\$179,813	\$179,813
6	Secretary of Administration	\$172,000	\$176,730	\$176,730
7	Secretary of Agriculture and	\$172,000	\$176,730	\$176,730
8	Forestry			
9	Secretary of Commerce and	\$172,000	\$176,730	\$176,730
10	Trade			
11	Secretary of the Commonwealth	\$172,000	\$176,730	\$176,730
12	Secretary of Education	\$172,000	\$176,730	\$176,730
13	Secretary of Finance	\$175,980	\$180,819	\$180,819
14	Secretary of Health and Human	\$172,000	\$176,730	\$176,730
15	Resources			
16	Secretary of Natural Resources	\$172,000	\$176,730	\$176,730
17	Secretary of Public Safety and	\$173,903	\$178,685	\$178,685
18	Homeland Security			
19	Secretary of Transportation	\$172,000	\$176,730	\$176,730
20	Secretary of Veterans and	\$172,000	\$176,730	\$176,730
21	Defense Affairs			

22 c.1.a) Annual salaries of persons appointed to positions listed in subdivision c 6 hereof shall be paid in the amounts shown for the
23 current biennium, unless changed in accordance with conditions stated in subdivisions c 2 through c 5 hereof.

24 b) The starting salary of a new appointee shall not exceed the midpoint of the range, except where the midpoint salary is less than a
25 ten percent increase from an appointee's preappointment compensation. In such cases, an appointee's starting salary may be set at a
26 rate which is ten percent higher than the preappointment compensation, provided that the maximum of the range is not exceeded.
27 However, in instances where an appointee's preappointment compensation exceeded the maximum of the respective salary range,
28 then the salary for that appointee may be set at the maximum salary for the respective salary range except if the new hire was
29 employed in a state classified position, then the Governor may exceed the maximum salary for the position and set the salary for the
30 employee at a salary level not to exceed the employee's salary at their prior state position.

31 c) Nothing in subdivision c 1 shall be interpreted to supersede the provisions of § 4-6.01 e, f, g, h, i, j, k, l, and m of this act.

32 d) For new appointees to positions listed in § 4-6.01c.6., the Governor is authorized to provide for fringe benefits in addition to those
33 otherwise provided by law, including post retirement health care and other non-salaried benefits provided to similar positions in the
34 public sector.

35 2.a)1) The Governor may increase or decrease the annual salary for incumbents of positions listed in subdivision c 6 below at a rate
36 of up to 10 percent in any single fiscal year between the minimum and the maximum of the respective salary range in accordance
37 with an assessment of performance and service to the Commonwealth.

38 2) The governing boards of the independent agencies may increase or decrease the annual salary for incumbents of positions listed in
39 subdivision c.7. below at a rate of up to 10 percent in any fiscal year between the minimum and maximum of the respective salary
40 range, in accordance with an assessment of performance and service to the Commonwealth.

41 b)1) The appointing or governing authority may grant performance bonuses of 0-5 percent for positions whose salaries are listed in
42 §§ 1-1 through 1-9, and 4-6.01 b, c, and d of this act, based on an annual assessment of performance, in accordance with policies and

1 procedures established by such appointing or governing authority. Such performance bonuses shall be over and above the
2 salaries listed in this act, and shall not become part of the base rate of pay.

3 2) The appointing or governing authority shall report performance bonuses which are granted to executive branch employees to
4 the Department of Human Resource Management for retention in its records.

5 3. From the effective date of the Executive Pay Plan set forth in Chapter 601, Acts of Assembly of 1981, all incumbents
6 holding positions listed in this § 4-6.01 shall be eligible for all fringe benefits provided to full-time classified state employees
7 and, notwithstanding any provision to the contrary, the annual salary paid pursuant to this § 4-6.01 shall be included as
8 creditable compensation for the calculation of such benefits.

9 4. Notwithstanding § 4-6.01.c.2.b)1) of this Act, the Board of Commissioners of the Virginia Port Authority may supplement
10 the salary of its Executive Director, with the prior approval of the Governor. The Board should be guided by criteria which
11 provide a reasonable limit on the total additional income of the Executive Director. The criteria should include, without
12 limitation, a consideration of the salaries paid to similar officials at comparable ports of other states. The Board shall report
13 approved supplements to the Department of Human Resource Management for retention in its records.

14 5.a. With the written approval of the Governor, the Board of Trustees of the Virginia Museum of Fine Arts, the Science
15 Museum of Virginia, the Virginia Museum of Natural History, Gunston Hall, and the Library Board may supplement the salary
16 of the Director of each museum, and the Librarian of Virginia from nonstate funds. In approving a supplement, the Governor
17 should be guided by criteria which provide a reasonable limit on the total additional income and the criteria should include,
18 without limitation, a consideration of the salaries paid to similar officials at comparable museums and libraries of other states.
19 The respective Boards shall report approved supplements to the Department of Human Resource Management for retention in
20 its records.

21 b) The Board of Trustees of the Jamestown-Yorktown Foundation may supplement, using nonstate funds, the salary of the
22 Executive Director of the Foundation. In approving the supplement the Board should be guided by criteria which provides a
23 reasonable limit on the total additional income and the criteria should include, without limitation, a consideration of the salaries
24 paid to similar officials at comparable Foundations in other states. The Board shall report approved supplements to the
25 Department of Human Resource Management for retention in its records.

26 6.a) The following salaries shall be paid for the current biennium in the amounts shown, however, all salary changes shall be
27 subject to subdivisions c 2 through c 5 above.

	July 1, 2018	June 25, 2019	November 25, 2019
	to	to	to
	June 24, 2019	November 24, 2019	June 30, 2020
30 Level I Range	\$164,651 - \$235,000	\$169,179- \$241,463	\$169,179 - \$241,463
31 Midpoint	\$198,825	\$205,321	\$205,321
32 Chief Information Officer,	\$189,263	\$194,468	\$194,468
33 Virginia Information			
34 Technologies Agency			
35 Commissioner, Department of	\$164,970	\$169,507	\$169,507
36 Motor Vehicles			
37 Commissioner, Department of	\$209,000	\$214,748	\$214,748
38 Social Services			
39 Commissioner, Department of	\$212,661	\$218,509	\$218,509
40 Behavioral Health and			
41 Developmental Services			
42 Commonwealth Transportation	\$212,661	\$218,509	\$218,509
43 Commissioner			
44 Director, Department of	\$184,051	\$189,112	\$189,112
45 Corrections			
46 Director, Department of	\$190,188	\$195,418	\$195,418
47 Environmental Quality			

1	Director, Department of	\$199,548	\$205,036	\$205,036
2	Medical Assistance Services			
3	Director, Department of	\$172,699	\$177,448	\$177,448
4	Planning and Budget			
5	State Health Commissioner	\$225,000	\$231,188	\$231,188
6	State Tax Commissioner	\$164,651	\$169,179	\$169,179
7	Superintendent of Public	\$235,000	\$241,463	\$241,463
8	Instruction			
9	Superintendent of State Police	\$184,705	\$189,784	\$189,784
10		July 1, 2018	June 25, 2019	November 25, 2019
		to	to	to
11		June 24, 2019	November 24, 2019	June 30, 2020
12	Level II Range	\$114,330 - \$180,000	\$117,474 - \$184,950	\$117,474 - \$184,950
13	Midpoint	\$147,150	\$151,212	\$151,212
14	Commissioner, Department for	\$155,895	\$160,182	\$160,182
15	Aging and Rehabilitative			
16	Services			
17	Commissioner, Department of	\$165,000	\$169,538	\$169,538
18	Agriculture and Consumer			
19	Services			
20	Commissioner, Department of	\$147,084	\$151,129	\$151,129
21	Veterans Services			
22	Commissioner, Virginia	\$161,679	\$166,125	\$166,125
23	Employment Commission			
24	Executive Director, Department	\$144,414	\$148,385	\$148,385
25	of Game and Inland Fisheries			
26	Commissioner, Marine	\$142,000	\$145,905	\$145,905
27	Resources Commission			
28	Director, Department of	\$167,566	\$172,174	\$172,174
29	Forensic Science			
30	Director, Department of General	\$167,214	\$171,812	\$171,812
31	Services			
32	Director, Department of Human	\$158,738	\$163,103	\$163,103
33	Resource Management			
34	Director, Department of	\$126,860	\$130,349	\$130,349
35	Juvenile Justice			
36	Director, Department of Mines,	\$146,775	\$150,811	\$150,811
37	Minerals and Energy			

1	Director, Department of Rail	\$152,337	\$156,526	\$156,526
2	and Public Transportation			
3	Director, Department of Small	\$139,466	\$143,301	\$143,301
4	Business and Supplier			
5	Diversity			
6	Executive Director, Motor	\$114,330	\$117,474	\$117,474
7	Vehicle Dealer Board			
8	Executive Director, Virginia	\$141,301	\$145,187	\$145,187
9	Port Authority			
10	State Comptroller	\$172,567	\$177,313	\$177,313
11	State Treasurer	\$172,430	\$177,172	\$177,172
12	Executive Director, Board of	\$145,000	\$148,988	\$148,988
13	Accountancy			
14	Chief Executive Officer,	\$180,000	\$184,950	\$184,950
15	Virginia Alcoholic Beverage			
16	Control Authority			
17		July 1, 2018	June 25, 2019	November 25, 2019
18		to	to	to
19	Level III Range	\$110,980 - \$153,585	\$114,032 - \$157,809	\$114,032 - \$157,809
20	Midpoint	\$132,282	\$135,920	\$135,920
21	Adjutant General	\$139,614	\$143,453	\$143,453
22	Chairman, Virginia Parole	\$131,310	\$134,921	\$134,921
23	Board			
24	Vice Chairman, Virginia	\$118,145	\$121,394	\$121,394
25	Parole Board			
26	Member, Virginia Parole	\$115,829	\$119,014	\$119,014
27	Board			
28	Commissioner, Department of	\$139,647	\$143,487	\$143,487
29	Labor and Industry			
30	Coordinator, Department of	\$148,860	\$152,954	\$152,954
31	Emergency Management			
32	Director, Department of	\$150,000	\$154,125	\$154,125
33	Aviation			
34	Director, Department of	\$151,577	\$155,745	\$155,745
35	Conservation and Recreation			
36	Director, Department of	\$125,021	\$128,459	\$128,459
37	Criminal Justice Services			
38	Director, Department of Health	\$135,160	\$138,877	\$138,877
39	Professions			

1	Director, Department of	\$110,980	\$114,032	\$114,032
2	Historic Resources			
3	Director, Department of	\$137,296	\$141,072	\$141,072
4	Housing and Community			
5	Development			
6	Director, Department of	\$151,759	\$155,932	\$155,932
7	Professional and Occupational			
8	Regulation			
9	Director, The Science Museum	\$138,798	\$142,615	\$142,615
10	of Virginia			
11	Director, Virginia Museum of	\$144,315	\$148,284	\$148,284
12	Fine Arts			
13	Director, Virginia Museum of	\$118,480	\$121,738	\$121,738
14	Natural History			
15	Executive Director, Jamestown-	\$140,888	\$144,762	\$144,762
16	Yorktown Foundation			
17	Executive Secretary, Virginia	\$113,300	\$116,416	\$116,416
18	Racing Commission			
19	Librarian of Virginia	\$153,585	\$157,809	\$157,809
20	State Forester, Department of	\$144,983	\$148,970	\$148,970
21	Forestry			
22		July 1, 2018	June 25, 2019	November 25, 2019
		to	to	to
23		June 24, 2019	November 24, 2019	June 30, 2020
24	Level IV Range	\$90,537 - \$118,393	\$93,027 - \$121,649	\$93,027 - \$121,649
25	Midpoint	\$104,465	\$107,338	\$107,338
26	Administrator, Commonwealth's	\$107,761	\$110,724	\$110,724
27	Attorneys' Services Council			
28	Commissioner, Virginia	\$118,393	\$121,649	\$121,649
29	Department for the Blind and			
30	Vision Impaired			
31	Executive Director, Frontier	\$105,000	\$107,888	\$107,888
32	Culture Museum of Virginia			
33	Commissioner, Department of	\$111,000	\$114,053	\$114,053
34	Elections			
35	Executive Director, Virginia-	\$98,000	\$100,695	\$100,695
36	Israel Advisory Board			
37	Director, Gunston Hall	\$90,537	\$93,027	\$93,027
38		July 1, 2018	June 25, 2019	November 25, 2019
		to	to	to
39		June 24, 2019	November 24, 2019	June 30, 2020

1	Level V Range	\$23,515 - \$98,577	\$24,162 - \$101,288	\$24,162 - \$101,288
2	Midpoint	\$61,046	\$62,725	\$62,725
3	Director, Virginia Department	\$98,577	\$101,288	\$101,288
4	for the Deaf and Hard-of-			
5	Hearing			
6	Executive Director,	\$98,577	\$101,288	\$101,288
7	Department of Fire Programs			
8	Executive Director, Virginia	\$98,577	\$101,288	\$101,288
9	Commission for the Arts			
10	Chairman, Compensation	\$23,515	\$24,162	\$24,162
11	Board			

12 7. Annual salaries of the directors of the independent agencies, as listed in this subdivision, shall be paid in the amounts shown.
 13 All salary changes shall be subject to subdivisions c 1, c 2, and c 3 above.

14		July 1, 2018	June 25, 2019	November 25, 2019
		to	to	to
15		June 24, 2019	November 24, 2019	June 30, 2020
16	Independent Range	\$171,954 - \$185,871	\$176,683 - \$190,982	\$176,683 - \$190,982
17	Midpoint	\$178,913	\$183,832	\$183,832
18	Executive Director, Virginia	\$171,954	\$176,683	\$176,683
19	Lottery			
20	Director, Virginia Retirement	\$185,871	\$190,982	\$190,982
21	System			
22	Chief Executive Officer,	\$183,362	\$188,404	\$188,404
23	Virginia College Savings Plan			

24 8. Notwithstanding any provision of this Act, the Board of Trustees of the Virginia Retirement System may supplement the
 25 salary of its Director. The Board should be guided by criteria, which provide a reasonable limit on the total additional income
 26 of the Director. The criteria should include, without limitation, a consideration of the salaries paid to similar officials in
 27 comparable public pension plans. The Board shall report such criteria and potential supplement level to the Chairmen of the
 28 Senate Finance and House Appropriations Committees at least 60 days prior to the effectuation of the compensation action. The
 29 Board shall report approved supplements to the Department of Human Resource Management for retention in its records.

30 9. Notwithstanding any provision of this Act, the Board of the Virginia College Savings Plan may supplement the
 31 compensation of its Chief Executive Officer. The Board should be guided by criteria which provide a reasonable limit on the
 32 total additional income of the Chief Executive Officer. The criteria should include, without limitation, a consideration of
 33 compensation paid to similar officials in comparable qualified tuition programs, independent public agencies or other entities
 34 with similar responsibilities and size. The Board shall report such criteria and potential supplement level to the Chairmen of the
 35 Senate Finance and House Appropriations Committees at least 60 days prior to the effectuation of the compensation action. The
 36 Board shall report approved supplements to the Department of Human Resource Management for retention in its records.

37 d.1. Annual salaries of the presidents of the senior institutions of higher education, the President of Richard Bland College, the
 38 Chancellor of the University of Virginia's College at Wise, the Superintendent of the Virginia Military Institute, the Director of
 39 the State Council of Higher Education, the Director of the Southern Virginia Higher Education Center, the Director of the
 40 Southwest Virginia Higher Education Center and the Chancellor of Community Colleges, as listed in this paragraph, shall be
 41 paid in the amounts shown. The annual salaries of the presidents of the community colleges shall be fixed by the State Board
 42 for Community Colleges within a salary structure submitted to the Governor prior to June 1 each year for approval.

1 2.a) The board of visitors of each institution of higher education or the boards of directors for Southern Virginia Higher Education
 2 Center, Southwest Virginia Higher Education Center, and the New College Institute may annually supplement the salary of a
 3 president or director from private gifts, endowment funds, foundation funds, or income from endowments and gifts. Supplements
 4 paid from other than the cited sources prior to June 30, 1997, may continue to be paid. In approving a supplement, the board of
 5 visitors or board of directors should be guided by criteria which provide a reasonable limit on the total additional income of a
 6 president or director. The criteria should include a consideration of additional income from outside sources including, but not being
 7 limited to, service on boards of directors or other such services. The board of visitors or board of directors shall report approved
 8 supplements to the Department of Human Resource Management for retention in its records.

9 b) The State Board for Community Colleges may annually supplement the salary of the Chancellor from any available
 10 appropriations of the Virginia Community College System. In approving a supplement, the State Board for Community Colleges
 11 should be guided by criteria which provide a reasonable limit on the total additional income of the Chancellor. The criteria should
 12 include consideration of additional income from outside sources including, but not being limited to, service on boards of directors or
 13 other such services. The Board shall report approved supplements to the Department of Human Resource Management for retention
 14 in its records.

15 c) Norfolk State University is authorized to supplement the salary of its president from educational and general funds up to \$17,000.

16 d) Should a vacancy occur for the Director of the State Council of Higher Education on or after the date of enactment of this act, the
 17 salary for the new director shall be established by the State Council of Higher Education based on the salary range for Level I
 18 agency heads. Furthermore, the state council may provide a bonus of up to five percent of the annual salary for the new director.

	July 1, 2018 to June 24, 2019	June 25, 2019 to November 24, 2019	November 25, 2019 to June 30, 2020
NEW COLLEGE INSTITUTE			
Executive Director, New College Institute	\$126,844	\$130,332	\$130,332
STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA			
Director, State Council of Higher Education for Virginia	\$199,479	\$204,965	\$204,965
SOUTHERN VIRGINIA HIGHER EDUCATION CENTER			
Director, Southern Virginia Higher Education Center	\$134,273	\$137,966	\$137,966
SOUTHWEST VIRGINIA HIGHER EDUCATION CENTER			
Director, Southwest Virginia Higher Education Center	\$133,900	\$137,582	\$137,582
VIRGINIA COMMUNITY COLLEGE SYSTEM			
Chancellor of Community Colleges	\$180,976	\$185,953	\$185,953
SENIOR COLLEGE PRESIDENTS' SALARIES			
Chancellor, University of Virginia's College at Wise	\$127,218	\$130,716	\$130,716
President, Christopher Newport University	\$142,606	\$146,528	\$146,528

1	President, The College of	\$163,602	\$168,101	\$168,101
2	William and Mary in Virginia			
3	President, George Mason	\$157,384	\$161,712	\$161,712
4	University			
5	President, James Madison	\$168,654	\$173,292	\$173,292
6	University			
7	President, Longwood	\$153,858	\$158,089	\$158,089
8	University			
9	President, Norfolk State	\$166,920	\$171,510	\$171,510
10	University			
11	President, Old Dominion	\$173,732	\$178,510	\$178,510
12	University			
13	President, Radford University	\$162,579	\$167,050	\$167,050
14	President, Richard Bland	\$138,453	\$142,260	\$142,260
15	College			
16	President, University of Mary	\$151,404	\$155,568	\$155,568
17	Washington			
18	President, University of	\$187,500	\$192,656	\$192,656
19	Virginia			
20	President, Virginia	\$181,395	\$186,383	\$186,383
21	Commonwealth University			
22	President, Virginia Polytechnic	\$198,266	\$203,718	\$203,718
23	Institute and State University			
24	President, Virginia State	\$149,496	\$153,607	\$153,607
25	University			
26	Superintendent, Virginia	\$154,785	\$159,042	\$159,042
27	Military Institute			

28 e. 1. Salaries for newly employed or promoted employees shall be established consistent with the compensation and
29 classification plans established by the Governor.

30 2. The State Comptroller is hereby authorized to require payment of wages or salaries to state employees by direct deposit or by
31 credit to a prepaid debit card or card account from which the employee is able to withdraw or transfer funds.

32 f. The provisions of this section, requiring prior written approval of the Governor relative to compensation, shall apply also to
33 any system of incentive award payments which may be adopted and implemented by the Governor. The cost of implementing
34 any such system shall be paid from any funds appropriated to the affected agencies.

35 g. No lump sum appropriation for personal service shall be regarded as advisory or suggestive of individual salary rates or of
36 salary schedules to be fixed under law by the Governor payable from the lump sum appropriation.

37 h. Subject to approval by the Governor of a plan for a statewide employee meritorious service awards program, as provided for
38 in § 2.2-1201, Code of Virginia, the costs for such awards shall be paid from any operating funds appropriated to the affected
39 agencies.

40 i. The General Assembly hereby affirms and ratifies the Governor's existing authority and the established practice of this body
41 to provide for pay differentials or to supplement base rates of pay for employees in specific job classifications in particular
42 geographic and/or functional areas where, in the Governor's discretion, they are needed for the purpose of maintaining salaries
43 which enable the Commonwealth to maintain a competitive position in the relevant labor market.

44 j.1. If at any time the Administrator of the Commonwealth's Attorneys' Services Council serves on the faculty of a state-

- 1 supported institution of higher education, the faculty appointment must be approved by the Council. Such institution shall pay one-
 2 half of the salary listed in § 4-6.01 c 6 of this act. Further, such institution may provide compensation in addition to that listed in § 4-
 3 6.01 c 6; provided, however, that such additional compensation must be approved by the Council.
- 4 2. If the Administrator ceases to be a member of the faculty of a state-supported institution of higher education, the total salary listed
 5 in § 4-6.01 c 6 shall be paid from the Council's appropriation.
- 6 k.1.a. Except as otherwise provided for in this subdivision, any increases in the salary band assignment of any job role contained in
 7 the compensation and classification plans approved by the Governor shall be effective beginning with the first pay period, defined as
 8 the pay period from June 25 through July 9, of the fiscal year if: (1) the agency certifies to the Secretary of Finance that funds are
 9 available within the agency's appropriation to cover the cost of the increase for the remainder of the current biennium and presents a
 10 plan for covering the costs next biennium and the Secretary concurs, or (2) such funds are appropriated by the General Assembly. If
 11 at any time the Secretary of Administration shall certify that such change in the salary band assignment for a job role is of an
 12 emergency nature and the Secretary of Finance shall certify that funds are available to cover the cost of the increase for the
 13 remainder of the biennium within the agency's appropriation, such change in compensation may be effective on a date agreed upon
 14 by these two Secretaries. The Secretary of Administration shall provide a monthly report of all such emergency changes in
 15 accordance with § 4-8.00, Reporting Requirements.
- 16 b. Notwithstanding any other provision of law, state employees will be paid on the first workday of July for the work period June 10
 17 to June 24 in any calendar year in which July 1 falls on a weekend.
- 18 2. Salary adjustments for any employee through a promotion, role change, exceptional recruitment and retention incentive options,
 19 or in-range adjustment shall occur only if: a) the agency has sufficient funds within its appropriation to cover the cost of the salary
 20 adjustment for the remainder of the current biennium or b) such funds are appropriated by the General Assembly.
- 21 3. No changes in salary band assignments affecting classified employees of more than one agency shall become effective unless the
 22 Secretary of Finance certifies that sufficient funds are available to provide such increase or plan to all affected employees supported
 23 from the general fund.
- 24 l. Full-time employees of the Commonwealth, including faculty members of state institutions of higher education, who are appointed
 25 to a state-level board, council, commission or similar collegial body shall not receive any such compensation for their services as
 26 members or chairmen except for reimbursement of reasonable and necessary expenses. The foregoing provision shall likewise apply
 27 to the Compensation Board, pursuant to § 15.2-1636.5, Code of Virginia.
- 28 m.1. Notwithstanding any other provision of law, the board of visitors or other governing body of any public institution of higher
 29 education is authorized to establish age and service eligibility criteria for faculty participating in voluntary early retirement incentive
 30 plans for their respective institutions pursuant to § 23.1-1302 B and the cash payment offered under such compensation plans
 31 pursuant to § 23.1-1302 D, Code of Virginia. Notwithstanding the limitations in § 23.1-1302 D, the total cost in any fiscal year for
 32 any such compensation plan , shall be set forth by the governing body in the compensation plan for approval by the Governor and
 33 review for legal sufficiency by the Office of the Attorney General.
- 34 2. Notwithstanding any other provision of law, employees holding full-time, academic-year classified positions at public institutions
 35 of higher education shall be considered "state employees" as defined in § 51.1-124.3, Code of Virginia, and shall be considered for
 36 medical/hospitalization, retirement service credit, and other benefits on the same basis as those individuals appointed to full-time,
 37 12-month classified positions.
- 38 n. Notwithstanding the Department of Human Resource Management Policies and Procedures, payment to employees with five or
 39 more years of continuous service who either terminate or retire from service shall be paid in one sum for twenty-five percent of their
 40 sick leave balance, provided, however, that the total amount paid for sick leave shall not exceed \$5,000 and the remaining seventy-
 41 five percent of their sick leave shall lapse. This provision shall not apply to employees who are covered by the Virginia Sickness and
 42 Disability Program as defined in § 51.1-1100, Code of Virginia. Such employees shall not be paid for their sick leave balances.
 43 However, they will be paid, if eligible as described above, for any disability leave credits they have at separation or retirement or
 44 may convert disability credits to service credit under the Virginia Retirement System pursuant to § 51.1-1103 (F), Code of Virginia.
- 45 o. It is the intent of the General Assembly that calculation of the faculty salary benchmark goal for the Virginia Community College
 46 System shall be done in a manner consistent with that used for four-year institutions, taking into consideration the number of faculty
 47 at each of the community colleges. In addition, calculation of the salary target shall reflect an eight percent salary differential in a
 48 manner consistent with other public four-year institutions and for faculty at Northern Virginia Community College.
- 49 p. Any public institution of higher education that has met the eligibility criteria set out in Chapters 933 and 945 of the 2005 Acts of
 50 Assembly may supplement annual salaries for classified employees from private gifts, endowment funds, or income from
 51 endowments and gifts, subject to policies approved by the board of visitors. The Commonwealth shall have no general fund
 52 obligations for the continuation of such salary supplements.
- 53 q. The Governor, or any other appropriate Board or Public Body, is authorized to adjust the salaries of employees specified in this
 54 item, and other items in the Act, to reflect the compensation adjustments authorized in this Act.

1 r. Any public institution of higher education shall not provide general fund monies above \$100,000 for any individual athletic
 2 coaching salaries after July 1, 2013. Athletic coaching salaries with general fund monies above this amount shall be phased-
 3 down over a five-year period at 20 percent per year until reaching the cap of \$100,000.

4 § 4-6.02 EMPLOYEE TRAINING AND STUDY

5 Subject to uniform rules and regulations established by the Governor, the head of any state agency may authorize, from any
 6 funds appropriated to such department, institution or other agency in this act or subsequently made available for the purpose,
 7 compensation or expenses or both compensation and expenses for employees pursuing approved training courses or academic
 8 studies for the purpose of becoming better equipped for their employment in the state service. The rules and regulations shall
 9 include reasonable provision for the return of any employee receiving such benefits for a reasonable period of duty, or for
 10 reimbursement to the state for expenditures incurred on behalf of the employee should he not return to state service.

11 § 4-6.03 EMPLOYEE BENEFITS

12 a. Any medical/hospitalization benefit program provided for state employees shall include the following provision: any state
 13 employee, as defined in § 2.2-2818, Code of Virginia, shall have the option to accept or reject coverage.

14 b. Except as provided for sworn personnel of the Department of State Police, no payment of, or reimbursement for, the
 15 employer paid contribution to the State Police Officers' Retirement System, or any system offering like benefits, shall be made
 16 by the Compensation Board of the Commonwealth at a rate greater than the employer rate established for the general classified
 17 workforce of the Commonwealth covered under the Virginia Retirement System. Any cost for benefits exceeding such general
 18 rate shall be borne by the employee or, in the case of a political subdivision, by the employer.

19 c. Each agency may, within the funds appropriated by this act, implement a transit and ridesharing incentive program for its
 20 employees. With such programs, agencies may reimburse employees for all or a portion of the costs incurred from using public
 21 transit, car pools, or van pools. The Secretary of Transportation shall develop guidelines for the implementation of such
 22 programs and any agency program must be developed in accordance with such guidelines. The guidelines shall be in
 23 accordance with the federal National Energy Policy Act of 1992 (P.L. 102-486), and no program shall provide an incentive that
 24 exceeds the actual costs incurred by the employee.

25 d. Any hospital that serves as the primary medical facility for state employees may be allowed to participate in the State
 26 Employee Health Insurance Program pursuant to § 2.2-2818, Code of Virginia, provided that (1) such hospital is not a
 27 participating provider in the network, contracted by the Department of Human Resource Management, that serves state
 28 employees and (2) such hospital enters into a written agreement with the Department of Human Resource Management as to
 29 the rates of reimbursement. The department shall accept the lowest rates offered by the hospital from among the rates charged
 30 by the hospital to (1) its largest purchaser of care, (2) any state or federal public program, or (3) any special rate developed by
 31 the hospital for the state employee health benefits program which is lower than either of the rates above. If the department and
 32 the hospital cannot come to an agreement, the department shall reimburse the hospital at the rates contained in its final offer to
 33 the hospital until the dispute is resolved. Any dispute shall be resolved through arbitration or through the procedures established
 34 by the Administrative Process Act, as the hospital may decide, without impairment of any residual right to judicial review.

35 e. Any classified employee of the Commonwealth and any person similarly employed in the legislative, judicial and
 36 independent agencies who (i) is compensated on a salaried basis and (ii) works at least twenty hours per week shall be
 37 considered a full-time employee for the purposes of participation in the Virginia Retirement System's group life insurance and
 38 retirement programs. Any part-time magistrate hired prior to July 1, 1999, shall have the option of participating in the programs
 39 under this provision.

40 f.1. Any member of the Virginia Retirement System who is retired under the provisions of § 51.1-155.1, Code of Virginia who:
 41 1) returns to work in a position that is covered by the provisions of § 51.1-155.1, Code of Virginia after a break of not less than
 42 four years, 2) receives no other compensation for service to a public employer than that provided for the position covered by §
 43 51.1-155.1, Code of Virginia during such period of reemployment, 3) retires within one year of commencing such period of
 44 reemployment, and 4) retires directly from service at the end of such period of reemployment may either:

45 a) Revert to the previous retirement benefit received under the provisions of § 51.1-155.1, Code of Virginia, including any
 46 annual cost of living adjustments granted thereon. This benefit may be adjusted upward to reflect the effect of such additional
 47 months of service and compensation received during the period of reemployment, or

48 b) Retire under the provisions of Title 51.1 in effect at the termination of his or her period of reemployment, including any
 49 purchase of service that may be eligible for purchase under the provisions of § 51.1-142.2, Code of Virginia.

50 2. The Virginia Retirement System shall establish procedures for verification by the employer of eligibility for the benefits
 51 provided for in this paragraph.

52 g. Notwithstanding any other provision of law, no agency head compensated by funds appropriated in this act may be a member
 53 of the Virginia Law Officers' Retirement System created under Title 51.1, Chapter 2.1, Code of Virginia. The provisions of this

1 paragraph are effective on July 1, 2002, and shall not apply to the Chief of the Capitol Police.

2 h. Full-time employees appointed by the Governor who, except for meeting the minimum service requirements, would be eligible for
 3 the provisions of § 51.1-155.1, Code of Virginia, may, upon termination of service, use any severance allowance payment to
 4 purchase service to meet, but not exceed, the minimum service requirements of § 51.1-155.1, Code of Virginia. Such service
 5 purchase shall be at the rate of 15 percent of the employee's final creditable compensation or average final compensation, whichever
 6 is greater, and shall be completed within 90 days of separation of service.

7 i. When calculating the retirement benefits payable under the Virginia Retirement System (VRS), the State Police Officers'
 8 Retirement System (SPORS), the Virginia Law-enforcement Officers' Retirement System (VaLORS), or the Judicial Retirement
 9 System (JRS) to any employee of the Commonwealth or its political subdivisions who is called to active duty with the armed forces
 10 of the United States, including the United States Coast Guard, the Virginia Retirement System shall:

11 1) utilize the pre-deployment salary, or the actual salary paid by the Commonwealth or the political subdivision, whichever is higher,
 12 when calculating average compensation, and

13 2) include those months after September 1, 2001 during which the employee was serving on active duty with the armed forces of the
 14 United States in the calculation of creditable service.

15 j. The provisions in § 51.1-144, Code of Virginia, that require a member to contribute five percent of his creditable compensation for
 16 each pay period for which he receives compensation on a salary reduction basis, shall not apply to any (i) "state employee," as
 17 defined in § 51.1-124.3, Code of Virginia, who is an elected official, or (ii) member of the Judicial Retirement System under Chapter
 18 3 of Title 51.1 (§ 51.1-300 et seq.), who is not a "person who becomes a member on or after July 1, 2010," as defined in § 51.1-
 19 124.3, Code of Virginia.

20 k. Notwithstanding the provisions of subsection G of § 51.1-156, any employee of a school division who completed a period of 24
 21 months of leave of absence without pay during October 2013 and who had previously submitted an application for disability
 22 retirement to VRS in 2011 may submit an application for disability retirement under the provisions of § 51.1-156. Such application
 23 shall be received by the Virginia Retirement System no later than October 1, 2014. This provision shall not be construed to grant
 24 relief in any case for which a court of competent jurisdiction has already rendered a decision, as contemplated by Article II, Section
 25 14 of the Constitution of Virginia.

26 § 4-6.04 CHARGES

27 a. FOOD SERVICES: Except as exempted by the prior written approval of the Director, Department of Human Resource
 28 Management, and the provisions of § 2.2-3605, Code of Virginia, state employees shall be charged for meals served in state
 29 facilities. Charges for meals will be determined by the agency. Such charges shall be not less than the value of raw food and the cost
 30 of direct labor and utilities incidental to preparation and service. Each agency shall maintain records as to the calculation of meal
 31 charges and revenues collected. Except where appropriations for operation of the food service are from nongeneral funds, all
 32 revenues received from such charges shall be paid directly and promptly into the general fund. The provisions of this paragraph shall
 33 not apply to on-duty employees assigned to correctional facilities operated by the Departments of Corrections and Juvenile Justice.

34 b. HOUSING SERVICES:

35 1. Each agency will collect a fee from state employees who occupy state-owned or leased housing, subject to guidelines provided by
 36 the Director, Department of General Services. Each agency head is responsible for establishing a fee for state-owned or leased
 37 housing and for documenting in writing why the rate established was selected. In exceptional circumstances, which shall be
 38 documented as being in the best interest of the Commonwealth by the agency requesting an exception, the Director, Department of
 39 General Services may waive the requirement for collection of fees.

40 2. All revenues received from housing fees shall be promptly deposited in the state treasury. For housing for which operating
 41 expenses or rent are financed by general fund appropriations, such revenues shall be deposited to the credit of the general fund. For
 42 housing for which operating expenses or rent are financed by nongeneral fund appropriations, such revenues shall be deposited to
 43 the credit of the nongeneral fund. Agencies which provide housing for which operating expenses or rent are financed from both
 44 general fund and nongeneral fund appropriations shall allocate such revenues, when deposited in the state treasury, to the appropriate
 45 fund sources in the same proportion as the appropriations. However, without exception, any portion of a housing fee attributable to
 46 depreciation for housing which was constructed with general fund appropriations shall be paid into the general fund.

47 c. PARKING SERVICES:

48 1. State-owned parking facilities

49 Agencies with parking space for employees in state-owned facilities shall, when required by the Director, Department of General
 50 Services, charge employees for such space on a basis approved by the Governor. All revenues received from such charges shall be
 51 paid directly and promptly into a special fund in the state treasury to be used, as determined by the Governor, for payment of costs
 52 for the provision of vehicle parking spaces. Interest shall be added to the fund as earned. -

1 2. Leased parking facilities in metropolitan Richmond area

2 Agencies occupying private sector leased or rental space in the metropolitan Richmond area, not including institutions of higher
 3 education, shall be required to charge a fee to employees for vehicle parking spaces that are assigned to them or are otherwise
 4 available either incidental to the lease or rental agreement or pursuant to a separate lease agreement for private parking space.
 5 In such cases, the individual employee parking fee shall not be less than that paid by employees parking in Department of
 6 General Services parking facilities at the Seat of Government. The Director, Department of General Services may amend or
 7 waive the fee requirement for good cause. Revenues derived from employees paying for parking spaces in leased facilities will
 8 be retained by the leasing agency to be used to offset the cost of the lease to which it pertains. Any lease for private parking
 9 space must be approved by the Director, Department of General Services.

10 3. The assignment of Lot P1A of the Department of General Services, Capitol Area Site Plan, to include parking spaces 1
 11 through 37, but excluding spaces 34 and 36, which shall be reserved for the Department of General Services, and the
 12 surrounding surfaces around those spaces shall be under the control of the Committee on Joint Rules and administered by the
 13 Clerk of the House and the Clerk of the Senate. Any employee permanently assigned to any of these spaces shall be subject to
 14 the provisions of paragraph 1 of this item.

15 4. The assignment of 300 parking spaces in the Department of General Services parking facility to be built at the corner of 9th
 16 and Broad Streets in the City of Richmond, shall be under the control of the Committee on Joint Rules and administered by the
 17 Clerk of the House and the Clerk of the Senate. Such parking spaces shall be subject to the provisions of paragraph 1 of this
 18 item.

19 § 4-6.05 SELECTION OF APPLICANTS FOR CLASSIFIED POSITIONS

20 It is the responsibility of state agency heads to ensure that all provisions outlined in Title 2.2, Chapter 29, Code of Virginia (the
 21 Virginia Personnel Act), and executive orders that govern the practice of selecting applicants for classified positions are strictly
 22 observed. The Governor's Secretaries shall ensure this provision is faithfully enforced.

23 § 4-6.06 POSITIONS GOVERNED BY CHAPTERS 933 AND 943 OF THE 2006 ACTS OF ASSEMBLY

24 Except as provided in subsection A of § 23.1-1020 of the Code of Virginia, § 4-6.00 shall not apply to public institutions of
 25 higher education governed by Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of
 26 Assembly and Chapters 675 and 685 of the 2009 Acts of Assembly, with regard to their participating covered employees, as
 27 that term is defined in those two chapters, except to the extent a specific appropriation or language in this act addresses such an
 28 employee.

29 **§ 4-7.00 STATEWIDE PLANS**

30 § 4-7.01 MANPOWER CONTROL PROGRAM

31 a.1. The term Position Level is defined as the number of full-time equivalent (FTE) salaried employees assigned to an agency
 32 in this act. Except as provided in § 4-7.01 b, the Position Level number stipulated in an agency's appropriation is the upper limit
 33 for agency employment which cannot be exceeded during the fiscal year without approval from the Director, Department of
 34 Planning and Budget for Executive Department agencies, approval from the Joint Committee on Rules for Legislative
 35 Department agencies or approval from the appropriate governing authority for the independent agencies.

36 2. Any approval granted under this subsection shall be reported in writing to the Chairmen of the House Appropriations
 37 Committee and the Senate Finance Committee, the Governor and the Directors of the Department of Planning and Budget and
 38 Department of Human Resource Management within ten days of such approval. Approvals for executive department agencies
 39 shall be based on threats to life, safety, health, or property, or compliance with judicial orders or federal mandates, to support
 40 federal grants or private donations, to administer a program for another agency or to address an immediate increase in workload
 41 or responsibility or when to delay approval of increased positions would result in a curtailment of services prior to the next
 42 legislative session. Any such position level increases pursuant to this provision may not be approved for more than one year.

43 b. The Position Levels stipulated for the individual agencies within the Department of Behavioral Health and Developmental
 44 Services and the Department of Corrections are for reference only and are subject to changes by the applicable Department,
 45 provided that such changes do not result in exceeding the Position Level for that department.

46 c.1. The Governor shall implement such policies and procedures as are necessary to ensure that the number of employees in the
 47 Executive Department, excluding institutions of higher education and the State Council of Higher Education, may be further
 48 restricted to the number required for efficient operation of those programs approved by the General Assembly. Such policies
 49 and procedures shall include periodic review and analysis of the staffing requirements of all Executive Department agencies by
 50 the Department of Planning and Budget with the object of eliminating through attrition positions not necessary for the efficient
 51 operation of programs.

52 2. The institutions of higher education and the State Council of Higher Education are hereby authorized to fill all positions
 53 authorized in this act. This provision shall be waived only upon the Governor's official declaration that a fiscal emergency

- 1 exists requiring a change in the official estimate of general fund revenues available for appropriation.
- 2 d.1. Position Levels are for reference only and are not binding on agencies in the legislative department, independent agencies, the
3 Executive Offices other than the offices of the Governor's Secretaries, and the judicial department.
- 4 2. Positions assigned to programs supported by internal service funds are for reference only and may fluctuate depending upon
5 workload and funding availability.
- 6 3. Positions assigned to sponsored programs, auxiliary enterprises, continuing education, and teaching hospitals in the institutions of
7 higher education are for reference only and may fluctuate depending upon workload and funding availability. Positions assigned to
8 Item Detail 43012, State Health Services Technical Support and Administration, at Virginia Commonwealth University are for
9 reference only and may fluctuate depending upon workload and funding availability.
- 10 4. Positions assigned to educational and general programs in the institutions of higher education are for reference only and may
11 fluctuate depending upon workload and funding availability. However, total general fund positions filled by an institution of higher
12 education may not exceed 105 percent of the general fund positions appropriated without prior approval from the Director,
13 Department of Planning and Budget.
- 14 5. Positions assigned to Item Details 47001, Job Placement Services; 47002, Unemployment Insurance Services; 47003, Workforce
15 Development Services; and 53402, Economic Information Services, at the Virginia Employment Commission are for reference only
16 and may fluctuate depending upon workload and funding availability. Unless otherwise required by the funding source, after
17 enactment of this act, any new positions hired using this provision shall not be subject to transitional severance benefit provisions of
18 the Workforce Transition Act of 1995, Title 2.2, Chapter 32, Code of Virginia.
- 19 e. Prior to implementing any Executive Department hiring freeze, the Governor shall consider the needs of the Commonwealth in
20 regards to the safe and efficient operation of state facilities and performance of essential services to include the exemption of certain
21 positions assigned to agencies and institutions that provide services pertaining to public safety and public health from such hiring
22 freezes.
- 23 f.1. Full-time, part-time, wage or contractual state employees assigned to the Governor's Cabinet Secretaries from agencies and
24 institutions under their control for the purpose of carrying out temporary assignments or projects may not be so assigned for a period
25 exceeding 180 days in any calendar year. The permanent transfer of positions from an agency or institution to the Offices of the
26 Secretaries, or the temporary assignment of agency or institutional employees to the Offices of the Secretaries for periods exceeding
27 180 days in any calendar year regardless of the separate or discrete nature of the projects, is prohibited without the prior approval of
28 the General Assembly.
- 29 2. Not more than three positions in total, as described in subsection 1 hereof, may be assigned at any time to the Office of any
30 Cabinet Secretary, unless specifically approved in writing by the Governor. The Governor shall notify the Chairmen of the House
31 Appropriations and Senate Finance Committees in the case of any such approvals.
- 32 g. All state employees, including those in the legislative, judicial, and executive branches and the independent agencies of the
33 Commonwealth, who are not eligible for benefits under a health care plan established and administered by the Department of Human
34 Resource Management (DHRM) pursuant to Va. Code § 2.2-2818, or by an agency administering its own health care plan, may not
35 work more than 29 hours per week on average over a twelve month period. Adjunct faculty at institutions of higher education may
36 not work more than 29 hours per week on average over a twelve month period, including classroom or other instructional time plus
37 additional hours determined by the institution as necessary to perform the adjunct faculty's duties. DHRM shall provide relevant
38 program requirements to agencies and employees, including, but not limited to, information on wage, variable and seasonal
39 employees. All state agencies/employers in all branches of government shall provide information requested by DHRM concerning
40 hours worked by employees as needed to comply with the Affordable Care Act (the "Act") and this provision. State
41 agencies/employers are accountable for compliance with this provision, and are responsible for any costs associated with
42 maintaining compliance with it and for any costs or penalties associated with any violations of the Act or regulations thereunder and
43 any such costs shall be borne by the agency from existing appropriations. The provisions of this paragraph shall not apply to
44 employees of state teaching hospitals that have their own health insurance plan; however, the state teaching hospitals are accountable
45 for compliance with, and are responsible for any costs associated with maintaining compliance with the Act and for any costs or
46 penalties associated with any violations of the Act or regulations thereunder and any such costs shall be borne by the agency from
47 existing appropriations. Subject to approval of the Governor, DHRM shall modify this provision consistent with any updates or
48 changes to federal law and regulations.

49 § 4-8.00 REPORTING REQUIREMENTS

50 § 4-8.01 GOVERNOR

51 a. General:

- 52 1. The Governor shall submit the information specified in this section to the Chairmen of the House Appropriations and Senate
53 Finance Committees on a monthly basis, or at such intervals as may be directed by said Chairmen, or as specified elsewhere in this

1 act. The information on agency operating plans and expenditures as well as agency budget requests shall be submitted in such
 2 form, and by such method, including electronically, as may be mutually agreed upon. Such information shall be preserved for
 3 public inspection in the Department of Planning and Budget.

4 2. The Governor shall make available annually to the Chairmen of the Senate Finance, House Finance, and House
 5 Appropriations Committees a report concerning the receipt of any nongeneral funds above the amount(s) specifically
 6 appropriated, their sources, and the amounts for each agency affected.

7 3. a) It is the intent of the General Assembly that reporting requirements affecting state institutions of higher education be
 8 reduced or consolidated where appropriate. State institutions of higher education, working with the Secretary of Education and
 9 Workforce, Secretary of Finance, and the Director, Department of Planning and Budget, shall continue to identify specific
 10 reporting requirements that the Governor may consider suspending.

11 b) Reporting generally should be limited to instances where (1) there is a compelling state interest for state agencies to collect,
 12 use, and maintain the information collected; (2) substantial risk to the public welfare or safety would result from failing to
 13 collect the information; or (3) the information collected is central to an essential state process mandated by the Code of
 14 Virginia.

15 c) Upon the effective date of this act, and until its expiration date, the following reporting requirements are hereby suspended or
 16 modified as specified below:

17	Agency	Report Title of Descriptor	Authority	Action
18 19	Department of Accounts	Intercollegiate Athletics Receipts & Disbursements	Code of Virginia § 23.1-102.	Suspend reporting.
20 21	Department of Accounts	Prompt Pay Summary Report	Agency Directive	Change reporting from monthly to quarterly.
22 23	Department of General Services	Usage of State-Assigned and State-Owned Vehicles Report	Agency Directive -- Executive Order 89 (2005)	Suspend reporting.
24 25	Department of General Services	Gas Report/Repair Charge	Agency Directive--Executive Order 89 (2005)	Suspend reporting.
26 27	Department of Human Resource Management	Report of Personnel Development Service	Agency Directive	Suspend reporting.
28 29 30 31	Department of Human Resource Management	Human Capital Report (Full-Time, Part-Time, Temporary, Contractual employees funded by the Commonwealth)	Code of Virginia § 2.2-1201. A. 14.	Change reporting from annually to monthly.
32 33 34 35	Department of Human Resource Management State Employee Workers' Compensation Program	Work-related injuries and illnesses report -- goals, strategies, and results	Agency Directive -- Executive Order 94 (2005)	Suspend reporting.
36 37	Governor's Office	Small, Women-and Minority-owned Businesses (SWaM)	Executive Directive	Change reporting from weekly to monthly.
38 39	Secretary of Commerce and Trade	Recruitment of National and Regional Conferences Report	Agency Directive -- Executive Order 14 (2006)	Suspend reporting.

40 d) The Department of Planning and Budget (DPB) and the State Council of Higher Education for Virginia (SCHEV) shall work
 41 jointly to attempt to consolidate various reporting requirements pertaining to the estimates and projections of nongeneral fund
 42 revenues in institutions of higher education. The purpose of this effort shall be aimed at developing a common form for use in
 43 collecting nongeneral fund data for DPB's six-year nongeneral fund revenue estimate submission and SCHEV's annual survey
 44 of nongeneral fund revenue from institutions of higher education.

45 b. Operating Appropriations Reports:

46 1. Status of Adjustments to Appropriations. Such information must include increases and decreases of appropriations or
 47 allotments, transfers and additional revenues. A report of appropriation transfers from one agency to another made pursuant to

- 1 § 4-1.03 of this act shall be made available via electronic means to the Chairmen of the House Appropriations and Senate Finance
 2 Committees, and the public by the tenth day of the month following that in which such transfer occurs, unless otherwise specified in
 3 § 4-1.03.
- 4 2. Status of each sum sufficient appropriation. The information must include the amount of expenditures for the period just
 5 completed and the revised estimates of expenditures for the remaining period of the current biennium, as well as an explanation of
 6 differences between the amount of the actual appropriation and actual and/or projected appropriations for each year of the current
 7 biennium.
- 8 3. Status of Economic Contingency Appropriation. The information must include actions taken related to the appropriation for
 9 economic contingency.
- 10 4. Status of Withholding Appropriations. The information must include amounts withheld and the agencies affected.
- 11 5. Status of reductions occurring in general and nongeneral fund revenues in relation to appropriations.
- 12 6. Status of approvals of deficits.
- 13 c. Employment Reports:
- 14 1. Status of changes in positions and employment of state agencies affected. The information must include the number of positions
 15 and the agencies affected.
- 16 2. Status of the employment by the Attorney General of special counsel in certain highway proceedings brought pursuant to Chapter
 17 10 of Title 33.2, Code of Virginia, on behalf of the Commissioner of Highways, as authorized by § 2.2-510, Code of Virginia. This
 18 report shall include fees for special counsel for the respective county or city for which the expenditure is made and shall be
 19 submitted within 60 days of the close of the fiscal year (see § 4-5.02 a.3).
- 20 3. Changes in the level of compensation authorized pursuant to § 4-6.01 k, Employee Compensation. Such report shall include a list
 21 of the positions changed, the number of employees affected, the source and amount of funds, and the nature of the emergency.
- 22 4. Pursuant to requirements of § 2.2-203.1, Code of Virginia, the Secretary of Administration, in cooperation with the Secretary of
 23 Technology, shall provide a report describing the Commonwealth's telecommuting policies, which state agencies and localities have
 24 adopted telecommuting policies, the number of state employees who telecommute, the frequency with which state employees
 25 telecommute by locality, and the efficacy of telecommuting policies in accomplishing the provision of state services and completing
 26 state functions. This report shall be provided to the Chairmen of the House Committee on Appropriations, the House Committee on
 27 Science and Technology, the Senate Committee on Finance, and the Senate Committee on General Laws and Technology each year
 28 by October 1.
- 29 d. Capital Appropriations Reports:
- 30 1. Status of progress of capital projects on an annual basis (see § 4-4.01 o).
- 31 2. Notice of all capital projects authorized under § 4-4.01 m (see § 4-4.01 m. 1. b) 4)).
- 32 e. Utilization of State Owned and Leased Real Property:
- 33 1. By November 15 of each year, the Department of General Services (DGS) shall consolidate the reporting requirements of § 2.2-
 34 1131.1 and § 2.2-1153 of the Code of Virginia into a single report eliminating the individual reports required by § 2.2-1131.1 and §
 35 2.2-1153 of the Code of Virginia. This report shall be submitted to the Governor and the General Assembly and include (i)
 36 information on the implementation and effectiveness of the program established pursuant to subsection A of § 2.2-1131.1, (ii) a
 37 listing of real property leases that are in effect for the current year, the agency executing the lease, the amount of space leased, the
 38 population of each leased facility, and the annual cost of the lease; and, (iii) a report on DGS's findings and recommendations under
 39 the provisions of § 2.2-1153, and recommendations for any actions that may be required by the Governor and the General Assembly
 40 to identify and dispose of property not being efficiently and effectively utilized.
- 41 2. By October 1 of each year, each agency that controls leased property, where such leased property is not under the DGS lease
 42 administration program, shall provide a report on each leased facility or portion thereof to DGS in a manner and form prescribed by
 43 DGS. Specific data included in the report shall identify at a minimum, the number of square feet occupied, the number of employees
 44 and contractors working in the leased space, if applicable, and the cost of the lease.
- 45 f. Services Reports:
- 46 Status of any exemptions by the State Council of Higher Education to policy which prohibits use of funds in this act for the
 47 operation of any academic program by any state institution of higher education, unless approved by the Council and included in the
 48 Governor's recommended budget, or approved by the General Assembly (see § 4-5.05 b 2).
- 49 g. Standard State Agency Abbreviations:

1 The Department of Planning and Budget shall be responsible for maintaining a list of standard abbreviations of the names of
 2 state agencies. The Department shall make a listing of agency standard abbreviations available via electronic means on a
 3 continuous basis to the Chairmen of the House Appropriations and Senate Finance Committees, the State Comptroller, the
 4 Director, Department of Human Resource Management and the Chief Information Officer, Virginia Information Technologies
 5 Agency, and the public.

6 h. Educational and General Program Nongeneral Fund Administrative Appropriations Approved by the Department of Planning
 7 and Budget:

8 The Secretary of Finance and Secretary of Education, in collaboration with the Director, Department of Planning and Budget,
 9 shall report in December and June of each year to the Chairmen of the House Appropriations and Senate Finance Committees
 10 on adjustments made to higher education operating funds in the Educational and General Programs (10000) items for each
 11 public college and university contained in this budget. The report shall include actual or projected adjustments which increase
 12 nongeneral funds or actual or projected adjustments that transfer nongeneral funds to other items within the institution. The
 13 report shall provide the justification for the increase or transfer and the relative impact on student groups.

14 § 4-8.02 STATE AGENCIES

15 a. As received, all state agencies shall forward copies of each federal audit performed on agency or institution programs or
 16 activities to the Auditor of Public Accounts and to the State Comptroller. Upon request, all state agencies shall provide copies
 17 of all internal audit reports and access to all working papers prepared by such auditors to the Auditor of Public Accounts and to
 18 the State Comptroller.

19 b. Annually: Within five calendar days after state agencies submit their budget requests, amendment briefs, or requests for
 20 amendments to the Department of Planning and Budget, the Director, Department of Planning and Budget shall submit,
 21 electronically if available, copies to the Chairmen of the Senate Finance and House Appropriations Committees.

22 c. By September 1 of each year, state agencies receiving any asset as the result of a law-enforcement seizure and subsequent
 23 forfeiture by either a state or federal court, shall submit a report identifying all such assets received during the prior fiscal year
 24 and their estimated net worth, to the Chairmen of the House Appropriations and Senate Finance Committees.

25 d. Any state agency that is required to return federal grant funding as a result of not fulfilling the specifications of a grant, shall,
 26 as soon as practicable but no later than November 1st, report to the Chairmen of the Senate Finance and House Appropriations
 27 Committees of such forfeiting of federal grant funding.

28 § 4-8.03 LOCAL GOVERNMENTS

29 a.1. The Auditor of Public Accounts shall establish a workgroup to develop criteria for a preliminary determination that a local
 30 government may be in fiscal distress. Such criteria shall be based upon information regularly collected by the Commonwealth
 31 or otherwise regularly made public by the local government. This information includes expenditure reports submitted to the
 32 Auditor, budget information posted on local government websites, and reports prepared by the Commission on Local
 33 Government on revenue fiscal stress. Information provided by the Virginia Retirement System, the Virginia Resources
 34 Authority, the Virginia Public Building Authority, and other state and regional authorities concerning late or missed debt
 35 service payments shall be shared with the Auditor. Fiscal distress as used in this context shall mean a situation whereby the
 36 provision and sustainability of public services is threatened by various administrative and financial shortcomings including but
 37 not limited to cash flow issues; inability to pay expenses; revenue shortfalls; deficit spending; structurally imbalanced budgets;
 38 billing and revenue collection inadequacies and discrepancies; debt overload; failure to meet obligations to authorities, school
 39 divisions, or political subdivisions of the Commonwealth; and/or lack of trained and qualified staff to process administrative
 40 and financial transactions. Fiscal distress may be caused by factors internal to the unit of government or external to the unit of
 41 government and in various degrees such conditions may or may not be controllable by management, or the local governing
 42 body, or its constitutional officers.

43 2. Based upon the criteria established by the workgroup and using information identified above, the Auditor of Public Accounts
 44 shall establish a prioritized early warning system. Under the prioritized early warning system, the Auditor of Public Accounts
 45 shall establish a regular process whereby it reviews data on at least an annual basis to make a preliminary determination that a
 46 local government is in fiscal distress.

47 3. For local governments where the Auditor of Public Accounts has made a preliminary determination of fiscal distress based
 48 upon the early warning system criteria, the Auditor of Public Accounts shall notify the local governing body of its preliminary
 49 determination that it may meet the criteria for fiscal distress. Based upon the request of the local governing body or chief
 50 executive officer, the Auditor of Public Accounts may conduct a review and request documents and data from the local
 51 government. Such review shall consider factors including, but not limited to, budget processes, debt, borrowing, expenses and
 52 payables, revenues and receivables, and other areas including staffing, and the identification of external variables contributing
 53 to a locality's financial position, and if so, the scope of the issues involved. Any local governing body that receives requests for
 54 information from the Auditor of Public Accounts pursuant to such preliminary determination based on the above described

1 threshold levels shall acknowledge receipt of such a request and shall ensure that a response is provided within the time frames
 2 specified by the Auditor of Public Accounts. After such review, if the Auditor of Public Accounts is of the opinion that state
 3 assistance, oversight, or targeted intervention is needed, either to further assess, help stabilize, or remediate the situation, the Auditor
 4 shall notify the Governor and the Chairmen of the House Appropriations and Senate Finance Committees, and the governing body of
 5 the local government in writing outlining specific issues or actions that need to be addressed by state intervention.

6 4. The notification issued by the Auditor of Public Accounts pursuant to paragraph 3 above shall satisfy the notification requirement
 7 necessary to effectuate the provisions of this act in paragraph b.3 below.

8 b.1. The Director of the Department of Planning and Budget shall identify any amounts remaining unexpended from general fund
 9 appropriations in this Act as of June 30 of each year, which constitute state aid to local governments. The Director shall provide a
 10 listing of such amounts designated by item number and by program on or before August 15 of each year, to the Governor and the
 11 Chairmen of the House Appropriations Committee and the Senate Finance Committee.

12 2. From such unexpended balances identified by the Director of the Department of Planning and Budget, the Governor may
 13 reappropriate up to \$750,000 from amounts which would otherwise revert to the balance of the general fund and transfer such
 14 amounts as necessary to establish a component of fund balance which may be used for the purpose of providing technical assistance
 15 and intervention actions for local governments deemed to be fiscally distressed and in need of intervention to address such distress.
 16 Any such reappropriation approved by the Governor, shall be separately identified in the commitments specified on the balance
 17 sheet and financial statements of the State Comptroller for the close of each fiscal year, to the extent that such reserve is not used or
 18 added to by future appropriation actions.

19 3. Prior to any expenditure of the reappropriated reserve, the Governor and the Chairmen of the House Appropriations Committee
 20 and the Senate Finance Committee must receive a notification from the Auditor of Public Accounts that a specific locality is in need
 21 of intervention because of a worsening financial situation. The Auditor of Public Accounts may issue such a notification upon
 22 receipt of audited financial statement or other information that indicates the existence of fiscal distress. But, no such notification
 23 shall be made until appropriate follow up and correspondence ascertains that, in the opinion of the Auditor of Public Accounts, such
 24 fiscal distress indeed exists. Such notification may also be issued by the Auditor of Public Accounts if written concerns raised about
 25 fiscal distress are not adequately addressed by the locality in question.

26 4. Once the Governor has received a notification from the Auditor of Public Accounts indicating fiscal distress in a specific local
 27 government, the Governor shall consult with the Chairmen of the House Appropriations Committee and the Senate Finance
 28 Committee about a plan for state intervention prior to any expenditure of funds from the cash reserve. Any plan approved by the
 29 Governor for intervention should, at a minimum, specify the purpose of such intervention, the estimated duration of the intervention,
 30 and the anticipated resources (dollars and personnel) directed toward such effort. The staffing necessary to carry out the intervention
 31 plan may be assembled from either public agencies or private entities or both and, notwithstanding any other provisions of law, the
 32 Governor may use an expedited method of procurement to secure such staffing when, in his judgment, the need for intervention is of
 33 an emergency nature such that action must be taken in a timely manner to avoid or address unacceptable financial risks to the
 34 Commonwealth.

35 5. The governing body and the elected constitutional officers of a locality subject to an intervention plan approved by the Governor
 36 shall assist all state appointed staff conducting the intervention regardless of whether such staff are from public agencies or private
 37 entities. Intervention staff shall provide periodic reports in writing to the Governor and the Chairmen of the House Appropriations
 38 Committee and the Senate Finance Committee outlining the scope of issues discovered and any recommendations made to remediate
 39 such issues, and the progress that is made on such recommendations or other remediation efforts. These periodic reports shall
 40 specifically address the degree of cooperation the intervention team is receiving from locally elected officials, including
 41 constitutional officers, city, county, or town managers and other local personnel in regards to their intervention work.

42 6. The Department of General Services is hereby encouraged to develop a master contract of qualified private sector turnaround
 43 specialists with expertise in local government intervention that the Governor can use to procure intervention services in an
 44 expeditious manner when he determines that state intervention is warranted in situations of local fiscal distress.

45 § 4-9.00 HIGHER EDUCATION RESTRUCTURING

46 § 4-9.01 ASSESSMENT OF INSTITUTIONAL PERFORMANCE

47 Consistent with § 23.1-206, Code of Virginia, the following education-related and financial and administrative management
 48 measures shall be the basis on which the State Council of Higher Education shall annually assess and certify institutional
 49 performance. Such certification shall be completed and forwarded in writing to the Governor and the General Assembly no later than
 50 October 1 of each even-numbered year. Institutional performance on measures set forth in paragraph D of this section shall be
 51 evaluated year-to-date by the Secretaries of Finance, Administration, and Technology as appropriate, and communicated to the State
 52 Council of Higher Education before October 1 of each even-numbered year. Financial benefits provided to each institution in
 53 accordance with § 23.1-1002 will be evaluated in light of that institution's performance.

54 In general, institutions are expected to achieve all performance measures in order to be certified by SCHEV, but it is understood that
 55 there can be circumstances beyond an institution's control that may prevent achieving one or more performance measures. The

1 Council shall consider, in consultation with each institution, such factors in its review: (1) institutions meeting all performance
 2 measures will be certified by the Council and recommended to receive the financial benefits, (2) institutions that do not meet all
 3 performance measures will be evaluated by the Council and the Council may take one or more of the following actions: (a)
 4 request the institution provide a remediation plan and recommend that the Governor withhold release of financial benefits until
 5 Council review of the remediation plan or (b) recommend that the Governor withhold all or part of financial benefits.

6 Further, the State Council shall have broad authority to certify institutions as having met the standards on education-related
 7 measures. The State Council shall likewise have the authority to exempt institutions from certification on education-related
 8 measures that the State Council deems unrelated to an institution's mission or unnecessary given the institution's level of
 9 performance.

10 The State Council may develop, adopt, and publish standards for granting exemptions and ongoing modifications to the
 11 certification process.

12 a. BIENNIAL ASSESSMENTS

13 1. Institution meets at least 95 percent of its State Council-approved biennial projections for in-state undergraduate headcount
 14 enrollment.

15 2. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state associate
 16 and bachelor degree awards.

17 3. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state STEM-H
 18 (Science, Technology, Engineering, Mathematics, and Health professions) associate and bachelor degree awards.

19 4. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state, upper level
 20 - sophomore level for two-year institutions and junior and senior level for four-year institutions - program-placed, full-time
 21 equivalent students.

22 5. Maintain or increase the number of in-state associate and bachelor degrees awarded to students from under-represented
 23 populations.

24 6. Maintain or increase the number of in-state two-year transfers to four-year institutions.

25 b. Elementary and Secondary Education

26 1. The Virginia Department of Education shall share data on teachers, including identifying information, with the State Council
 27 of Higher Education for Virginia in order to evaluate the efficacy of approved programs of teacher education, the production
 28 and retention of teachers, and the exiting of teachers from the teaching profession.

29 2. a) The Virginia Department of Education and the State Council of Higher Education for Virginia shall share personally
 30 identifiable information from education records in order to evaluate and study student preparation for and enrollment and
 31 performance at state institutions of higher education in order to improve educational policy and instruction in the
 32 Commonwealth. However, such study shall be conducted in such a manner as to not permit the personal identification of
 33 students by persons other than representatives of the Department of Education or the State Council for Higher Education for
 34 Virginia, and such shared information shall be destroyed when no longer needed for purposes of the study.

35 b) Notwithstanding § 2.2-3800 of the Code of Virginia, the Virginia Department of Education, State Council of Higher
 36 Education for Virginia, Virginia Community College System, and the Virginia Employment Commission may collect, use,
 37 share, and maintain de-identified student data to improve student and program performance including those for career
 38 readiness.

39 3. Institutions of higher education shall disclose information from a pupil's scholastic record to the Superintendent of Public
 40 Instruction or his designee for the purpose of studying student preparation as it relates to the content and rigor of the Standards
 41 of Learning. Furthermore, the superintendent of each school division shall disclose information from a pupil's scholastic record
 42 to the Superintendent of Public Instruction or his designee for the same purpose. All information provided to the Superintendent
 43 or his designee for this purpose shall be used solely for the purpose of evaluating the Standards of Learning and shall not be
 44 redisclosed, except as provided under federal law. All information shall be destroyed when no longer needed for the purposes
 45 of studying the content and rigor of the Standards of Learning.

46 c. SIX-YEAR PLAN

47 Institution prepares six-year financial plan consistent with § 23.1-907.

48 d. FINANCIAL AND ADMINISTRATIVE STANDARDS

49 The financial and administrative standards apply to all institutions except those governed under Chapters 933 and 943 of the
 50 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of

1 Assembly.

2 1. As specified in § 2.2-5004, Code of Virginia, institution takes all appropriate actions to meet the following financial and
3 administrative standards:

4 a) An unqualified opinion from the Auditor of Public Accounts upon the audit of the public institution's financial statements;

5 b) No significant audit deficiencies attested to by the Auditor of Public Accounts;

6 c) Substantial compliance with all financial reporting standards approved by the State Comptroller;

7 d) Substantial attainment of accounts receivable standards approved by the State Comptroller, including but not limited to, any
8 standards for outstanding receivables and bad debts; and

9 e) Substantial attainment of accounts payable standards approved by the State Comptroller including, but not limited to, any
10 standards for accounts payable past due.

11 2. Institution complies with a debt management policy approved by its governing board that defines the maximum percent of
12 institutional resources that can be used to pay debt service in a fiscal year, and the maximum amount of debt that can be prudently
13 issued within a specified period.

14 3. The institution will achieve the classified staff turnover rate goal established by the institution; however, a variance of 15 percent
15 from the established goal will be acceptable.

16 4. The institution will substantially comply with its annual approved Small, Women and Minority (SWAM) plan as submitted to the
17 Department of Small Business and Supplier Diversity; however, a variance of 15 percent from its SWAM purchase goal, as stated in
18 the plan, will be acceptable.

19 The institution will make no less than 75 percent of dollar purchases through the Commonwealth's enterprise-wide internet
20 procurement system (eVA) from vendor locations registered in eVA.

21 5. The institution will complete capital projects (with an individual cost of over \$1,000,000) within the budget originally approved
22 by the institution's governing board for projects initiated under delegated authority, or the budget set out in the Appropriation Act or
23 other Acts of Assembly. If the institution exceeds the budget for any such project, the Secretaries of Administration and Finance
24 shall review the circumstances causing the cost overrun and the manner in which the institution responded and determine whether
25 the institution shall be considered in compliance with the measure despite the cost overrun.

26 6. The institution will complete major information technology projects (with an individual cost of over \$1,000,000) within the
27 budgets and schedules originally approved by the institution's governing board. If the institution exceeds the budget and/or time
28 schedule for any such project, the Secretary of Administration shall review the circumstances causing the cost overrun and/or delay
29 and the manner in which the institution responded and determine whether the institution appropriately adhered to Project
30 Management Institute's best management practices and, therefore, shall be considered in compliance with the measure despite the
31 cost overrun and/or delay.

32 e. FINANCIAL AND ADMINISTRATIVE STANDARDS

33 The financial and administrative standards apply to institutions governed under Chapters 933 and 943 of the 2006 Acts of Assembly,
34 Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly. They shall be
35 measured by the administrative standards outlined in the Management Agreements and § 4-9.02.d.4. of this act. However, the
36 Governor may supplement or replace those administrative performance measures with the administrative performance measures
37 listed in this paragraph. Effective July 1, 2009, the following administrative and financial measures shall be used for the assessment
38 of institutional performance for institutions governed under Chapters 933 and 943 of the 2006 Acts of Assembly and those governed
39 under Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly.

40 1. Financial

41 a) An unqualified opinion from the Auditor of Public Accounts upon the audit of the public institution's financial statements;

42 b) No significant audit deficiencies attested to by the Auditor of Public Accounts;

43 c) Substantial compliance with all financial reporting standards approved by the State Comptroller;

44 d) Substantial attainment of accounts receivable standards approved by the State Comptroller, including but not limited to, any
45 standards for outstanding receivables and bad debts; and

46 e) Substantial attainment of accounts payable standards approved by the State Comptroller including, but not limited to, any
47 standards for accounts payable past due.

- 1 2. Debt Management
- 2 a) The institution shall maintain a bond rating of AA- or better;
- 3 b) The institution achieves a three-year average rate of return at least equal to the imoney.net money market index fund; and
- 4 c) The institution maintains a debt burden ratio equal to or less than the level approved by the Board of Visitors in its debt
- 5 management policy.
- 6 3. Human Resources
- 7 a) The institution's voluntary turnover rate for classified plus university/college employees will meet the voluntary turnover rate
- 8 for state classified employees within a variance of 15 percent; and
- 9 b) The institution achieves a rate of internal progression within a range of 40 to 60 percent of the total salaried staff hires for the
- 10 fiscal year.
- 11 4. Procurement
- 12 a) The institution will substantially comply with its annual approved Small, Women and Minority (SWAM) procurement plan
- 13 as submitted to the Department of Small Business and Supplier Diversity; however, a variance of 15 percent from its SWAM
- 14 purchase goal, as stated in the plan, will be acceptable; and
- 15 b) The institution will make no less than 80 percent of purchase transactions through the Commonwealth's enterprise-wide
- 16 internet procurement system (eVA) with no less than 75 percent of dollars to vendor locations in eVA.
- 17 5. Capital Outlay
- 18 a) The institution will complete capital projects (with an individual cost of over \$1,000,000) within the budget originally
- 19 approved by the institution's governing board at the preliminary design state for projects initiated under delegated authority, or
- 20 the budget set out in the Appropriation Act or other Acts of Assembly which provides construction funding for the project at
- 21 the preliminary design state. If the institution exceeds the budget for any such project, the Secretaries of Administration and
- 22 Finance shall review the circumstances causing the cost overrun and the manner in which the institution responded and
- 23 determine whether the institution shall be considered in compliance with the measure despite the cost overrun;
- 24 b) The institution shall complete capital projects with the dollar amount of owner requested change orders not more than 2
- 25 percent of the guaranteed maximum price (GMP) or construction price; and
- 26 c) The institution shall pay competitive rates for leased office space – the average cost per square foot for office space leased by
- 27 the institution is within 5 percent of the average commercial business district lease rate for similar quality space within
- 28 reasonable proximity to the institution's campus.
- 29 6. Information Technology
- 30 a) The institution will complete major information technology projects (with an individual cost of over \$1,000,000) on time and
- 31 on budget against their managed project baseline. If the institution exceeds the budget and/or time schedule for any such
- 32 project, the Secretary of Technology shall review the circumstances causing the cost overrun and/or delay and the manner in
- 33 which the institution responded and determine whether the institution appropriately adhered to Project Management Institute's
- 34 best management practices and, therefore, shall be considered in compliance with the measure despite the cost overrun and/or
- 35 delay; and
- 36 b) The institution will maintain compliance with institutional security standards as evaluated in internal and external audits. The
- 37 institution will have no significant audit deficiencies unresolved beyond one year.
- 38 f. REPORTING
- 39 The Director, Department of Planning and Budget, with cooperation from the Comptroller and institutions of higher education
- 40 governed under Management Agreements, shall develop uniform reporting requirements and formats for revenue and
- 41 expenditure data.
- 42 g. EXEMPTION
- 43 The requirements of this section shall not be in effect if they conflict with § 23.1-206.D. of Chapters 828 and 869 of the Acts of
- 44 Assembly of 2011.
- 45 § 4-9.02 LEVEL II AUTHORITY
- 46 a. Notwithstanding the provisions of § 5 of Chapter 824 and 829 of the 2008 Acts of Assembly, institutions of higher education
- 47 that have met the eligibility criteria for additional operational and administrative authority set forth in Chapters 824 and 829 of

1 the 2008 Acts of Assembly shall be allowed to enter into separate negotiations for additional operational authority for a third and
2 separate functional area listed in Chapter 824 and 829 of the 2008 Acts of Assembly, provided they have:

3 1. successfully completed at least three years of effectiveness and efficiencies operating under such additional authority granted by
4 an original memorandum of understanding;

5 2. successfully renewed an additional memoranda of understanding for a five year term for each of the original two areas.

6 The institutions shall meet all criteria and follow policies for negotiating and establishing a memorandum of understanding with the
7 Commonwealth of Virginia as provided in § 2.0 (Information Technology), § 3.0 (Procurement), and § 4.0 (Capital Outlay) of
8 Chapter 824 and 829 of the 2008 Acts of Assembly.

9 b. As part of the memorandum of understanding, each institution shall be required to adopt at least one new education-related
10 measure for the new area of operational authority. Each education-related measure and its respective target shall be developed in
11 consultation with the Secretary of Finance, Secretary of Education, the appropriate Cabinet Secretary, and the State Council of
12 Higher Education for Virginia. Each education-related measure and its respective target must be approved by the State Council of
13 Higher Education for Virginia.

14 c. 1. As part of a five-year pilot program, George Mason University and James Madison University are authorized, for a period of
15 five years, to exercise additional financial and administrative authority as set out in each of the three functional areas of information
16 technology, procurement and capital projects as set forth and subject to all the conditions in §§ 2.0, 3.0 and 4.0 of the second
17 enactment of Chapter 824 and 829 of the Acts of Assembly of 2008 except that (i) any effective dates contained in Chapter 824 and
18 829 of the Acts of Assembly of 2008 are superseded by the provisions of this item, and (ii) the institution is not required to have a
19 signed memorandum of understanding with the Secretary of Administration regarding participation in the nongeneral fund
20 decentralization program as provided in subsection C of § 2.2-1132 in order to be eligible for the additional capital project authority.

21 2. In addition, each institution shall exercise additional financial and administrative authority over financial operations as follows:

22 a). BOARD OF VISITORS ACCOUNTABILITY AND DELEGATION OF AUTHORITY.

23 The Board of Visitors of the University shall at all times be fully and ultimately accountable for the proper fulfillment of the duties
24 and responsibilities set forth in, and for the appropriate implementation of, this Policy. Consistent with this full and ultimate
25 accountability, however, the Board may, pursuant to its legally permissible procedures, specifically delegate either herein or by
26 separate Board resolution the duties and responsibilities set forth in this Policy to a person or persons within the University, who,
27 while continuing to be fully accountable for such duties and responsibilities, may further delegate the implementation of those duties
28 and responsibilities pursuant to the University's usual delegation policies and procedures.

29 b) FINANCIAL MANAGEMENT AND REPORTING SYSTEM.

30 The President, acting through the Executive Vice President, Chief Operating Officer, or Chief Financial Officer, shall continue to be
31 authorized by the Board to maintain existing and implement new policies governing the management of University financial
32 resources. These policies shall continue to (i) ensure compliance with Generally Accepted Accounting Principles, (ii) ensure
33 consistency with the current accounting principles employed by the Commonwealth, including the use of fund accounting principles,
34 with regard to the establishment of the underlying accounting records of the University and the allocation and utilization of resources
35 within the accounting system, including the relevant guidance provided by the State Council of Higher Education for Virginia chart
36 of accounts with regard to the allocation and proper use of funds from specific types of fund sources, (iii) provide adequate risk
37 management and internal controls to protect and safeguard all financial resources, including moneys transferred to the University
38 pursuant to a general fund appropriation, and ensure compliance with the requirements of the Appropriation Act.

39 The financial management system shall continue to include a financial reporting system to satisfy both the requirements for
40 inclusion into the Commonwealth's Comprehensive Annual Financial Report, as specified in the related State Comptroller's
41 Directives, and the University's separately audited financial statements. To ensure observance of limitations and restrictions placed
42 on the use of the resources available to the University, the accounting and bookkeeping system of the University shall continue to be
43 maintained in accordance with the principles prescribed for governmental organizations by the Governmental Accounting Standards
44 Board.

45 In addition, the financial management system shall continue to provide financial reporting for the President, acting through the
46 Executive Vice President, Chief Operating Officer, or Chief Financial Officer, and the Board of Visitors to enable them to provide
47 adequate oversight of the financial operations of the University.

48 c) FINANCIAL MANAGEMENT POLICIES.

49 The President, acting through the Executive Vice President, Chief Operating Officer, or Chief Financial Officer, shall create and
50 implement any and all financial management policies necessary to establish a financial management system with adequate risk
51 management and internal control processes and procedures for the effective protection and management of all University financial
52 resources. Such policies will not address the underlying accounting principles and policies employed by the Commonwealth and the
53 University, but rather will focus on the internal operations of the University's financial management. These policies shall include, but

1 need not be limited to, the development of a tailored set of finance and accounting practices that seek to support the
 2 University's specific business and administrative operating environment in order to improve the efficiency and effectiveness of
 3 its business and administrative functions. In general, the system of independent financial management policies shall be guided
 4 by the general principles contained in the Commonwealth's Accounting Policies and Procedures such as establishing strong risk
 5 management and internal accounting controls to ensure University financial resources are properly safeguarded and that
 6 appropriate stewardship of public funds is obtained through management's oversight of the effective and efficient use of such
 7 funds in the performance of University programs.

8 The University shall continue to follow the Commonwealth's accounting policies until such time as specific alternate policies
 9 can be developed, approved and implemented. Such alternate policies shall include applicable accountability measures and
 10 shall be submitted to the State Comptroller for review and comment before they are implemented by the University.

11 d) FINANCIAL RESOURCE RETENTION AND MANAGEMENT.

12 The Board of Visitors shall retain the authority to establish tuition, fee, room, board, and other charges, with appropriate
 13 commitment provided to need-based grant aid for middle- and lower-income undergraduate Virginians. Except as provided
 14 otherwise in the Appropriation Act, it is the intent of the Commonwealth and the University that the University shall be exempt
 15 from the revenue restrictions in the general provisions of the Appropriation Act related to non-general funds. In addition, unless
 16 prohibited by the Appropriation Act, it is the intent of the Commonwealth and the University that the University shall be
 17 entitled to retain non-general fund savings generated from changes in Commonwealth rates and charges, including but not
 18 limited to health, life, and disability insurance rates, retirement contribution rates, telecommunications charges, and utility rates,
 19 rather than reverting such savings back to the Commonwealth. This financial resource policy assists the University by
 20 providing the framework for retaining and managing non-general funds, for the receipt of general funds, and for the use and
 21 stewardship of all these funds.

22 The President, acting through the Executive Vice President, Chief Operating Officer, or Chief Financial Officer, shall continue
 23 to provide oversight of the University's cash management system which is the framework for the retention of non-general
 24 funds. The Internal Audit Department of the University shall periodically audit the University's cash management system in
 25 accordance with appropriate risk assessment models and make reports to the Audit and Compliance Committee of the Board of
 26 Visitors. Additional oversight shall continue to be provided through the annual audit and assessment of internal controls
 27 performed by the Auditor of Public Accounts. For the receipt of general and non-general funds, the University shall conform to
 28 the Security for Public Deposits Act, Chapter 44 (§ 2.2-4400 et seq.) of Title 2.2 of the Code of Virginia as it currently exists
 29 and from time to time may be amended.

30 e) ACCOUNTS RECEIVABLE MANAGEMENT AND COLLECTION.

31 The President, through the Executive Vice President, Chief Operating Officer, or Chief Financial Officer, shall continue to be
 32 authorized to create and implement any and all Accounts Receivable Management and Collection policies as part of a system
 33 for the management of University financial resources. The policies shall be guided by the requirements of the Virginia Debt
 34 Collection Act, Chapter 48 (§ 2.2-4800 et seq.) of the Code of Virginia, such that the University shall take all appropriate and
 35 cost effective actions to aggressively collect accounts receivable in a timely manner.

36 These shall include, but not be limited to, establishing the criteria for granting credit to University customers; establishing the
 37 nature and timing of collection procedures within the above general principles; and the independent authority to select and
 38 contract with collection agencies and, after consultation with the Office of the Attorney General, private attorneys as needed to
 39 perform any and all collection activities for all University accounts receivable such as reporting delinquent accounts to credit
 40 bureaus, obtaining judgments, garnishments, and liens against such debtors, and other actions. In accordance with sound
 41 collection activities, the University shall continue to utilize the Commonwealth's Debt Set-Off Collection Programs, shall
 42 develop procedures acceptable to the Tax Commissioner and the State Comptroller to implement such Programs, and shall
 43 provide a quarterly summary report of receivables to the Department of Accounts in accordance with the reporting procedures
 44 established pursuant to the Virginia Debt Collection Act.

45 f) DISBURSEMENT MANAGEMENT.

46 The President, acting through the Executive Vice President, Chief Operating Officer, or Chief Financial Officer, shall continue
 47 to be authorized to create and implement any and all disbursement policies as part of a system for the management of
 48 University financial resources. The disbursement management policies shall continue to define the appropriate and reasonable
 49 uses of all funds, from whatever source derived, in the execution of the University's operations. These policies also shall
 50 continue to address the timing of appropriate and reasonable disbursements consistent with the Prompt Payment Act, and the
 51 appropriateness of certain goods or services relative to the University's mission, including travel-related disbursements. Further,
 52 the University's disbursement policy shall continue to provide for the mechanisms by which payments are made including the
 53 use of charge cards, warrants, and electronic payments.

54 These disbursement policies shall authorize the President, acting through the Executive Vice President, Chief Operating
 55 Officer, or Chief Financial Officer, to independently select, engage, and contract for such consultants, accountants, and
 56 financial experts, and other such providers of expert advice and consultation, and, after consultation with the Office of the

1 Attorney General, private attorneys, as may be necessary or desirable in his or her discretion. The policies also shall continue to
 2 include the ability to locally manage and administer the Commonwealth's credit card and cost recovery programs related to
 3 disbursements, subject to any restrictions contained in the Commonwealth's contracts governing those programs, provided that the
 4 University shall submit the credit card and cost recovery aspects of its financial and operations policies to the State Comptroller for
 5 review and comment prior to implementing those aspects of those policies. The disbursement policies shall ensure that adequate risk
 6 management and internal control procedures shall be maintained over previously decentralized processes for public records, payroll,
 7 and non-payroll disbursements. The University shall continue to provide summary quarterly prompt payment reports to the
 8 Department of Accounts in accordance with the reporting procedures established pursuant to the Prompt Payment Act.

9 The University's disbursement policies shall be guided by the principles of the Commonwealth's policies as included in the
 10 Commonwealth's Accounting Policy and Procedures Manual. The University shall continue to follow the Commonwealth's
 11 disbursement policies until such time as specific alternative policies can be developed, approved and implemented. Such alternate
 12 policies shall be submitted to the State Comptroller for review and comment prior to their implementation by the University.

13 3. The Auditor of Public Accounts or his legally authorized representatives shall audit annually the accounts of each institution and
 14 shall distribute copies of each annual audit to the Governor and to the Chairmen of the House Committee on Appropriations and the
 15 Senate Committee on Finance. Pursuant to § 30-133, the Auditor of Public Accounts and his legally authorized representatives shall
 16 examine annually the accounts and books of each such institution, but the institution shall not be deemed to be a state or
 17 governmental agency, advisory agency, public body, or agency or instrumentality for purposes of Chapter 14 (§ 30-130 et seq.) of
 18 Title 30 except for those provisions in such chapter that relate to requirements for financial recordkeeping and bookkeeping. Each
 19 such institution shall be subject to periodic external review by the Joint Legislative and Audit Review Commission and such other
 20 reviews and audits as shall be required by law.

21 d. Subject to review of its Shared Services Center by the Department of General Services, and approval to proceed with
 22 decentralized procurement of authority by the Department of General Services, the Virginia Community College System (VCCS) is
 23 authorized, for a period of five years, to exercise additional financial and administrative authority as set out in each of the three
 24 functional areas of information technology, procurement and capital projects as set forth and subject to all the conditions in §§ 2.0,
 25 3.0 and 4.0 of the second enactment of Chapter 824 and 829 of the Acts of Assembly of 2008 except that (i) any effective dates
 26 contained in Chapter 824 and 829 of the Acts of Assembly of 2008 are superseded by the provisions of this item. The State Board
 27 for Community Colleges may request any subsequent delegation of procurement authority after consultation with and positive
 28 recommendation by the Department of General Services.

29 e. Notwithstanding the small purchase thresholds set forth in the Rules Governing Procurement for institutions of higher education
 30 that have operational authority in the area of procurement, the small purchases thresholds shall be the same thresholds set forth in the
 31 Virginia Public Procurement Act (§ 2.2- 4300 et seq). Where small purchase thresholds in the Rules Governing Procurement for
 32 such institutions exceed those in 2.2-4300 et seq, the Rules Governing Procurement shall be the authorized procurement threshold.

33 § 4-9.03 LEVEL III AUTHORITY

34 a. The Management Agreements negotiated by the institutions contained in Chapters 675 and 685 of the 2009 Acts of Assembly
 35 shall continue in effect unless the Governor, the General Assembly, or the institutions determine that the Management Agreements
 36 need to be renegotiated or revised.

37 b. Pursuant to § 23.1-1005, Code of Virginia, the Governor recommends approval for James Madison University to operate as a
 38 Level III institution under the management agreement as approved by its board of visitors on November 9, 2018.

39 c. Notwithstanding the small purchase thresholds set forth in the Rules Governing Procurement the small purchases thresholds for
 40 Level III institutions shall be the small purchase thresholds set forth in the Virginia Public Procurement Act (§ 2.2-4300 et seq).
 41 Where small purchase thresholds under Rules Governing Procurement for Level III institutions exceed those in 2.2-4300 et seq, the
 42 Rules Governing Procurement shall be the authorized procurement threshold.

43 § 4-9.04 IMPLEMENT JLARC RECOMMENDATIONS

44 a. The Boards of Visitors at each Virginia public four-year higher education institution, to the extent practicable, shall:

45 1. require their institutions to clearly list the amount of the athletic fee on their website's tuition and fees information page. The page
 46 should include a link to the State Council of Higher Education for Virginia's tuition and fee information. The boards should consider
 47 requiring institutions to list the major components of all mandatory fees, including the portion attributable to athletics, on a separate
 48 page attached to student invoices;

49 2. assess the feasibility and impact of raising additional revenue through campus recreation and fitness enterprises to reduce reliance
 50 on mandatory student fees. The assessments should address the feasibility and impact of raising additional revenue through charging
 51 for specialized programs and services, expanding membership, and/or charging all users of recreation facilities;

52 3. direct staff to perform a comprehensive review of the institution's organizational structure, including an analysis of spans of
 53 control and a review of staff activities and workload, and identify opportunities to streamline the organizational structure. Boards

- 1 should further direct staff to implement the recommendations of the review to streamline their organizational structures where
2 possible;
- 3 4. require periodic reports on average and median spans of control and the number of supervisors with six or fewer direct
4 reports;
- 5 5. direct staff to revise human resource policies to eliminate unnecessary supervisory positions by developing standards that
6 establish and promote broader spans of control. The new policies and standards should (i) set an overall target span of control
7 for the institution, (ii) set a minimum number of direct reports per supervisor, with guidelines for exceptions, (iii) define the
8 circumstances that necessitate the use of a supervisory position, (iv) prohibit the establishment of supervisory positions for the
9 purpose of recruiting or retaining employees, and (v) establish a periodic review of departments where spans of control are
10 unusually narrow; and,
- 11 6. direct institution staff to set and enforce policies to maximize standardization of purchases of commonly procured goods,
12 including use of institution-wide contracts;
- 13 7. consider directing institution staff to provide an annual report on all institutional purchases, including small purchases, that
14 are exceptions to the institutional policies for standardizing purchases;
- 15 8. participate in national faculty teaching load assessments by discipline and faculty type.
- 16 b. The State Council on Higher Education for Virginia, to the extent practicable, shall:
- 17 1. convene a working group of institution financial officers, with input from the Department of Accounts, the Department of
18 Planning and Budget, and the Auditor of Public Accounts, to create a standard way of calculating and publishing mandatory
19 non-E&G fees, including for intercollegiate athletics;
- 20 2. update the state's Chart of Accounts for higher education in order to improve comparability and transparency of mandatory
21 non-E&G fees, with input from the Department of Accounts, the Department of Planning and Budget, the Auditor of Public
22 Accounts, and institutional staff. This process should be coordinated with the standardization of tuition and fee reporting;
- 23 3. convene a working group of institutional staff to develop instructional and research space guidelines that adequately measure
24 current use of space and plans for future use of space at Virginia's public higher education institutions;
- 25 4. coordinate a committee of institutional representatives, such as the previously authorized Learning Technology Advisory
26 Committee. In addition to the objectives set out in the Appropriation Act for the Learning Technology Advisory Committee,
27 the committee should identify instructional technology initiatives and best practices for directly or indirectly lowering
28 institutions' instructional expenditures per student while maintaining or enhancing student learning;
- 29 5. include factors such as discipline, faculty rank, cost of living, and regional comparisons in developing faculty salary goals;
- 30 6. identify instructional technology best practices that directly or indirectly lower student cost while maintaining or enhancing
31 learning.
- 32 c. Notwithstanding the provisions of § 23.1-1304, the State Council of Higher Education for Virginia shall annually train
33 boards of visitors members on the types of information members should request from institutions to inform decision making,
34 such as performance measures, benchmarking data, the impact of financial decisions on student costs, and past and projected
35 cost trends. Boards of Visitors members serving on finance and facilities subcommittees should, at a minimum, participate in
36 the training within their first year of membership on the subcommittee. SCHEV should obtain assistance in developing or
37 delivering the training from relevant agencies such as the Department of General Services and past or present finance officers at
38 Virginia's public four-year institutions, as appropriate.
- 39 d. The Department of Planning and Budget shall revise the formula used to make allocation recommendations for the state's
40 maintenance reserve funding to account for higher maintenance needs resulting from poor facility condition, aging of facilities,
41 and differences in facility use. Beginning with fiscal year 2016, the Department of Planning and Budget shall submit these
42 recommendations to the Governor and General Assembly no later than November 1 of each year.
- 43 e. The Six-Year Capital Outlay Plan Advisory Committee, the Department of Planning and Budget, and others as appropriate
44 shall use the results of the prioritization process established by the State Council of Higher Education for Virginia in
45 determining which capital projects should receive funding.
- 46 f. Beginning with fiscal year 2016, the Auditor of Public Accounts shall include in its audit plan for each public institution of
47 higher education a review of progress in implementing the JLARC recommendations contained in paragraph § 4-9.04 a.

48 § 4-11.00 STATEMENT OF FINANCIAL CONDITION

49 Each agency head handling any state funds shall, at least once each year, upon request of the Auditor of Public Accounts, make
50 a detailed statement, under oath, of the financial condition of his office as of the date of such call, to the Auditor of Public

1 Accounts, and upon such forms as shall be prescribed by the Auditor of Public Accounts.

2 **§ 4-12.00 SEVERABILITY**

3 If any part, section, subsection, paragraph, sentence, clause, phrase, or item of this act or the application thereof to any person or
4 circumstance is for any reason declared unconstitutional, such decisions shall not affect the validity of the remaining portions of this
5 act which shall remain in force as if such act had been passed with the unconstitutional part, section, subsection, paragraph, sentence,
6 clause, phrase, item or such application thereof eliminated; and the General Assembly hereby declares that it would have passed this
7 act if such unconstitutional part, section, subsection, paragraph, sentence, clause, phrase, or item had not been included herein, or if
8 such application had not been made.

9 **§ 4-13.00 CONFLICT WITH OTHER LAWS**

10 Notwithstanding any other provision of law, and until June 30, 2020, the provisions of this act shall prevail over any conflicting
11 provision of any other law, without regard to whether such other law is enacted before or after this act; however, a conflicting
12 provision of another law enacted after this act shall prevail over a conflicting provision of this act if the General Assembly has
13 clearly evidenced its intent that the conflicting provision of such other law shall prevail, which intent shall be evident only if such
14 other law (i) identifies the specific provision(s) of this act over which the conflicting provision of such other law is intended to
15 prevail and (ii) specifically states that the terms of this section are not applicable with respect to the conflict between the provision(s)
16 of this act and the provision of such other law.

17 **§ 4-14.00 EFFECTIVE DATE**

18 This act is effective on its passage as provided in § 1-214, Code of Virginia.

19 **ADDITIONAL ENACTMENTS**

20 **3. That §§ 33.2-1904, 33.2-1907 and 33.2-2502 of the Code of Virginia are amended and reenacted as follows:**

21 **§ 33.2-1904. Northern Virginia Transportation District and Commission.**

22 A. There is hereby created the Northern Virginia Transportation District (the District), comprising the Counties of Arlington, Fairfax,
23 and Loudoun; the Cities of Alexandria, Falls Church, and Fairfax; and such other county or city contiguous to the District that agrees to
24 join the District.

25 B. There is hereby established the Northern Virginia Transportation Commission (the Commission) as a transportation commission
26 pursuant to this chapter. The Commission shall consist of five nonlegislative citizen members from Fairfax County, three nonlegislative
27 citizen members from Arlington County, two nonlegislative citizen members from Loudoun County, two nonlegislative citizen
28 members from the City of Alexandria, one nonlegislative member from the City of Falls Church, one nonlegislative citizen member
29 from the City of Fairfax, and the Chairman of the Commonwealth Transportation Board or his designee to serve ex officio with voting
30 privileges. If a county or city contiguous to the District agrees to join the District, such locality shall appoint one nonlegislative citizen
31 member to the Commission. Members from the counties and cities shall be appointed from their respective governing bodies. The
32 Commission shall also include four members appointed by the Speaker of the House of Delegates who may be members of the House
33 of Delegates and two members of the Senate appointed by the Senate Committee on Rules. All legislative members shall serve terms
34 coincident with their terms of office. Members may be reappointed for successive terms. All members shall be citizens of the
35 Commonwealth. Except for the Chairman of the Commonwealth Transportation Board or his designee, all members of the Commission
36 shall be residents of the localities composing the District. Vacancies occurring other than by expiration of a term shall be filled for the
37 unexpired term. Vacancies shall be filled in the same manner as the original appointments.

38 **§ 33.2-1907. Members of Transportation Commissions.**

39 A. Any transportation district commission created pursuant to this chapter shall consist of the number of members the component
40 governments shall agree upon, or as may otherwise be provided by law. The governing body of each participating county and city shall
41 appoint from among its members the number of commissioners to which the county or city is entitled; however, for those commissions
42 with powers as set forth in subsection A of § 33.2-1915, the governing body of each participating county or city is not limited to
43 appointing commissioners from among its members. In addition, the governing body may appoint, from its number or otherwise,
44 designated alternate members for those appointed to the commission who shall be able to exercise all of the powers and duties of a
45 commission member when the regular member is absent from commission meetings. Each such appointee shall serve at the pleasure of
46 the appointing body; however, no appointee to a commission with powers as set forth in subsection B of § 33.2-1915 may continue to
47 serve when he is no longer a member of the appointing body. Each governing body shall inform the commission of its appointments to
48 and removals from the commission by delivering to the commission a certified copy of the resolution making the appointment or
49 causing the removal.

50 The Chairman of the Commonwealth Transportation Board, or his designee, shall be a member of each commission, ex officio with
51 voting privileges. The Chairman of the Commonwealth Transportation Board may appoint an alternate member who may exercise all
52 the powers and duties of the Chairman of the Commonwealth Transportation Board when neither the Chairman of the Commonwealth
53 Transportation Board nor his designee is present at a commission meeting.

1 The Potomac and Rappahannock Transportation Commission shall also include two members who reside within the boundaries of
 2 the transportation district appointed by the Speaker of the House who may be members of the House of Delegates and one
 3 member of the Senate appointed by the Senate Committee on Rules. Each legislative member shall be from a legislative district
 4 located wholly or in part within the boundaries of the transportation district and shall serve a term coincident with his term of
 5 office. The members of the General Assembly shall be eligible for reappointment for successive terms. Vacancies occurring other
 6 than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original
 7 appointments.

8 The Transportation District Commission of Hampton Roads shall consist of one nonlegislative citizen member appointed by the
 9 Governor from each county and city embraced by the transportation district. However, for the gubernatorial appointments that will
 10 become effective July 1, 2016, three of the appointments shall be for initial terms of two years and three appointments shall be for
 11 terms of four years. Thereafter, all gubernatorial appointments shall be for terms of four years so as to stagger the terms of the
 12 gubernatorial appointees. The governing body of each such county or city may appoint either a member of its governing body or
 13 its county or city manager to serve as an ex officio member with voting privileges. Every such ex officio member shall be allowed
 14 to attend all meetings of the commission that other members may be required to attend. Vacancies shall be filled in the same
 15 manner as the original appointments.

16 B. The Secretary or his designee and any appointed member of the Northern Virginia Transportation Commission are authorized
 17 to serve as members of the board of directors of the Washington Metropolitan Area Transit Authority (§ 33.2-3100 et seq.) and
 18 while so serving the provisions of § 2.2-2800 shall not apply to such member. In appointing Virginia members of the board of
 19 directors of the Washington Metropolitan Area Transit Authority (WMATA), the Northern Virginia Transportation Commission
 20 shall include the Secretary or his designee as a principal member on the board of directors of WMATA. Any designee serving as
 21 the principal member must reside in a locality served by WMATA.

22 In selecting from its membership those members to serve on the board of directors of WMATA, the Northern Virginia
 23 Transportation Commission shall comply with the following requirements:

24 1. A board member shall not have been an employee of WMATA within one year of appointment to serve on the board of
 25 directors.

26 2. A board member shall have (i) experience in at least one of the fields of transit planning, transportation planning, or land use
 27 planning; transit or transportation management or other public sector management; engineering; finance; public safety; homeland
 28 security; human resources; or the law or (ii) knowledge of the region's transportation issues derived from working on regional
 29 transportation issue resolution.

30 3. A board member shall be a regular patron of the services provided by WMATA.

31 4. Board members shall serve a term of four years with a maximum of two consecutive terms. A board member's term or terms
 32 must coincide with his term on the body that appointed him to the Northern Virginia Transportation Commission. Any vacancy
 33 created if a board member cannot fulfill his term because his term on the appointing body has ended shall be filled for the
 34 unexpired term in the same manner as the member being replaced was appointed within 60 days of the vacancy. The initial
 35 appointments to a four-year term will be as follows: the Secretary, or his designee, for a term of four years; the second principal
 36 member for a term of three years; one alternate for a term of two years; and the remaining alternate for a term of one year.
 37 Thereafter, board members shall be appointed for terms of four years. Service on the WMATA board of directors prior to July 1,
 38 2012, shall not be considered in determining length of service. Any person appointed to an initial one-year or two-year term, or
 39 appointed to an unexpired term in which two years or less is remaining, shall be eligible to serve two consecutive four-year terms
 40 after serving the initial or unexpired term.

41 5. Members may be removed from the board of directors of WMATA if they attend fewer than three-fourths of the meetings in a
 42 calendar year; if they are conflicted due to employment at WMATA; or if they are found to be in violation of the State and Local
 43 Government Conflict of Interests Act (§ 2.2-3100 et seq.). If a board member is removed during a term, the vacancy shall be filled
 44 pursuant to the provisions of subdivision 4.

45 6. Each member of the Northern Virginia Transportation Commission appointed to the board of directors of WMATA shall file
 46 semiannual reports with the Secretary's office beginning July 1, 2012. The reports shall include (i) the dates of attendance at
 47 WMATA board meetings, (ii) any reasons for not attending a specific meeting, and (iii) dates and attendance at other WMATA-
 48 related public events.

49 7. Each nonelected member of the Northern Virginia Transportation Commission appointed to the board of directors of WMATA
 50 shall be eligible to receive reasonable and necessary expenses and compensation pursuant to §§ 2.2-2813 and 2.2-2825 from the
 51 Northern Virginia Transportation Commission for attending meetings and for the performance of his official duties as a board
 52 member on that day.

53 Any entity that provides compensation to a WMATA board member for his service on the WMATA board shall be required to
 54 submit on July 1 of each year to the Secretary the amount of that compensation. Such letter will remain on file with the Secretary's

1 office and be available for public review.

2 C. When the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission enter into
 3 an agreement to operate a commuter railway, the agreement governing the creation of the railway shall provide that the Chairman of
 4 the Commonwealth Transportation Board or his designee shall have one vote on the oversight board for the railway. For each year in
 5 which the state contribution to the railway is greater than or equal to the highest contribution from an individual locality, the total
 6 annual subsidy as provided by the member localities used to determine vote weights shall be recalculated to include the Commonwealth
 7 contributing an amount equal to the highest contributing locality. The vote weights shall be recalculated to provide the Chairman of the
 8 Commonwealth Transportation Board or his designee the same weight as the highest contributing locality. The revised vote weights
 9 shall be used in determining the passage of motions before the oversight board.

10 **§ 33.2-2502. Composition of Authority; membership; terms.**

11 The Authority shall consist of 17 members as follows:

12 1. The chief elected officer of the governing body of each county and city embraced by the Authority or, in the discretion of the chief
 13 elected officer, his designee, who shall be a current elected officer of such governing body;

14 2. Two members who reside in different counties or cities embraced by the Authority, appointed by the Speaker of the House who may
 15 be from the membership of the House Committee on Appropriations, the House Committee on Finance, or the House Committee on
 16 Transportation;

17 3. One member of the Senate who resides in a county or city embraced by the Authority, appointed by the Senate Committee on Rules
 18 and, to the extent practicable, from the membership of the Senate Committee on Finance and the Senate Committee on Transportation;

19 4. Two nonlegislative citizen members who reside in different counties or cities embraced by the Authority, appointed by the Governor.
 20 One such gubernatorial appointment shall be a member of the Commonwealth Transportation Board and one shall be a person who has
 21 significant experience in transportation planning, finance, engineering, construction, or management; and

22 5. The following three persons who shall serve as nonvoting ex officio members of the Authority: the Director of the Department of
 23 Rail and Public Transportation, or his designee; the Commissioner of Highways, or his designee; and the chief elected officer of one
 24 town in a county embraced by the Authority to be chosen by the Authority.

25 All members of the Authority shall serve terms coincident with their terms of office, except that the gubernatorial appointee who is not
 26 a member of the Board shall serve for a term of four years. A vacancy occurring other than by expiration of a term shall be filled for the
 27 unexpired term. Vacancies shall be filled in the same manner as the original appointments. The Authority shall appoint a chairman and
 28 vice-chairman from among its members.

29 **4. That the Code of Virginia is amended by adding in Article 1 of Chapter 10 of Title 32.1 sections numbered 32.1-332.01, and**
 30 **32.1-332.02 as follows:**

31 **§ 32.1-331.01. Health Care Coverage Assessment Fund.**

32 A. As used in this section:

33 "Covered hospital" means any in-state private acute care hospital other than a hospital classified as a public hospital, freestanding
 34 psychiatric and rehabilitation hospital, children's hospital, long stay hospital, long-term care hospital, or critical access hospital.

35 "Newly eligible adult" means an individual described in 42 U.S.C. §1396a(a)(10)(A)(i)(VIII).

36 "State Plan" means the state plan for medical assistance under Title XIX (§ 42 U.S.C. § 1396 et seq.) of the Social Security Act.

37 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Health Care Coverage Assessment Fund,
 38 referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All revenues collected or
 39 received as a result of imposition of a health care coverage assessment on covered hospitals and any other such moneys, public or
 40 private, received for the administration of the health care coverage assessment shall be paid into the state treasury and credited to the
 41 Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund,
 42 including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys
 43 deposited to the Fund shall be used solely for the nonfederal share of the cost of medical assistance for newly eligible adults, the
 44 administrative costs of collecting the assessment and implementing and operating the coverage for newly eligible adults. Such moneys
 45 shall be appropriated as provided in the general appropriation act. Expenditures and disbursements from the Fund shall be made by the
 46 State Treasurer on warrants issued by the Comptroller upon written request signed by the Director of the Department of Medical
 47 Assistance Services.

48 **§ 32.1-331.02. Health Care Provider Payment Rate Assessment Fund.**

49 A. As used in this section:

1 "Covered hospital" means any in-state private acute care hospital other than a hospital classified as a public hospital, freestanding
2 psychiatric and rehabilitation hospital, children's hospital, long stay hospital, long-term care hospital, or critical access hospital.

3 "Managed care organization hospital payment gap" means the difference between the amount included in rates for inpatient and
4 outpatient services provided by covered hospitals, based on historical paid claims, and the amount that would be included when
5 hospital services are priced according to the existing State Plan methodology but using 100 percent of the adjustment factors,
6 including the capital reimbursement percentage, and full inflation subject to approval by the Centers for Medicare and Medicaid
7 Services pursuant to 42 C.F.R. § 438.6(c).

8 "State Plan" means the state plan for medical assistance under Title XIX (§ 42 U.S.C. § 1396 et seq.) of the Social Security Act.

9 "Upper payment limit" means the amount equal to the maximum amount of payment for inpatient services for recipients of
10 medical assistance services established in accordance with 42 C.F.R § 447.272 and outpatient services for recipients of medical
11 assistance services pursuant to 42 CFR § 447.321.

12 B. There is hereby created in the state treasury a special nonreverting fund to be known as the Health Care Payment Rate
13 Assessment Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All
14 revenues collected or received as a result of imposition of a health care payment rate assessment on covered hospitals and any
15 other such moneys, public or private, received for the administration of the health care payment assessment shall be paid into the
16 state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any
17 moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but
18 shall remain in the Fund. Moneys deposited to the Fund shall be used solely for the nonfederal share of the cost of payment rate
19 actions associated with the payment rate assessment as provided in the general appropriation act and the administrative costs of
20 collecting the assessment and of implementing and operating the associated payment rate actions. Such moneys shall be
21 appropriated as provided in the general appropriation act. Expenditures and disbursements from the Fund shall be made by the
22 State Treasurer on warrants issued by the Comptroller upon written request signed by the Director of the Department of Medical
23 Assistance Services.

24 **5. Effective July 1, 2018, the authority and responsibilities of the Secretary of Technology included in the Code of Virginia**
25 **shall be executed by the Secretary of Administration and the Secretary of Commerce and Trade pursuant to Item 65 and**
26 **Item 102 of this act. Any authority or responsibilities of the Secretary of Technology not referenced in Item 65 and Item**
27 **102 of this act shall be executed by either the Secretary of Administration or the Secretary of Commerce and Trade as**
28 **determined by the Governor.**

29 **6. That § 58.1-638 of the Code of Virginia is amended and reenacted as follows:**

30 **58.1-638. Disposition of state sales and use tax revenue.**

31 A. The Comptroller shall designate a specific revenue code number for all the state sales and use tax revenue collected under the
32 preceding sections of this chapter.

33 1. The sales and use tax revenue generated by the one-half percent sales and use tax increase enacted by the 1986 Special Session
34 of the General Assembly shall be paid, in the manner hereinafter provided in this section, to the Transportation Trust Fund as
35 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
36 Commonwealth Port Fund as provided in this section; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport
37 Fund as provided in this section; and an aggregate of 14.7 percent shall be set aside as the Commonwealth Mass Transit Fund as
38 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
39 into the state treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in the
40 preceding month. All payments shall be made to the Fund on the last day of each month.

41 2. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the
42 Transportation Trust Fund and which shall be known as the Commonwealth Port Fund.

43 a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the funds remaining in such Fund at the
44 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
45 the Fund and be credited to it. Funds may be paid to any authority, locality or commission for the purposes hereinafter specified.

46 b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth Transportation Board to the Board of
47 Commissioners of the Virginia Port Authority to be used to support port capital needs and the preservation of existing capital
48 needs of all ocean, river, or tributary ports within the Commonwealth. Expenditures for such capital needs are restricted to those
49 capital projects specified in subsection B of § 62.1-132.1.

50 c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the Virginia Port Authority in order to
51 foster and stimulate the flow of maritime commerce through the ports of Virginia, including but not limited to the ports of
52 Richmond, Hopewell, and Alexandria.

53 3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be part of the Transportation

1 Trust Fund and which shall be known as the Commonwealth Airport Fund. The Commonwealth Airport Fund shall be established on
 2 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
 3 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
 4 Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall be allocated by the Virginia Aviation Board to
 5 any Virginia airport which is owned by the Commonwealth, a governmental subdivision thereof, or a private entity to which the public
 6 has access for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington Airports Authority
 7 (MWAA), as follows:

8 Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation Board from the Commonwealth
 9 Transportation Fund, shall be allocated as follows: 60 percent to MWAA, up to a maximum annual amount of \$2 million, and 40
 10 percent to air carrier airports as provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air
 11 carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a than it received in fiscal year
 12 1994-1995.

13 Of the remaining amount:

14 a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased by MWAA, based upon the
 15 percentage of enplanements for each airport to total enplanements at all air carrier airports, except airports owned or leased by MWAA.
 16 No air carrier airport sponsor, however, shall receive less than \$50,000 nor more than \$2 million per year from this provision.

17 b. Sixty percent of the funds shall be allocated as follows:

18 (1) For the first six months of each fiscal year, the funds shall be allocated as follows:

19 (a) Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever airports on a discretionary basis,
 20 except airports owned or leased by MWAA; and

21 (b) Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports on a discretionary basis; and

22 (2) For the second six months of each fiscal year, all remaining funds shall be allocated by the Aviation Board for all eligible airports
 23 on a discretionary basis, except airports owned or leased by MWAA.

24 3a. There is hereby created in the Department of the Treasury a special nonreverting fund that shall be a part of the Transportation
 25 Trust Fund and that shall be known as the Commonwealth Space Flight Fund. The Commonwealth Space Flight Fund shall be
 26 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
 27 general fund but shall remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it.

28 a. The amounts allocated to the Commonwealth Space Flight Fund pursuant to § 33.2-1526 shall be allocated by the Commonwealth
 29 Transportation Board to the Board of Directors of the Virginia Commercial Space Flight Authority to be used to support the capital
 30 needs, maintenance, and operating costs of any and all facilities owned and operated by the Virginia Commercial Space Flight
 31 Authority.

32 b. Commonwealth Space Flight Fund revenue shall be allocated by the Board of Directors to the Virginia Commercial Space Flight
 33 Authority in order to foster and stimulate the growth of the commercial space flight industry in Virginia.

34 4. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation
 35 Trust Fund and which shall be known as the Commonwealth Mass Transit Fund.

36 a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and any funds remaining in such Fund
 37 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
 38 credited to the Fund.

39 b. The amounts allocated pursuant to § 33.2-1526.1 shall be used to support the operating, capital, and administrative costs of public
 40 transportation at a state share determined by the Commonwealth Transportation Board, and these amounts may be used to support the
 41 capital project costs of public transportation and ridesharing equipment, facilities, and associated costs at a state share determined by
 42 the Commonwealth Transportation Board. Capital costs may include debt service payments on local or agency transit bonds.

43 c. There is hereby created in the Department of the Treasury a special nonreverting fund known as the Commonwealth Transit Capital
 44 Fund. The Commonwealth Transit Capital Fund shall be part of the Commonwealth Mass Transit Fund. The Commonwealth Transit
 45 Capital Fund subaccount shall be established on the books of the Comptroller and consist of such moneys as are appropriated to it by
 46 the General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given, bequeathed, granted, or
 47 otherwise made available to the Commonwealth Transit Capital Fund. Any funds remaining in the Commonwealth Transit Capital
 48 Fund at the end of the biennium shall not revert to the general fund, but shall remain in the Commonwealth Transit Capital Fund.
 49 Interest earned on funds within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth Transit
 50 Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political subdivision, another public entity
 51 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
 52 7 of § 33.2-1701 or expended by the Department of Rail and Public Transportation for the purposes specified in this subdivision.

- 1 Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures involving the establishment,
 2 improvement, or expansion of public transportation services through specific projects approved by the Commonwealth
 3 Transportation Board. The Commonwealth Transit Capital Fund shall not be allocated without requiring a local match from the
 4 recipient.
- 5 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
 6 the Commonwealth in the manner provided in subsections C and D.
- 7 C. The localities' share of the net revenue distributable under this section among the counties and cities shall be apportioned by the
 8 Comptroller and distributed among them by warrants of the Comptroller drawn on the Treasurer of Virginia as soon as practicable
 9 after the close of each month during which the net revenue was received into the state treasury. The distribution of the localities'
 10 share of such net revenue shall be computed with respect to the net revenue received into the state treasury during each month, and
 11 such distribution shall be made as soon as practicable after the close of each such month.
- 12 D. The net revenue so distributable among the counties and cities shall be apportioned and distributed upon the basis of the latest
 13 yearly estimate of the population of cities and counties ages five to 19, provided by the Weldon Cooper Center for Public Service
 14 of the University of Virginia. Such population estimate produced by the Weldon Cooper Center for Public Service of the
 15 University of Virginia shall account for persons who are domiciled in orphanages or charitable institutions or who are dependents
 16 living on any federal military or naval reservation or other federal property within the school division in which the institutions or
 17 federal military or naval reservation or other federal property is located. Such population estimate produced by the Weldon
 18 Cooper Center for Public Service of the University of Virginia shall account for members of the military services who are under
 19 20 years of age within the school division in which the parents or guardians of such persons legally reside. Such population
 20 estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for individuals
 21 receiving services in state hospitals, state training centers, or mental health facilities, persons who are confined in state or federal
 22 correctional institutions, or persons who attend the Virginia School for the Deaf and the Blind within the school division in which
 23 the parents or guardians of such persons legally reside. Such population estimate produced by the Weldon Cooper Center for
 24 Public Service of the University of Virginia shall account for persons who attend institutions of higher education within the school
 25 division in which the student's parents or guardians legally reside. To such estimate, the Department of Education shall add the
 26 population of students with disabilities, ages two through four and 20 through 21, as provided to the Department of Education by
 27 school divisions. The revenue so apportionable and distributable is hereby appropriated to the several counties and cities for
 28 maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public
 29 schools, which shall be considered as funds raised from local resources. In any county, however, wherein is situated any
 30 incorporated town constituting a school division, the county treasurer shall pay into the town treasury for maintenance, operation,
 31 capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, the proper
 32 proportionate amount received by him in the ratio that the school population of such town bears to the school population of the
 33 entire county. If the school population of any city or of any town constituting a school division is increased by the annexation of
 34 territory since the last estimate of school population provided by the Weldon Cooper Center for Public Service, such increase
 35 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
 36 and a proper reduction made in the school population of the county or counties from which the annexed territory was acquired.
- 37 E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a two percent sales and use tax,
 38 up to an annual amount of \$13 million, collected from the sales of hunting equipment, auxiliary hunting equipment, fishing
 39 equipment, auxiliary fishing equipment, wildlife-watching equipment, and auxiliary wildlife-watching equipment in Virginia, as
 40 estimated by the most recent U.S. Department of the Interior, Fish and Wildlife Service and U.S. Department of Commerce,
 41 Bureau of the Census National Survey of Fishing, Hunting, and Wildlife-Associated Recreation, shall be paid into the Game
 42 Protection Fund established under § 29.1-101 and shall be used, in part, to defray the cost of law enforcement. Not later than 30
 43 days after the close of each quarter, the Comptroller shall transfer to the Game Protection Fund the appropriate amount of
 44 collections to be dedicated to such Fund. At any time that the balance in the Capital Improvement Fund, established under § 29.1-
 45 101.01, is equal to or in excess of \$35 million, any portion of sales and use tax revenues that would have been transferred to the
 46 Game Protection Fund, established under § 29.1-101, in excess of the net operating expenses of the Board, after deduction of other
 47 amounts which accrue to the Board and are set aside for the Game Protection Fund, shall remain in the general fund until such
 48 time as the balance in the Capital Improvement Fund is less than \$35 million.
- 49 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,
 50 2004, pursuant to enactments of the 2004 Special Session I of the General Assembly, the Comptroller shall transfer from the
 51 general fund of the state treasury to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund
 52 established under § 58.1-638.1 an amount equivalent to one-half of the net revenue generated from such one-half percent increase
 53 as provided in this subdivision. The transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief
 54 Fund under this subdivision shall be for one-half of the net revenue generated (and collected in the succeeding month) from such
 55 one-half percent increase for the month of August 2004 and for each month thereafter.
- 56 2. Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the revenue generated by a 0.125
 57 percent sales and use tax shall be distributed to the Public Education Standards of Quality/Local Real Estate Property Tax Relief
 58 Fund established under § 58.1-638.1, and be used for the state's share of Standards of Quality basic aid payments.

1 3. For the purposes of the Comptroller making the required transfers under subdivision 1 and 2, the Tax Commissioner shall make a
 2 written certification to the Comptroller no later than the twenty-fifth of each month certifying the sales and use tax revenues generated
 3 in the preceding month. Within three calendar days of receiving such certification, the Comptroller shall make the required transfers to
 4 the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund.

5 G. (Contingent expiration date — see note) Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the
 6 following percentages of the revenue generated by a one-half percent sales and use tax, such as that paid to the Transportation Trust
 7 Fund as provided in subdivision A 1, shall be paid to the Highway Maintenance and Operating Fund established pursuant to § 33.2-
 8 1530:

9 1. For fiscal year 2014, an amount equal to 10 percent;

10 2. For fiscal year 2015, an amount equal to 20 percent;

11 3. For fiscal year 2016, an amount equal to 30 percent; and

12 4. For fiscal year 2017 and thereafter, an amount equal to 35 percent.

13 The Highway Maintenance and Operating Fund's share of the net revenue distributable under this subsection shall be computed as an
 14 estimate of the net revenue to be received into the state treasury each month, and such estimated payment shall be adjusted for the
 15 actual net revenue received in the preceding month. All payments shall be made to the Fund on the last day of each month.

16 H. (Contingent expiration date — see note) 1. The additional revenue generated by increases in the state sales and use tax from
 17 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
 18 established under § 33.2-2509.

19 2. The additional revenue generated by increases in the state sales and use tax from Planning District 23 pursuant to §§ 58.1-603.1,
 20 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.

21 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,
 22 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.

23 4. The net revenues distributable under this subsection shall be computed as an estimate of the net revenue to be received by the state
 24 treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in the preceding month. All
 25 payments shall be made to the appropriate funds on the last day of each month.

26 I. (For contingent expiration date, see Acts 2018, c. 850) The additional revenue generated by increases in the state sales and use tax
 27 from the Historic Triangle pursuant to § 58.1-603.2 shall be deposited by the Comptroller as follows: (i) 50 percent shall be deposited
 28 into the Historic Triangle Marketing Fund established pursuant to subsection E of § 58.1-603.2; and (ii) 50 percent shall be deposited in
 29 the special fund created pursuant to subdivision D 2 of § 58.1-603.2 and distributed to the localities in which the revenues were
 30 collected. The net revenues distributable under this subsection shall be computed as an estimate of the net revenues to be received by
 31 the state treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in the preceding month.
 32 All payments shall be made to the appropriate funds on the last day of each month.

33 ~~J. Beginning July 1, 2020, the first \$40 million of sales and use taxes remitted by online retailers with a physical nexus established~~
 34 ~~pursuant to subsection D of § 58.1-612 shall be deposited into the Major Headquarters Workforce Grant Fund established pursuant to §~~
 35 ~~59.1-284.31.~~

36 ~~K. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall be corrected and adjustments made~~
 37 ~~in the distribution for the next quarter or for subsequent quarters.~~

38 ~~L. The term "net revenue," as used in this section, means the gross revenue received into the general fund or the Transportation Trust~~
 39 ~~Fund of the state treasury under the preceding sections of this chapter, less refunds to taxpayers."~~

40 **7. That §§ 58.1-601 and 58.1-602, as they are currently effective, 58.1-604, as it is currently effective and as it may become**
 41 **effective, 58.1-605, as it is currently effective, 58.1-612, 58.1-615, as it is currently effective, 58.1-625, as it is currently effective**
 42 **and as it shall become effective, and 58.1-635, as it is currently effective, of the Code of Virginia are amended and reenacted**
 43 **and that the Code of Virginia is amended by adding a section numbered 58.1-612.1 as follows:**

44 § 58.1-601. (Contingent expiration date) Administration of chapter.

45 A. The Tax Commissioner shall administer and enforce the assessment and collection of the taxes and penalties imposed by this
 46 chapter, including the collection of state and local sales and use taxes from remote sellers.

47 B. In administering the collection of state and local sales and use taxes from remote sellers, the Tax Commissioner shall:

48 1. Provide adequate information to remote sellers to enable them to identify state and local sales and use tax rates and exemptions;

- 1 2. Provide adequate information to software providers to enable them to make software and services available to remote sellers;
- 2 3. Ensure that if the Department requires a periodic audit the remote seller may complete a single audit that covers the state and
3 local sales and use taxes in all localities; and
- 4 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
5 provider on behalf of such remote seller.
- 6 C. For purposes of evaluating the fiscal, economic and policy impact of sales and use tax exemptions, the Tax Commissioner may
7 require from any person information relating to the evaluation of exempt purchases or sales, information relating to the
8 qualification for exempt purchases, and information relating to direct or indirect government financial assistance that the person
9 receives. Such information shall be filed on forms prescribed by the Tax Commissioner.
- 10 § 58.1-602. (Contingent expiration date) Definitions.
- 11 As used in this chapter, unless the context clearly shows otherwise:
- 12 "Advertising" means the planning, creating, or placing of advertising in newspapers, magazines, billboards, broadcasting and other
13 media, including, without limitation, the providing of concept, writing, graphic design, mechanical art, photography and
14 production supervision. Any person providing advertising as defined in this section shall be deemed to be the user or consumer of
15 all tangible personal property purchased for use in such advertising.
- 16 "Amplification, transmission and distribution equipment" means, but is not limited to, production, distribution, and other
17 equipment used to provide Internet-access services, such as computer and communications equipment and software used for
18 storing, processing and retrieving end-user subscribers' requests.
- 19 "Business" includes any activity engaged in by any person, or caused to be engaged in by him, with the object of gain, benefit or
20 advantage, either directly or indirectly.
- 21 "Cost price" means the actual cost of an item or article of tangible personal property computed in the same manner as the sales
22 price as defined in this section without any deductions therefrom on account of the cost of materials used, labor, or service costs,
23 transportation charges, or any expenses whatsoever.
- 24 "Custom program" means a computer program that is specifically designed and developed only for one customer. The combining
25 of two or more prewritten programs does not constitute a custom computer program. A prewritten program that is modified to any
26 degree remains a prewritten program and does not become custom.
- 27 "Distribution" means the transfer or delivery of tangible personal property for use, consumption, or storage by the distributee, and
28 the use, consumption, or storage of tangible personal property by a person that has processed, manufactured, refined, or converted
29 such property, but does not include the transfer or delivery of tangible personal property for resale or any use, consumption, or
30 storage otherwise exempt under this chapter.
- 31 "Gross proceeds" means the charges made or voluntary contributions received for the lease or rental of tangible personal property
32 or for furnishing services, computed with the same deductions, where applicable, as for sales price as defined in this section over
33 the term of the lease, rental, service, or use, but not less frequently than monthly. "Gross proceeds" does not include finance
34 charges, carrying charges, service charges, or interest from credit extended on the lease or rental of tangible personal property
35 under conditional lease or rental contracts or other conditional contracts providing for the deferred payments of the lease or rental
36 price.
- 37 "Gross sales" means the sum total of all retail sales of tangible personal property or services as defined in this chapter, without any
38 deduction, except as provided in this chapter. "Gross sales" does not include the federal retailers' excise tax or the federal diesel
39 fuel excise tax imposed in § 4091 of the Internal Revenue Code if the excise tax is billed to the purchaser separately from the
40 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 §
41 58.1-605 or 58.1-606.
- 42 "Import" and "imported" are words applicable to tangible personal property imported into the Commonwealth from other states as
43 well as from foreign countries, and "export" and "exported" are words applicable to tangible personal property exported from the
44 Commonwealth to other states as well as to foreign countries.
- 45 "In this Commonwealth" or "in the Commonwealth" means within the limits of the Commonwealth of Virginia and includes all
46 territory within these limits owned by or ceded to the United States of America.
- 47 "Integrated process," when used in relation to semiconductor manufacturing, means a process that begins with the research or
48 development of semiconductor products, equipment, or processes, includes the handling and storage of raw materials at a plant
49 site, and continues to the point that the product is packaged for final sale and either shipped or conveyed to a warehouse. Without
50 limiting the foregoing, any semiconductor equipment, fuel, power, energy, supplies, or other tangible personal property shall be
51 deemed used as part of the integrated process if its use contributes, before, during, or after production, to higher product quality,

- 1 production yields, or process efficiencies. Except as otherwise provided by law, "integrated process" *does* not mean general
2 maintenance or administration.
- 3 "Internet" means collectively, the myriad of computer and telecommunications facilities, which comprise the interconnected worldwide
4 network of computer networks.
- 5 "Internet service" means a service that enables users to access proprietary and other content, information electronic mail, and the
6 Internet as part of a package of services sold to end-user subscribers.
- 7 "Lease or rental" means the leasing or renting of tangible personal property and the possession or use thereof by the lessee or renter for
8 a consideration, without transfer of the title to such property.
- 9 "Manufacturing, processing, refining, or conversion" includes the production line of the plant starting with the handling and storage of
10 raw materials at the plant site and continuing through the last step of production where the product is finished or completed for sale and
11 conveyed to a warehouse at the production site, and also includes equipment and supplies used for production line testing and quality
12 control."Manufacturing" also includes the necessary ancillary activities of newspaper and magazine printing when such activities are
13 performed by the publisher of any newspaper or magazine for sale daily or regularly at average intervals not exceeding three months.
- 14 The determination of whether any manufacturing, mining, processing, refining or conversion activity is industrial in nature shall be
15 made without regard to plant size, existence or size of finished product inventory, degree of mechanization, amount of capital
16 investment, number of employees or other factors relating principally to the size of the business. Further, "industrial in nature"
17 includes, but is not limited to, those businesses classified in codes 10 through 14 and 20 through 39 published in the Standard Industrial
18 Classification Manual for 1972 and any supplements issued thereafter.
- 19 "Modular building" means, but is not limited to, single and multifamily houses, apartment units, commercial buildings, and permanent
20 additions thereof, comprised of one or more sections that are intended to become real property, primarily constructed at a location other
21 than the permanent site, built to comply with the Virginia Industrialized Building Safety Law (§ 36-70 et seq.) as regulated by the
22 Virginia Department of Housing and Community Development, and shipped with most permanent components in place to the site of
23 final assembly. For purposes of this chapter, "modular building" does not include a mobile office as defined in § 58.1-2401 or any
24 manufactured building subject to and certified under the provisions of the National Manufactured Housing Construction and Safety
25 Standards Act of 1974 (42 U.S.C. § 5401 et seq.).
- 26 "Modular building manufacturer" means a person that owns or operates a manufacturing facility and is engaged in the fabrication,
27 construction and assembling of building supplies and materials into modular buildings, as defined in this section, at a location other
28 than at the site where the modular building will be assembled on the permanent foundation and may or may not be engaged in the
29 process of affixing the modules to the foundation at the permanent site.
- 30 "Modular building retailer" means any person that purchases or acquires a modular building from a modular building manufacturer, or
31 from another person, for subsequent sale to a customer residing within or outside of the Commonwealth, with or without installation of
32 the modular building to the foundation at the permanent site.
- 33 "Motor vehicle" means a "motor vehicle" as defined in § 58.1-2401, taxable under the provisions of the Virginia Motor Vehicles Sales
34 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.
- 35 "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
36 required to hold a certificate of registration, including the sale or exchange of all or substantially all the assets of any business and the
37 reorganization or liquidation of any business, provided that such sale or exchange is not one of a series of sales and exchanges
38 sufficient in number, scope and character to constitute an activity requiring the holding of a certificate of registration.
- 39 "Open video system" means an open video system authorized pursuant to 47 U.S.C. § 573 and, for purposes of this chapter only, also
40 includes Internet service regardless of whether the provider of such service is also a telephone common carrier.
- 41 "Person" includes any individual, firm, copartnership, cooperative, nonprofit membership corporation, joint venture, association,
42 corporation, estate, trust, business trust, trustee in bankruptcy, receiver, auctioneer, syndicate, assignee, club, society, or other group or
43 combination acting as a unit, body politic or political subdivision, whether public or private, or quasi-public, and the plural of "person"
44 means the same as the singular.
- 45 "Prewritten program" means a computer program that is prepared, held or existing for general or repeated sale or lease, including a
46 computer program developed for in-house use and subsequently sold or leased to unrelated third parties.
- 47 "Railroad rolling stock" means locomotives, of whatever motive power, autocars, railroad cars of every kind and description, and all
48 other equipment determined by the Tax Commissioner to constitute railroad rolling stock.
- 49 "Remote seller" means any dealer deemed to have sufficient activity within the Commonwealth to require registration under § 58.1-613
50 under the criteria specified in subdivision C 10 or 11 of § 58.1-612 or any software provider acting on behalf of such dealer.
- 51 "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

1 property or services taxable under this chapter, and shall include any such transaction as the Tax Commissioner upon investigation
2 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
3 dealer making a sale for resale which is not in strict compliance with such regulations shall be personally liable for payment of the
4 tax.

5 The terms "retail sale" and a "sale at retail" specifically include the following: (i) the sale or charges for any room or rooms,
6 lodgings, or accommodations furnished to transients for less than 90 continuous days by any hotel, motel, inn, tourist camp, tourist
7 cabin, camping grounds, club, or any other place in which rooms, lodging, space, or accommodations are regularly furnished to
8 transients for a consideration; (ii) sales of tangible personal property to persons for resale when because of the operation of the
9 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
10 of business in which to keep records, or the lack of adequate records, or because such persons are minors or transients, or because
11 such persons are engaged in essentially service businesses, or for any other reason there is likelihood that the Commonwealth will
12 lose tax funds due to the difficulty of policing such business operations; (iii) the separately stated charge made for automotive
13 refinish repair materials that are permanently applied to or affixed to a motor vehicle during its repair; and (iv) the separately
14 stated charge for equipment available for lease or purchase by a provider of satellite television programming to the customer of
15 such programming. Equipment sold to a provider of satellite television programming for subsequent lease or purchase by the
16 customer of such programming shall be deemed a sale for resale. The Tax Commissioner is authorized to promulgate regulations
17 requiring vendors of or sellers to such persons to collect the tax imposed by this chapter on the cost price of such tangible personal
18 property to such persons and may refuse to issue certificates of registration to such persons. The terms "retail sale" and a "sale at
19 retail" also specifically include the separately stated charge made for supplies used during automotive repairs whether or not there
20 is transfer of title or possession of the supplies and whether or not the supplies are attached to the automobile. The purchase of
21 such supplies by an automotive repairer for sale to the customer of such repair services shall be deemed a sale for resale.

22 The term "transient" does not include a purchaser of camping memberships, time-shares, condominiums, or other similar contracts
23 or interests that permit the use of, or constitute an interest in, real estate, however created or sold and whether registered with the
24 Commonwealth or not. Further, a purchaser of a right or license which entitles the purchaser to use the amenities and facilities of a
25 specific real estate project on an ongoing basis throughout its term shall not be deemed a transient, provided, however, that the
26 term or time period involved is for seven years or more.

27 The terms "retail sale" and "sale at retail" do not include a transfer of title to tangible personal property after its use as tools,
28 tooling, machinery or equipment, including dies, molds, and patterns, if (i) at the time of purchase, the purchaser is obligated,
29 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
30 the person for whom the purchaser manufactures goods.

31 "Retailer" means every person engaged in the business of making sales at retail, or for distribution, use, consumption, or storage to
32 be used or consumed in the Commonwealth.

33 "Sale" means any transfer of title or possession, or both, exchange, barter, lease or rental, conditional or otherwise, in any manner
34 or by any means whatsoever, of tangible personal property and any rendition of a taxable service for a consideration, and includes
35 the fabrication of tangible personal property for consumers who furnish, either directly or indirectly, the materials used in
36 fabrication, and the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the
37 premises of the person furnishing, preparing, or serving such tangible personal property. A transaction whereby the possession of
38 property is transferred but the seller retains title as security for the payment of the price shall be deemed a sale.

39 "Sales price" means the total amount for which tangible personal property or services are sold, including any services that are a
40 part of the sale, valued in money, whether paid in money or otherwise, and includes any amount for which credit is given to the
41 purchaser, consumer, or lessee by the dealer, without any deduction therefrom on account of the cost of the property sold, the cost
42 of materials used, labor or service costs, losses or any other expenses whatsoever. "Sales price" does not include (i) any cash
43 discount allowed and taken; (ii) finance charges, carrying charges, service charges or interest from credit extended on sales of
44 tangible personal property under conditional sale contracts or other conditional contracts providing for deferred payments of the
45 purchase price; (iii) separately stated local property taxes collected; (iv) that portion of the amount paid by the purchaser as a
46 discretionary gratuity added to the price of a meal; or (v) that portion of the amount paid by the purchaser as a mandatory gratuity
47 or service charge added by a restaurant to the price of a meal, but only to the extent that such mandatory gratuity or service charge
48 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
49 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
50 price of the new or used articles and the credit for the used articles.

51 "Semiconductor cleanrooms" means the integrated systems, fixtures, piping, partitions, flooring, lighting, equipment, and all other
52 property used to reduce contamination or to control airflow, temperature, humidity, vibration, or other environmental conditions
53 required for the integrated process of semiconductor manufacturing.

54 "Semiconductor equipment" means (i) machinery or tools or repair parts or replacements thereof; (ii) the related accessories,
55 components, pedestals, bases, or foundations used in connection with the operation of the equipment, without regard to the
56 proximity to the equipment, the method of attachment, or whether the equipment or accessories are affixed to the realty; (iii)
57 semiconductor wafers and other property or supplies used to install, test, calibrate or recalibrate, characterize, condition, measure,

1 or maintain the equipment and settings thereof; and (iv) equipment and supplies used for quality control testing of product, materials,
2 equipment, or processes; or the measurement of equipment performance or production parameters regardless of where or when the
3 quality control, testing, or measuring activity takes place, how the activity affects the operation of equipment, or whether the equipment
4 and supplies come into contact with the product.

5 "Storage" means any keeping or retention of tangible personal property for use, consumption or distribution in the Commonwealth, or
6 for any purpose other than sale at retail in the regular course of business.

7 "Tangible personal property" means personal property that may be seen, weighed, measured, felt, or touched, or is in any other manner
8 perceptible to the senses. "Tangible personal property" does not include stocks, bonds, notes, insurance or other obligations or
9 securities. "Tangible personal property" includes (i) telephone calling cards upon their initial sale, which shall be exempt from all other
10 state and local utility taxes, and (ii) manufactured signs.

11 "Use" means the exercise of any right or power over tangible personal property incident to the ownership thereof, except that it does
12 not include the sale at retail of that property in the regular course of business. "Use" does not include the exercise of any right or power,
13 including use, distribution, or storage, over any tangible personal property sold to a nonresident donor for delivery outside of the
14 Commonwealth to a nonresident recipient pursuant to an order placed by the donor from outside the Commonwealth via mail or
15 telephone. "Use" does not include any sale determined to be a gift transaction, subject to tax under § 58.1-604.6.

16 "Use tax" refers to the tax imposed upon the use, consumption, distribution, and storage as defined in this section.

17 "Used directly," when used in relation to manufacturing, processing, refining, or conversion, refers to those activities that are an
18 integral part of the production of a product, including all steps of an integrated manufacturing or mining process, but not including
19 ancillary activities such as general maintenance or administration. When used in relation to mining, "used directly" refers to the
20 activities specified in this definition and, in addition, any reclamation activity of the land previously mined by the mining company
21 required by state or federal law.

22 "Video programmer" means a person that provides video programming to end-user subscribers.

23 "Video programming" means video and/or information programming provided by or generally considered comparable to programming
24 provided by a cable operator, including, but not limited to, Internet service.

25 § 58.1-604. (Contingent expiration date) Imposition of use tax.

26 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
27 tangible personal property in this Commonwealth, or the storage of such property outside the Commonwealth for use or consumption in
28 this Commonwealth, in the amount of 4.3 percent:

29 1. Of the cost price of each item or article of tangible personal property used or consumed in this Commonwealth. Tangible personal
30 property that has been acquired for use outside this Commonwealth and subsequently becomes subject to the tax imposed hereunder
31 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
32 acquisition; but if so brought within this Commonwealth six months or more after its acquisition, such property shall be taxed on the
33 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
34 Commonwealth. Such tax shall be based on such proportion of the cost price or current market value as the duration of time of use
35 within this Commonwealth bears to the total useful life of such property (but it shall be presumed in all cases that such property will
36 remain within this Commonwealth for the remainder of its useful life unless convincing evidence is provided to the contrary).

37 2. Of the cost price of each item or article of tangible personal property stored outside this Commonwealth for use or consumption in
38 this Commonwealth.

39 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
40 once under either section.

41 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
42 nonresident individual, visiting in Virginia, for his personal use, while within this Commonwealth.

43 § 58.1-604. (Contingent effective date) Imposition of use tax.

44 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
45 tangible personal property in this Commonwealth, or the storage of such property outside the Commonwealth for use or consumption in
46 this Commonwealth, in the amount of three and one-half percent through midnight on July 31, 2004, and four percent beginning on and
47 after August 1, 2004:

48 1. Of the cost price of each item or article of tangible personal property used or consumed in this Commonwealth. Tangible personal
49 property which has been acquired for use outside this Commonwealth and subsequently becomes subject to the tax imposed hereunder
50 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
51 acquisition; but if so brought within this Commonwealth six months or more after its acquisition, such property shall be taxed on the

- 1 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
 2 Commonwealth. Such tax shall be based on such proportion of the cost price or current market value as the duration of time of use
 3 within this Commonwealth bears to the total useful life of such property (but it shall be presumed in all cases that such property
 4 will remain within this Commonwealth for the remainder of its useful life unless convincing evidence is provided to the contrary).
- 5 2. Of the cost price of each item or article of tangible personal property stored outside this Commonwealth for use or consumption
 6 in this Commonwealth.
- 7 3. A transaction taxed under § 58.1-603 shall not also be taxed under this section, nor shall the same transaction be taxed more
 8 than once under either section.
- 9 4. The use tax shall not apply with respect to the use of any article of tangible personal property brought into this Commonwealth
 10 by a nonresident individual, visiting in Virginia, for his personal use, while within this Commonwealth.
- 11 § 58.1-605. (Contingent expiration date) To what extent and under what conditions cities and counties may levy local sales taxes;
 12 collection thereof by Commonwealth and return of revenue to each city or county entitled thereto.
- 13 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
 14 authorized by this section.
- 15 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
 16 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 §§
 17 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
 18 thereto. No discount under § 58.1-622 shall be allowed on a local sales tax.
- 19 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
 20 so by the adoption of an ordinance stating its purpose and referring to this section, and providing that such ordinance shall be
 21 effective on the first day of a month at least 60 days after its adoption. A certified copy of such ordinance shall be forwarded to the
 22 Tax Commissioner so that it will be received within five days after its adoption.
- 23 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
 24 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
 25 quarter. Failure to provide notice pursuant to this section shall require the Commonwealth and the locality to apply the preceding
 26 effective rate until 30 days after notification is provided.
- 27 D. Any local sales tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner
 28 and subject to the same penalties as provided for the state sales tax.
- 29 E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid into the state treasury to the
 30 credit of a special fund which is hereby created on the Comptroller's books under the name "Collections of Local Sales Taxes."
 31 Such local sales tax moneys shall be credited to the account of each particular city or county levying a local sales tax under this
 32 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
 33 Department and certified by it monthly to the Comptroller, namely, the city or county of location of each place of business of
 34 every dealer paying the tax to the Commonwealth without regard to the city or county of possible use by the purchasers. If a
 35 dealer has any place of business located in more than one political subdivision by reason of the boundary line or lines passing
 36 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
 37 for the purposes of this section as follows: one-half shall be assignable to each political subdivision where two are involved, one-
 38 third where three are involved, and one-fourth where four are involved.
- 39 F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in any month for the preceding
 40 month, the Comptroller shall draw his warrant on the Treasurer of Virginia in the proper amount in favor of each city or county
 41 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
 42 county under the special fund created by this section. If errors are made in any such payment, or adjustments are otherwise
 43 necessary, whether attributable to refunds to taxpayers, or to some other fact, the errors shall be corrected and adjustments made in
 44 the payments for the next two months as follows: one-half of the total adjustment shall be included in the payments for the next
 45 two months. In addition, the payment shall include a refund of amounts erroneously not paid to the city or county and not
 46 previously refunded during the three years preceding the discovery of the error. A correction and adjustment in payments
 47 described in this subsection due to the misallocation of funds by the dealer shall be made within three years of the date of the
 48 payment error.
- 49 G. Such payments to counties are subject to the qualification that in any county wherein is situated any incorporated town
 50 constituting a special school district and operated as a separate school district under a town school board of three members
 51 appointed by the town council, the county treasurer shall pay into the town treasury for general governmental purposes the proper
 52 proportionate amount received by him in the ratio that the school age population of such town bears to the school age population
 53 of the entire county. If the school age population of any town constituting a separate school district is increased by the annexation
 54 of territory since the last estimate of school age population provided by the Weldon Cooper Center for Public Service, such

1 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
2 and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.

3 H. One-half of such payments to counties are subject to the further qualification, other than as set out in subsection G, that in any
4 county wherein is situated any incorporated town not constituting a separate special school district which has complied with its charter
5 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
6 sales tax ordinance, the county treasurer shall pay into the town treasury of each such town for general governmental purposes the
7 proper proportionate amount received by him in the ratio that the school age population of each such town bears to the school age
8 population of the entire county, based on the latest estimate provided by the Weldon Cooper Center for Public Service. The preceding
9 requirement pertaining to the time interval between compliance with election provisions and adoption of the sales tax ordinance shall
10 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
11 the annexation of territory or otherwise since the last estimate of school age population provided by the Weldon Cooper Center for
12 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
13 last such estimate and a proper reduction made in the school age population of the county or counties from which the annexed territory
14 was acquired.

15 I. Notwithstanding the provisions of subsection H, the board of supervisors of a county may, in its discretion, appropriate funds to any
16 incorporated town not constituting a separate school district within such county which has not complied with the provisions of its
17 charter relating to the elections of its council and mayor, an amount not to exceed the amount it would have received from the tax
18 imposed by this chapter if such election had been held.

19 J. It is further provided that if any incorporated town which would otherwise be eligible to receive funds from the county treasurer
20 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
21 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
22 to all the provisions of this section generally applicable to cities and counties. Any tax levied under the authority of this subsection shall
23 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
24 within which such town is located.

25 § 58.1-612. Tax collectible from dealers; "dealer" defined; jurisdiction.

26 A. The tax levied by §§ 58.1-603 and 58.1-604 shall be collectible from all persons that are dealers, as defined in this section, and that
27 have sufficient contact with the Commonwealth to qualify under (i) subsections B and C or (ii) subsections B and D.

28 B. As used in this chapter, "dealer" includes every person that:

29 1. Manufactures or produces tangible personal property for sale at retail, for use, consumption, or distribution, or for storage to be used
30 or consumed in this Commonwealth;

31 2. Imports or causes to be imported into this Commonwealth tangible personal property from any state or foreign country, for sale at
32 retail, for use, consumption, or distribution, or for storage to be used or consumed in this Commonwealth;

33 3. Sells at retail, or that offers for sale at retail, or that has in its possession for sale at retail, or for use, consumption, or distribution, or
34 for storage to be used or consumed in this Commonwealth, tangible personal property;

35 4. Has sold at retail, used, consumed, distributed, or stored for use or consumption in this Commonwealth, tangible personal property
36 and that cannot prove that the tax levied by this chapter has been paid on the sale at retail, the use, consumption, distribution, or storage
37 of such tangible personal property;

38 5. Leases or rents tangible personal property for a consideration, permitting the use or possession of such property without transferring
39 title thereto;

40 6. Is the lessee or rentee of tangible personal property and that pays to the owner of such property a consideration for the use or
41 possession of such property without acquiring title thereto;

42 7. As a representative, agent, or solicitor, of an out-of-state principal, solicits, receives and accepts orders from persons in this
43 Commonwealth for future delivery and whose principal refuses to register as a dealer under § 58.1-613; or

44 8. Becomes liable to and owes this Commonwealth any amount of tax imposed by this chapter, whether it holds, or is required to hold,
45 a certificate of registration under § 58.1-613.

46 C. A dealer shall be deemed to have sufficient activity within the Commonwealth to require registration under § 58.1-613 if it:

47 1. Maintains or has within this Commonwealth, directly or through an agent or subsidiary, an office, warehouse, or place of business of
48 any nature;

49 2. Solicits business in this Commonwealth by employees, independent contractors, agents or other representatives;

50 3. Advertises in newspapers or other periodicals printed and published within this Commonwealth, on billboards or posters located in

- 1 this Commonwealth, or through materials distributed in this Commonwealth by means other than the United States mail;
- 2 4. Makes regular deliveries of tangible personal property within this Commonwealth by means other than common carrier. A
3 person shall be deemed to be making regular deliveries hereunder if vehicles other than those operated by a common carrier enter
4 this Commonwealth more than 12 times during a calendar year to deliver goods sold by him;
- 5 5. Solicits business in this Commonwealth on a continuous, regular, seasonal, or systematic basis by means of advertising that is
6 broadcast or relayed from a transmitter within this Commonwealth or distributed from a location within this Commonwealth;
- 7 6. Solicits business in this Commonwealth by mail, if the solicitations are continuous, regular, seasonal, or systematic and if the
8 dealer benefits from any banking, financing, debt collection, or marketing activities occurring in this Commonwealth or benefits
9 from the location in this Commonwealth of authorized installation, servicing, or repair facilities;
- 10 7. Is owned or controlled by the same interests which own or control a business located within this Commonwealth;
- 11 8. Has a franchisee or licensee operating under the same trade name in this Commonwealth if the franchisee or licensee is required
12 to obtain a certificate of registration under § 58.1-613;
- 13 9. Owns tangible personal property that is for sale located in this Commonwealth, or that is rented or leased to a consumer in this
14 Commonwealth, or offers tangible personal property, on approval, to consumers in this Commonwealth;
- 15 10. Receives more than \$100,000 in gross revenue, or other minimum amount as may be required by federal law, from retail sales
16 in the Commonwealth in the previous or current calendar year, provided that in determining the amount of a dealer's gross
17 revenues, the sales made by all commonly controlled persons as defined in subsection D shall be aggregated; or
- 18 11. Engages in 200 or more separate retail sales transactions, or other minimum amount as may be required by federal law, in the
19 Commonwealth in the previous or current calendar year, provided that in determining the total number of a dealer's retail sales
20 transactions, the sales made by all commonly controlled persons as defined in subsection D shall be aggregated.
- 21 D. A dealer is presumed to have sufficient activity within the Commonwealth to require registration under § 58.1-613 (unless the
22 presumption is rebutted as provided herein) if any commonly controlled person maintains a distribution center, warehouse,
23 fulfillment center, office, or similar location within the Commonwealth that facilitates the delivery of tangible personal property
24 sold by the dealer to its customers. The presumption in this subsection may be rebutted by demonstrating that the activities
25 conducted by the commonly controlled person in the Commonwealth are not significantly associated with the dealer's ability to
26 establish or maintain a market in the Commonwealth for the dealer's sales. For purposes of this subsection, a "commonly
27 controlled person" means any person that is a member of the same "controlled group of corporations," as defined in § 1563(a) of
28 the Internal Revenue Code of 1954, as amended or renumbered, as the dealer or any other entity that, notwithstanding its form of
29 organization, bears the same ownership relationship to the dealer as a corporation that is a member of the same "controlled group
30 of corporations," as defined in § 1563(a) of the Internal Revenue Code of 1954, as amended or renumbered.
- 31 E. Notwithstanding any other provision of this section, the following shall not be considered to determine whether a person that
32 has contracted with a commercial printer for printing in the Commonwealth is a "dealer" and whether such person has sufficient
33 contact with the Commonwealth to be required to register under § 58.1-613:
- 34 1. The ownership or leasing by that person of tangible or intangible property located at the Virginia premises of the commercial
35 printer which is used solely in connection with the printing contract with the person;
- 36 2. The sale by that person of property of any kind printed at and shipped or distributed from the Virginia premises of the
37 commercial printer;
- 38 3. Activities in connection with the printing contract with the person performed by or on behalf of that person at the Virginia
39 premises of the commercial printer; and
- 40 4. Activities in connection with the printing contract with the person performed by the commercial printer within Virginia for or
41 on behalf of that person.
- 42 F. In addition to the jurisdictional standards contained in subsections C and D, nothing contained in this chapter other than in
43 subsection E shall limit any authority that this Commonwealth may enjoy under the provisions of federal law or an opinion of the
44 United States Supreme Court to require the collection of sales and use taxes by any dealer that regularly or systematically solicits
45 sales within this Commonwealth. Furthermore, nothing contained in subsection C shall require any broadcaster, printer, outdoor
46 advertising firm, advertising distributor, or publisher which broadcasts, publishes, or displays or distributes paid commercial
47 advertising in this Commonwealth which is intended to be disseminated primarily to consumers located in this Commonwealth to
48 report or impose any liability to pay any tax imposed under this chapter solely because such broadcaster, printer, outdoor
49 advertising firm, advertising distributor, or publisher accepted such advertising contracts from out-of-state advertisers or sellers.
- 50 § 58.1-612.1. Tax collectible from marketplace facilitators; "marketplace facilitator" defined.

1 A. As used in this chapter:

2 "Marketplace facilitator" means a person that contracts with a marketplace seller to facilitate, for consideration and regardless of
 3 whether such consideration is deducted as fees from transactions, the sale of such marketplace seller's products through a physical or
 4 electronic marketplace operated by such person. "Marketplace facilitator" does not include a payment processor business appointed by
 5 a merchant to handle payment transactions from various channels, such as credit cards and debit cards, and whose sole activity with
 6 respect to marketplace sales is to handle transactions between two parties. "Marketplace facilitator" does not include a platform or
 7 forum that exclusively provides internet advertising services, including any advertisements that may list products for sale, so long as
 8 such platform or forum does not also engage directly or indirectly through one or more commonly controlled persons, as defined in
 9 subsection D of § 58.1-612, in the activities described in subsection C.

10 "Marketplace seller" means a person that is not a commonly controlled person, as defined in subsection D of § 58.1-612, to a
 11 marketplace facilitator and that makes sales through any physical or electronic marketplace operated by such marketplace facilitator,
 12 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
 13 marketplace.

14 B. The tax levied under this chapter shall be collectible from all persons that are marketplace facilitators that have sufficient contact
 15 with Virginia to require registration under subsection C.

16 C. A marketplace facilitator shall be deemed to have sufficient activity within the Commonwealth to require registration under § 58.1-
 17 613 if it meets at least one requirement in each of subdivisions 1, 2, and 3:

18 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
 19 following activities:

20 a. Transmitting or communicating an offer or acceptance between a purchaser and a marketplace seller;

21 b. Owning or operating the infrastructure, whether electronic or physical, or technology that brings purchasers and marketplace sellers
 22 together; or

23 c. Providing a virtual currency that purchasers are allowed or required to use to purchase products from the marketplace seller;

24 2. It engages in any of the following activities with respect to a marketplace seller's products:

25 a. Payment processing;

26 b. Fulfillment or storage;

27 c. Listing products for sale;

28 d. Setting prices;

29 e. Branding sales as those of the marketplace facilitator; or

30 f. Providing customer service or accepting or assisting with returns or exchanges; and

31 3. It establishes economic nexus through either of the following activities:

32 a. Facilitating sales in Virginia that, in the aggregate, generate more than \$100,000 in gross revenue, or other minimum amount as may
 33 be required by federal law, for such marketplace facilitator. A marketplace facilitator may exceed this threshold based on sales for
 34 either the previous or current calendar year. In determining the amount of a marketplace facilitator's gross revenues, the sales made by
 35 all commonly controlled persons, as defined in subsection D of § 58.1-612, shall be aggregated; or

36 b. Facilitating 200 or more separate retail sale transactions, or other minimum amount as may be required by federal law, in the
 37 Commonwealth in the previous or current calendar year. In determining the total number of retail sales transactions attributable to a
 38 marketplace facilitator, the sales made by all commonly controlled persons, as defined in subsection D of § 58.1-612, shall be
 39 aggregated.

40 D. 1. A marketplace facilitator shall be considered a dealer for purposes of this chapter and shall collect the tax imposed by this chapter
 41 on all transactions that it facilitates through its marketplace.

42 2. No marketplace seller shall collect sales and use tax on a transaction made through a marketplace facilitator's marketplace.

43 3. Notwithstanding the provisions of subdivisions 1 and 2, the Department shall allow for a waiver from the requirements of
 44 subdivisions 1 and 2 if a marketplace facilitator demonstrates, to the satisfaction of the Commissioner, that either (i) all of its
 45 marketplace sellers already are registered dealers under § 58.1-613 or (ii) the marketplace seller has sufficient nexus to require
 46 registration under § 58.1-613 and that collection of the tax by the marketplace facilitator for such marketplace seller would create an
 47 undue burden or hardship for either party. If such waiver is granted, the tax levied under this chapter shall be collectible from the

1 marketplace seller. The Department shall develop guidelines that establish (a) the criteria for obtaining a waiver pursuant to this
 2 section, (b) the process and procedure for a marketplace facilitator to apply for a waiver, and (c) the process for providing notice
 3 to an affected marketplace facilitator and marketplace seller of a waiver obtained pursuant to this subdivision.

4 E. A marketplace facilitator shall be relieved from liability, including penalties and interest, for the incorrect collection or
 5 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
 6 (i) an invalid exemption certificate provided by the marketplace seller or the purchaser; (ii) incorrect or insufficient information
 7 provided by the Commonwealth; or (iii) incorrect or insufficient information provided by the marketplace seller or purchaser
 8 regarding the tax classification or proper sourcing of an item or transaction, provided that the marketplace facilitator can
 9 demonstrate it made a reasonable effort to obtain accurate information from the marketplace seller or purchaser. The relief from
 10 liability afforded to the marketplace facilitator pursuant to this subsection shall not exceed the total amount of tax due from the
 11 marketplace facilitator on the incorrect transaction independent of any penalties or interest that would have otherwise applied.
 12 Any deficiency resulting from incorrect information provided by the marketplace seller or as the result of an audit shall be the
 13 liability of the marketplace seller.

14 F. A marketplace facilitator is the sole entity subject to audit by the Department for sales and use tax collection for all transactions
 15 facilitated by the marketplace facilitator unless (i) the marketplace facilitator can demonstrate that its failure to collect the proper
 16 tax was due to incorrect information provided by the marketplace seller or (ii) the marketplace seller is subject to a waiver granted
 17 pursuant to subdivision D 3.

18 G. If a marketplace facilitator lacks physical presence in the Commonwealth and has both facilitated and made direct sales into the
 19 Commonwealth, both types of sales shall be considered in determining whether it has established economic nexus.

20 H. When a marketplace seller that is not otherwise required to register for the collection of the tax under any of the provisions
 21 contained in subdivisions C 1 through 9 of § 58.1-612 makes both direct sales and sales on a marketplace facilitator's marketplace,
 22 only the marketplace seller's direct sales shall be considered in determining whether the marketplace seller is required to register
 23 for the collection of the tax under subdivision C 10 or 11 of § 58.1-612.

24 I. No class action shall be brought against a marketplace facilitator in any court of the Commonwealth on behalf of customers
 25 arising from or in any way related to an overpayment of sales and use tax collected on sales facilitated by the marketplace
 26 facilitator, regardless of whether such claim is characterized as a tax refund claim. Nothing in this subsection shall affect a
 27 customer's right to seek a refund on an individual basis.

28 § 58.1-615. (Contingent expiration date) Returns by dealers.

29 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
 30 month in which the tax shall become effective, transmit to the Tax Commissioner a return showing the gross sales, gross proceeds,
 31 or cost price, as the case may be, arising from all transactions taxable under this chapter during the preceding calendar month, and
 32 thereafter a like return shall be prepared and transmitted to the Tax Commissioner by every dealer on or before the twentieth day
 33 of each month, for the preceding calendar month. In the case of dealers regularly keeping books and accounts on the basis of an
 34 annual period which varies 52 to 53 weeks, the Tax Commissioner may make rules and regulations for reporting consistent with
 35 such accounting period.

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

41 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
 42 Commissioner any tax for the period covered by the return.

43 The Tax Commissioner shall not require that more than one sales and use tax return per month be filed with the Department by
 44 any remote seller or any software provider on behalf of such remote seller.

45 B. [Expired.]

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

52 D. Every dealer that elects to file a consolidated sales tax return for any taxable period and that is required to remit payment by
 53 electronic funds transfer pursuant to subsection B of § 58.1-202.1 beginning on and after July 1, 2010, shall file its monthly return

1 using an electronic medium prescribed by the Tax Commissioner. A waiver of this requirement may be granted if the Tax
2 Commissioner determines that it creates an unreasonable burden on the dealer.

3 § 58.1-625. (Effective until July 1, 2022) Collection of tax.

4 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
5 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
6 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
7 Commonwealth by any dealer that is not registered under § 58.1-613 or is delinquent in the payment of the taxes imposed under this
8 chapter.

9 B. Notwithstanding any exemption from taxes which any dealer now or hereafter may enjoy under the Constitution or laws of this or
10 any other state, or of the United States, such dealer shall collect such tax from the purchaser, consumer, or lessee and shall pay the
11 same over to the Tax Commissioner as herein provided.

12 C. Any dealer collecting the sales or use tax on transactions exempt or not taxable under this chapter shall transmit to the Tax
13 Commissioner such erroneously or illegally collected tax unless or until it can affirmatively show that the tax has since been refunded
14 to the purchaser or credited to its account.

15 D. 1. Any dealer that neglects, fails, or refuses to collect such tax upon every taxable sale, distribution, lease, or storage of tangible
16 personal property made by it, its agents, or employees shall be liable for and pay the tax itself, and such dealer shall not thereafter be
17 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.
18 Moreover, any dealer that neglects, fails, or refuses to pay or collect the tax herein provided, either by itself or through its agents or
19 employees, is guilty of a Class 1 misdemeanor.

20 2. Notwithstanding subdivision 1, any remote seller or marketplace facilitator that has collected an incorrect amount of sales and use
21 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
22 marketplace facilitator's reasonable reliance on information provided by the Commonwealth.

23 E. All sums collected by a dealer as required by this chapter shall be deemed to be held in trust for the Commonwealth.

24 F. Notwithstanding the foregoing provisions of this section, any dealer is authorized during the period of time set forth in §§ 58.1-611.2
25 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 §§
26 58.1-605 and 58.1-606 from the purchaser, and to absorb such tax itself. A dealer electing to absorb such taxes shall be liable for
27 payment of such taxes to the Tax Commissioner in the same manner as it is for tax collected from a purchaser pursuant to this section.

28 §58.1-625. (Effective July 1, 2022) Collection of tax.

29 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
30 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
31 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
32 Commonwealth by any dealer that is not registered under § 58.1-613 or is delinquent in the payment of the taxes imposed under this
33 chapter.

34 B. Notwithstanding any exemption from taxes which any dealer now or hereafter may enjoy under the Constitution or laws of this or
35 any other state, or of the United States, such dealer shall collect such tax from the purchaser, consumer, or lessee and shall pay the
36 same over to the Tax Commissioner as herein provided.

37 C. Any dealer collecting the sales or use tax on transactions exempt or not taxable under this chapter shall transmit to the Tax
38 Commissioner such erroneously or illegally collected tax unless or until it can affirmatively show that the tax has since been refunded
39 to the purchaser or credited to its account.

40 D. 1. Any dealer that neglects, fails, or refuses to collect such tax upon every taxable sale, distribution, lease, or storage of tangible
41 personal property made by it, its agents, or employees shall be liable for and pay the tax itself, and such dealer shall not thereafter be
42 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.
43 Moreover, any dealer that neglects, fails, or refuses to pay or collect the tax herein provided, either by itself or through its agents or
44 employees, is guilty of a Class 1 misdemeanor.

45 2. Notwithstanding subdivision 1, any remote seller or marketplace facilitator that has collected an incorrect amount of sales and use
46 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
47 marketplace facilitator's reasonable reliance on information provided by the Commonwealth.

48 E. All sums collected by a dealer as required by this chapter shall be deemed to be held in trust for the Commonwealth.

49 F. Notwithstanding the foregoing provisions of this section, any dealer is authorized during the period of time set forth in § 58.1-611.2
50 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
51 absorb such tax itself. A dealer electing to absorb such taxes shall be liable for payment of such taxes to the Tax Commissioner in the

- 1 same manner as it is for tax collected from a purchaser pursuant to this section.
- 2 § 58.1-635. (Contingent expiration date) Failure to file return; fraudulent return; civil penalties.
- 3 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
4 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
5 not more than one month, with an additional six percent for each additional month, or fraction thereof, during which the failure
6 continues, not to exceed 30 percent in the aggregate. In no case, however, shall the penalty be less than \$10 and such minimum
7 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
8 providential or other good cause shown to the satisfaction of the Tax Commissioner, such return with or without remittance may
9 be accepted exclusive of penalties. In the case of a false or fraudulent return where willful intent exists to defraud the
10 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
11 Commonwealth of any such tax, a specific penalty of 50 percent of the amount of the proper tax shall be assessed. All penalties
12 and interest imposed by this chapter shall be payable by the dealer and collectible by the Tax Commissioner in the same manner
13 as if they were a part of the tax imposed.
- 14 B. It shall be prima facie evidence of intent to defraud the Commonwealth of any tax due under this chapter when any dealer
15 reports its gross sales, gross proceeds or cost price, as the case may be, at 50 percent or less of the actual amount.
- 16 C. Interest at a rate determined in accordance with § 58.1-15, shall accrue on the tax until the same is paid, or until an assessment
17 is made, pursuant to § 58.1-15, after which interest shall accrue as provided therein.
- 18 D. Notwithstanding any other provision of this section, any remote seller or marketplace facilitator that has collected an incorrect
19 amount of sales and use tax shall be relieved from liability for such amount, including any penalty or interest, if the error is a
20 result of the remote seller's or marketplace facilitator's reasonable reliance on information provided by the Commonwealth.
- 21 **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,
22 58.1-612, 58.1-615, and 58.1-635, as they may become effective, of the Code of Virginia are repealed.**
- 23 **9. That the fourth enactment of Chapter 766 of the Acts of Assembly of 2013 is amended and reenacted as follows:**
- 24 **4. That Article 22 (§§ 58.1-540 through 58.1-549) of Chapter 3 of Title 58.1 of the Code of Virginia, § 58.1-2289, as it may
25 become effective, 58.1-2290, and 58.1-2701, as it may become effective, of the Code of Virginia and the second enactment of
26 Chapter 822 of the Acts of Assembly of 2009, as amended by Chapter 535 of the Acts of Assembly of 2012, are repealed.**
- 27 **10. That the seventh and fifteenth enactments of Chapter 766 of the Acts of Assembly of 2013 and the twelfth enactment of
28 Chapter 684 of the Acts of Assembly of 2015, as amended by Chapters 854 and 856 of the Acts of Assembly of 2018, are
29 repealed.**
- 30 **11. That nothing in this act shall be construed to appropriate or transfer any transportation revenues for
31 nontransportation purposes pursuant to the twenty-second enactment of Chapter 896 of the Acts of Assembly of 2007 or
32 the fourteenth enactment of Chapter 766 of the Acts of Assembly of 2013.**
- 33 **12. That the provisions of this act requiring remote sales and use tax collection by remote sellers and marketplace
34 facilitators shall not apply to any retail sales transactions occurring before July 1, 2019; however, transactions occurring
35 before July 1, 2019, may be included in the calculation of gross revenue or retail transactions pursuant to the provisions of
36 subdivisions C 10 and 11 of § 58.1-612 of the Code of Virginia, as amended by this act. Notwithstanding the sixth
37 enactment clause of House Bill 1722, 2019 Acts of Assembly, and the sixth enactment clause of Senate Bill 1083, 2019 Acts
38 of Assembly, the Department of Taxation is not permitted to temporarily suspend or delay the collection or reporting
39 requirements, or both, of a marketplace facilitator.**
- 40 **13. That the Department of Taxation shall develop guidelines implementing the provisions of the seventh and twelfth
41 enactment clauses of this act, including guidelines implementing the provisions of subsection D of § 58.1-612.1 of the Code
42 of Virginia, as created by this act, creating a waiver. Such guidelines shall be exempt from the provisions of the
43 Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia).**
- 44 **14. That should any portion of this act be held unconstitutional by a court of competent jurisdiction, the remaining
45 portions of this act shall remain in effect.**
- 46 **15. That the provisions of the seventh enactment of this Act shall apply beginning July 1, 2019.**
- 47 **16. That § 58.1-638.2 of the Code of Virginia is repealed.**
- 48 **17. That the fifth enactment of Chapter 17 of the Acts of Assembly of 2019 and the fifth enactment of Chapter 18 of the Acts of
49 Assembly of 2019, are repealed.**
- 50 ~~17.~~ **18. That the provisions of the first, second and fifth enactments of this act shall expire at midnight on June 30, 2020.**

- 1 The provisions of the third, fourth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth, fourteenth, fifteenth, and
- 2 sixteenth, *and seventeenth* enactments shall have no expiration date.

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