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# VIRGINIA STATE BUDGET

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2012 Special Session I

## Budget Bill - HB1301 (Chapter 3)

Bill Order » Office of Natural Resources » Item 360

Department of Conservation and Recreation

Item 360	First Year - FY2013	Second Year - FY2014
<b>Land and Resource Management (50300)</b>	<b>\$68,464,572</b>	<b>\$56,415,430</b>
Stormwater Management (50301)	\$55,917,010	\$44,471,320
Dam Inventory, Evaluation and Classification and Flood Plain Management (50314)	\$1,552,779	\$1,552,779
Natural Heritage Preservation and Management (50317)	\$4,004,240	\$4,004,240
Financial Assistance to Soil and Water Conservation Districts (50320)	\$4,340,251	\$4,340,251
Fund Sources:		
General	\$18,560,279	\$13,234,556
Special	\$3,833,971	\$3,526,309
Dedicated Special Revenue	\$37,995,921	\$31,580,164
Federal Trust	\$8,074,401	\$8,074,401

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Authority: Title 10.1, Chapters 1, 5, 6, 7, and 21.1; Title 62.1, Chapter 3.1, Code of Virginia.

A.1. Out of the amounts appropriated for Financial Assistance to Soil and Water Conservation Districts, \$4,487,091 the first year and \$4,487,091 the second year from the general fund shall be provided to soil and water conservation districts for administrative and operational support. These funds shall be distributed to the districts only in accordance with the program, financial and resource allocation policies of and upon approval by the Soil and Water Conservation Board. These amounts shall be in addition to any other funding provided to the districts for technical assistance pursuant to subsections H. and K. of this item.

2. The Secretary of Natural Resources shall convene a stakeholder group consisting of representatives including, but not limited to, the Secretary of Agriculture and Forestry, the Department of Agriculture and Consumer Services, the Department of Conservation and Recreation, the soil and water conservation districts, the Virginia Association of Soil and Water Conservation Districts, the Virginia Farm Bureau Federation, the Virginia Agribusiness Council, the Chesapeake Bay Commission, and the Chesapeake Bay Foundation to examine funding needs for administration and operation of the soil and water conservation districts and the technical assistance they provide for implementation of agricultural best management practices needed to meet Virginia's Watershed Implementation Plan as well as the Southern Rivers Total Maximum Daily Load limits.

The stakeholder group is directed to conduct a review of the following and make recommendations to the Governor and the Chairmen of the Senate Finance and the House Appropriations Committees no later than October 1, 2012:

a. The historical distribution of funding for administration and operations of all soil and water conservation districts and a projection of future funding needs and any recommended changes to the methodology for distribution of these funds;

- b. The historical distribution of funding for technical assistance for agricultural best management practices and a projection of the future funding and staffing needs necessary for districts to provide efficient and effective technical assistance to farmers;
  - c. Operational and technical assistance needs in relation to the amount of agricultural best management practices cost-share dollars allocated to the districts; and,
  - d. The process, timing and methodology for distribution of agricultural best management practices cost-share funds to be provided to farmers by the Department of Conservation and Recreation through the districts.
3. The Soil and Water Conservation Board shall not create, merge, divide, modify or relocate the boundaries of any district pursuant to § 10.1-506, Code of Virginia, until such time as the General Assembly has received the recommendations of the stakeholder group and taken action on any such recommendations.

B. It is the intent of the General Assembly that balances in Stormwater Management be used for the Commonwealth's statewide match for participation in the federal Conservation Reserve Program.

C.1. It is the intent of the General Assembly that all interest earnings of the Water Quality Improvement Fund shall be spent only upon appropriation by the General Assembly, after the recommendation of the Secretary of Natural Resources, pursuant to § 10.1-2129, Code of Virginia.

2. Notwithstanding the provisions of §§ 10.1-2128, 10.1-2129 and 10.1-2128.1, Code of Virginia, it is the intent of the General Assembly that the Department of Conservation and Recreation use interest earnings from the Water Quality Improvement Fund and the Virginia Natural Resources Commitment Fund to support one position to administer grants from the fund.

D.1. Out of this appropriation, \$8,500 the first year and \$8,500 the second year from the general fund is provided to support the Rappahannock River Basin Commission. The funds shall be matched by the participating localities and planning district commissions.

2. Included in the appropriation for this item is \$15,000 the first year from the general fund to assist the Rappahannock River Basin Commission develop a programmatic plan, in concert with the U.S. Army Corps of Engineers, for addressing water quality and supply in the Rappahannock River Basin. This funding will be matched by local funding available to the Rappahannock River Basin Commission and include additional funding provided by the U.S. Army Corps of Engineers.

