
VIRGINIA STATE BUDGET

2003 Session

Budget Bill - HB1400 (Introduced)

Bill Order » Central Appropriations » Item 512

Central Appropriations

Item 512	First Year - FY2003	Second Year - FY2004
Economic Contingency (75800)	\$26,670,226	\$18,317,049
	\$26,191,971	\$22,893,238
Economic Contingency (75800)	\$26,670,226	\$18,317,049
	\$26,191,971	\$22,893,238
Fund Sources:		
General	\$24,820,226	\$16,717,049
	\$24,341,971	\$21,293,238
Dedicated Special Revenue	\$1,850,000	\$1,600,000

Authority: Discretionary Inclusion.

A.1. The Governor is hereby authorized to allocate sums from this appropriation, in addition to an amount not to exceed \$2,000,000 from the unappropriated balance derived by subtracting the general fund appropriations from the projected general fund revenues in this act, to provide for supplemental funds pursuant to paragraph B hereof. Transfers from this Item shall be made only when (1) sufficient funds are not available within the agency's appropriation and (2) additional funds must be provided prior to the end of the next General Assembly Session.

2. *The Governor is authorized to spend up to \$340,000 from the unappropriated balance derived by subtracting the general fund appropriations from the projected general fund revenues in this act in the first year for the Commonwealth's share of the construction costs for a national memorial to the veterans of World War II.*

B. This appropriation includes ~~\$3,000,000~~ \$4,221,745 the first year, and ~~\$1,500,000~~ \$3,670,475 the second year to be used by the Governor as he may determine to be needed for the following purposes:

1. To address the six conditions listed in § 4-1.03 a 3 of this act.
2. To provide for unbudgeted and unavoidable increases in costs to state agencies for essential commodities and services which cannot be absorbed within agency appropriations *to include unbudgeted benefits associated with Workforce Transition Act requirements and operating expenses for the Virginia Veterans' Cemetery in Suffolk.*
3. To secure federal funds in the event that additional matching funds are needed for Virginia to participate in the federal Superfund program.

C. The Department of Planning and Budget shall submit a quarterly report of any disbursements made from, commitments made against, and requests made for such sums authorized for allocation pursuant to paragraph B to the Chairmen of the House Appropriations and Senate Finance Committees. This report shall identify each of the conditions specified in paragraph B for which the transfer is made.

D. Any unexpended balance remaining in this Item on June 30, 2003, shall be carried forward on the books of the Comptroller and shall be available for expenditure in the second year of the current biennium. Any unexpended

balance remaining in this Item on June 30, 2004, shall be carried forward on the books of the Comptroller and shall be available for expenditures in the next biennium.

E.1. This appropriation includes \$10,000,000 the first year and \$7,500,000 the second year from the general fund to be used at the discretion of the Governor, subject to prior consultation with the Chairmen of the House Appropriations and Senate Finance Committees, to attract economic development prospects to locate or expand in Virginia. Funds appropriated for the purposes of this paragraph shall be deposited to the Governor's Development Opportunity Fund, as established in § 2.2-115, Code of Virginia, ~~on July 1 of each fiscal year.~~

2. This Item also includes nongeneral fund appropriations of \$1,850,000 the first year and \$1,600,000 the second year for the Governor's Development Opportunity Fund representing prior-year interest earnings on fund balances.

3. The Governor may allocate these funds as grants or loans to political subdivisions. Loans shall be approved by the Governor and made in accordance with procedures established by the Virginia Economic Development Partnership and approved by the State Comptroller. Loans shall be interest-free unless otherwise determined by the Governor and shall be repaid to the general fund of the state treasury. The Governor may establish the interest rate to be charged, otherwise, any interest charged shall be at market rates as determined by the State Treasurer and shall be indicative of the duration of the loan. The Virginia Economic Development Partnership shall be responsible for monitoring repayment of such loans and reporting the receivables to the State Comptroller as required.

4. Funds may be used for public and private utility extension or capacity development on and off site; road, rail, or other transportation access costs beyond the funding capability of existing programs; site acquisition; grading, drainage, paving, and other activity required to prepare a site for construction; construction or build-out of publicly-owned buildings; grants or loans to an industrial development authority, housing and redevelopment authority, or other political subdivision pursuant to their duties or powers; training; or anything else permitted by law.

5. Consideration should be given to economic development projects that 1) are in areas of high unemployment; 2) link commercial development along existing transportation/transit corridors within regions; and 3) are located near existing public infrastructure.

F. In the event Major League Baseball grants a franchise to an ownership group to locate a Major League Baseball team in Virginia, the Governor is hereby authorized to develop a financing plan, which has regard for the recommendations of House Document 7 (1997) by the Joint Subcommittee Studying Funding of a Baseball Stadium. At the next session of the General Assembly following the award of such franchise to a team to play its home games in the Commonwealth, the Governor shall submit to that General Assembly a detailed financing plan to carry out the Commonwealth's commitment, if any, to finance construction of a Major League Baseball Stadium.

G.1. Out of this appropriation, \$8,510,226 the first year and \$7,667,049 the second year from the general fund is designated to support the Commonwealth Technology Research Fund. The Fund shall be established on the books of the Comptroller, the balance of which shall not revert to the general fund at the end of the fiscal year but shall be reappropriated for expenditure in the succeeding year. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request bearing the signature of the Director, Department of Planning and Budget.

2. The purpose of the fund shall be to attract public and private research funding for institutions of higher education, in order to increase technological and economic development in Virginia.

3. The Fund shall be administered by the Department of Planning and Budget. Awards from the Fund shall be made to Virginia public institutions of higher education.

4.a. For purposes of awards, the Fund shall have three components: 1) A matching funds program to leverage federal and private research dollars. 2) A strategic enhancement program to upgrade the research capacity of those academic departments that have demonstrated the ability to perform innovative research in technology fields that has strong potential to contribute to economic development in the Commonwealth. 3) A program to upgrade research capacity in key departments of the institutions in order to attract specific companies to locate or expand in Virginia.

b. Awards for the matching funds component shall be contingent upon the approval of the institution's grant proposal for federal or private funds.

c. Awards from the Commonwealth Technology Research Fund pursuant to ~~paragraphs 1 through 5 of this Item~~ *subparagraphs 1 through 5 of this paragraph* shall be matched on at least a dollar-for-dollar basis by the respective institution of higher education or combinations thereof. However, for good cause, this requirement may be waived, in whole or in part, by the decision-making authority described in paragraph 5 d of this Item, provided that such action is reported to the Director, Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees at least ten days prior to the award or disbursement of funds for such purpose.

5.a. Awards shall be based on scientific merit and economic development potential of research programs in the following fields: aerospace, biotechnology, energy, environmental and information technologies, high performance manufacturing, telecommunications, and transportation. However, for good cause, awards supporting research in other relevant fields or disciplines may be made by the decision-making authority described in ~~paragraph 5 d of this Item~~ *subparagraph 5 d of this paragraph*, provided that such action is reported to the Director, Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees at least ten days prior to the award or disbursement of funds for such purpose.

b. Specific guidelines for the award of funds from this program shall be maintained by the Department of Planning and Budget, in consultation with the Innovative Technology Authority, the Virginia Economic Development Partnership, and the State Council of Higher Education. These guidelines shall address, at minimum, the application process, and the composition and operation of proposal review panels, and give special emphasis to fostering collaboration between institutions of higher education and partnerships between institutions of higher education and business and industry.

c. The Director, Department of Planning and Budget shall coordinate the evaluation of proposals, to be conducted by review panels with the appropriate science and technology expertise, drawn from federal agencies and academic and industrial research institutions across the country.

d. Recommendations on the grants shall be made by representatives from the Innovative Technology Authority, the Virginia Economic Development Partnership, and the State Council of Higher Education based on the recommendations of the review panels.

6.a. The Director, Department of Planning and Budget, shall provide the Governor and the Chairmen of the House Appropriations and Senate Finance Committees with a quarterly report to include a detailed list of awards committed, the amount of each approved award, a description of the approved proposals and the amount of federal or private matching funds anticipated where applicable.

b. Not later than June 30, 2004, the Department of Planning and Budget shall submit to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees an evaluation of the Fund. The evaluation shall include an assessment of the effectiveness of the Fund in attracting public and private research funding and increasing technological and economic development in Virginia, and an assessment of the administration of the program including the effectiveness of the decision-making process.

H. Included in this appropriation is \$50,000 the first year and \$50,000 the second year to pay for private legal services. Transfers for private legal services shall be made by the Director, Department of Planning and Budget upon prior written authorization of the Governor or the Attorney General, pursuant to § 2.2-510, Code of Virginia.

I. Notwithstanding any other provisions of law, payments to a major semiconductor manufacturer for semiconductor education programs shall begin in the 2004-2006 biennium.

J. Notwithstanding the provisions of §§ 59.1-284.14 and 59.1-284.15, Code of Virginia, grant payments under the Semiconductor Memory or Logic Wafer Manufacturing Performance Grant Programs I & II, as provided for in §§ 59.1-284.14 and 59.1-284.15, Code of Virginia, shall begin in the 2004-2006 biennium.

K. Out of the amounts in this Item shall be provided an amount estimated at \$1,260,000 the first year from the general fund for the Virginia Equine Center Foundation (Title 3.1, Chapter 4.6, Code of Virginia).

~~L. Out of the appropriation in this Item, \$2,000,000 the first year is provided to improve access to, and affordability of, higher education through increased need-based financial aid for Virginia resident undergraduate students. This funding shall be distributed to higher education institutions consistent with the needs of those institutions. The Director, Department of Planning and Budget, shall submit a report by July 15, 2002, to the Chairmen of the House Appropriations and Senate Finance Committees setting out the distribution of these funds.~~

M. Out of the appropriation in this Item, \$605,444 the second year shall be transferred to state agencies and institutions of higher education for an increase in property insurance premiums.

N. Out of the appropriation in this Item, \$300,000 the first year and \$300,000 the second year is provided for cost increases associated with recent changes in postal rates.

O. The appropriation in this Item includes up to \$1,500,000 in the second year to be used by the Governor to pay indemnity to contract poultry growers and independent table egg producers for losses associated with the low pathogenic avian influenza outbreak in 2002. Such payment shall be made in accordance with guidelines established by the Department of Agriculture and Consumer Services.