3. Out of this appropriation, \$22,500 the first year from the general fund is provided to match the same amount in local funds to leverage \$45,000 in funding from the U.S. Army Corps of Engineers to define the needs and provide recommendations for implementation of a synchronized Flood/Rainfall/Water Quality Gauging Network for the Rappahannock River Basin.

E. Notwithstanding § 10.1-552, Code of Virginia, Soil and Water Conservation Districts are hereby authorized to recover a portion of the direct costs of services rendered to landowners within the district and to recover a portion of the cost for use of district-owned conservation equipment. Such recoveries shall not exceed the amounts expended by a district on these services and equipment.

F.1. Out of the amounts appropriated for Dam Inventory, Evaluation, and Classification and Flood Plain Management, \$600,000 the first year and \$600,000 the second year from the general fund shall be deposited to the Dam Safety, Flood Prevention and Protection Assistance Fund, established pursuant § 10.1-603.17, Code of Virginia. The funding provided in this paragraph shall be used for the provision of either grants or loans to localities owning dams in need of renovation and repair or for the provision of loans to private owners of dams in

need of renovation and repair.

2. Notwithstanding § 10.1-603.19, Code of Virginia, the Director, Department of Conservation and Recreation, in consultation with the Virginia Resources Authority, is authorized to provide financial or other assistance from the Dam Safety, Flood Prevention and Protection Assistance Fund, including the provision of a grant to a locality of up to \$408,402, or 25 percent of the costs of modifying a high hazard dam operating under a conditional certificate extension and that has received approval as of November 30, 2010, for federal funding from the U.S. Department of Agriculture's Natural Resources Conservation Service for at least 65 percent of the cost of repairing the locally-owned dam. The local government shall contribute 10 percent of the total costs of modifying this high hazard dam.

3. Included in the amounts provided for Dam Inventory, Evaluation and Classification and Flood Plain Management is \$258,290 for the improvement of a high hazard dam, originally constructed in 1960, to comply with a Special Order issued by the Director, Department of Conservation and Recreation, on June 24, 2011, and in order to meet dam safety requirements.

G. It is the intent of the General Assembly, that notwithstanding the provisions of § 10.1-2132, Code of Virginia, the Department of Conservation and Recreation is authorized to make Water Quality Improvement Grants to state agencies.

H.1. Included in the amounts for Stormwater Management is \$9,100,000 the first year and \$9,100,000 the second year from nongeneral funds to be deposited to the Virginia Natural Resources Commitment Fund, a subfund of the Virginia Water Quality Improvement Fund, as established in § 10.1-2128.1, Code of Virginia. The funds shall be dispersed pursuant to § 10.1-2128.1, Code of Virginia.

2. The source of an amount estimated at \$9,100,000 the first year and \$9,100,000 the second year to support the nongeneral fund appropriation to the Virginia Natural Resources Commitment Fund shall be the recordation tax fee established in Part 3 of this act.

3. Out of these amounts, a total of eight percent, or \$1,200,000, whichever is greater, shall be provided to Soil and Water Conservation Districts for technical assistance to farmers implementing agricultural best management practices.

I.1. Notwithstanding § 10.1-564, Code of Virginia, public institutions of higher education, including community colleges, colleges, and universities, shall be subject to project review and compliance for state erosion and sediment control requirements by the local program authority of the locality within which the land disturbing activity is located, unless such institution submits annual specifications to the Department of Conservation and Recreation, in accordance with § 10.1-564 A (i), Code of Virginia.

2. The Virginia Soil and Water Conservation Board is authorized to amend the Erosion and Sediment Control Regulations (4 VAC 50-30 et seq.) to conform such regulations with this project review requirement and to clarify the process. These amendments shall be exempt from Article 2 (§2.2-4006 et seq.) of the Administrative Process Act.

J. The Water Quality Agreement Program shall be continued in order to protect the waters of the Commonwealth through voluntary cooperation with lawn care operators across the state. The department shall encourage lawn care operators to voluntarily establish nutrient management plans and annual reporting of fertilizer application. If appropriate, the program may be transferred to another state agency in order to ensure its continuation.

K.1. Out of this appropriation, \$5,029,933 the first year from the general fund shall be deposited to the Virginia Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997. This full amount is authorized for transfer to the Virginia Natural Resources Commitment Fund, a subfund of the Virginia Water Quality Improvement Fund. These monies shall be disbursed in accordance with § 10.1-2128.1, Code of Virginia,

including the eight percent for distribution to soil and water conservation districts to provide technical assistance.

2. This appropriation, together with the amounts included in Item 366 of this act, meets the mandatory deposit requirements associated with the FY 2011 excess general fund revenue collections and discretionary year-end general fund balances.

L. Included in the amounts for this item is \$307,662 the first year in special funds provided from the sale of "Friend of the Chesapeake" license plates to carry out the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee.