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# VIRGINIA STATE BUDGET

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2014 Special Session I

## Budget Bill - HB5001 (Chapter 1)

Bill Order » Office of Natural Resources » Item 366

Department of Environmental Quality

Item 366	First Year - FY2013	Second Year - FY2014
<b>Environmental Financial Assistance (51500)</b>	<b>\$144,224,342</b>	<b>\$56,676,198</b>
Financial Assistance for Environmental Resources Management (51502)	\$4,029,723	\$4,114,723
Virginia Water Facilities Revolving Fund Loans and Grants (51503)	\$110,728,437	\$23,159,043
Financial Assistance for Coastal Resources Management (51507)	\$2,424,500	\$2,424,500
Litter Control and Recycling Grants (51509)	\$2,003,259	\$1,939,509
Petroleum Tank Reimbursement (51511)	\$25,038,423	\$25,038,423
Fund Sources:		
General	\$89,793,174	\$2,308,780
Trust and Agency	\$25,004,646	\$25,004,646
Dedicated Special Revenue	\$2,345,259	\$2,281,509
Federal Trust	\$27,081,263	\$27,081,263

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Authority: Title 10.1, Chapters 11.1, 14, 21.1, and 25 and Title 62.1, Chapters 3.1, 22, 23.2, and 24, Code of Virginia.

A. To the extent available, the authorization included in Chapter 781, 2009 Acts of Assembly, Item 368, paragraph E, is hereby continued for the Virginia Public Building Authority to issue revenue bonds in order to finance Virginia Water Quality Improvement Grants, pursuant to Chapter 851, 2007 Acts of Assembly.

C.1. Out of this appropriation, \$45,269,394 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.

2. This appropriation, together with the amounts included in Item 360 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.

3. Out of this appropriation, the Department of Environmental Quality shall use an amount not to exceed \$3,000,000 from the Water Quality Improvement Fund to conduct the James River chlorophyll study pursuant to the approved Virginia Chesapeake Bay Total Maximum Daily Load, Phase I Watershed Implementation Plan. This amount shall be used solely for contractual support for water quality monitoring and analysis and computer modeling. No portion of this funding may be used for administrative costs of the department.

4. Out of this appropriation, the Department of Environmental Quality shall transfer \$3,474,862 in the first year to the Department of Corrections for a wastewater treatment plant for use by the Department of Corrections and the Town of Craigsville, per Item C-78.05 of Chapter 890, 2011 Acts of Assembly.

D. Out of the amounts provided for Environmental Financial Assistance is \$42,300,000 the first year from the general fund to be deposited to the Virginia Water Quality Improvement Fund established in Title 10.1, Chapter 21.1, Code of Virginia, to finance the costs of design and installation of nutrient removal technology at publicly owned treatment works designated as significant dischargers in order to comply with the effluent limitations for total nitrogen and total phosphorus established for those publicly owned treatment works. Any unexpended balances on June 30, 2013, from the amount appropriated in this paragraph shall not revert to the general fund but shall be carried forward and reappropriated.

E. The Department of Environmental Quality is authorized to capitalize the Nutrient Offset Fund to the extent necessary to facilitate the development of grants or contracts to support animal waste to energy projects.

F.1. Pursuant to the provisions of Item C-39.40 of this act, bonds in an aggregate principle amount not to exceed \$186,000,000 are provided for the following purposes:

2. Up to \$101,000,000 to finance Nutrient Removal Grants to reimburse entities as provided in § 10.1-2117, Code of Virginia, considered as eligible Significant and Non-Significant Dischargers in the Chesapeake Bay watershed for capital costs incurred for the design and installation of nutrient removal technology. Such reimbursements shall be in accordance with eligibility determinations made by the Department of Environmental Quality pursuant to the provisions of this enactment and Chapter 21.1 of Title 10.1, Code of Virginia, including but not limited to the qualifications of projects for Virginia Water Quality Improvement Grants as set forth in §§ 10.1-2129, 10.1-2130, and 10.1-2131, Code of Virginia, and in written guidelines developed by the Secretary of Natural Resources in accordance with § 10.1-2129, Code of Virginia.

3. Up to \$75,000,000 for the Combined Sewer Overflow Matching Fund established pursuant to § 62.1-241.12, Code of Virginia. These bond proceeds shall be used, along with any interest earnings thereon, by the Virginia Resources Authority and the State Water Control Board to make grants to the cities of Lynchburg and Richmond to pay a portion of the capital costs of their combined sewer overflow control projects. Disbursements from these proceeds shall be authorized by the State Water Control Board, under the authority of the Department of Environmental Quality, and administered by the Virginia Resources Authority through the Combined Sewer Overflow Matching Fund. Of the net proceeds, \$30,000,000 shall be provided to the City of Lynchburg and \$45,000,000 shall be provided to the City of Richmond. No such net proceeds shall be used to pay debt service on obligations of the cities of Lynchburg or Richmond or any other localities or regional or local authorities. As a condition of the additional bond authorization provided to the City of Lynchburg, and pursuant to the authorization issued by the City Council of the City of Lynchburg during its meeting on January 29, 2013, the City of Lynchburg shall not seek further funding from the Commonwealth for any costs associated with the completion of its combined sewer overflow project.

4. Up to \$5,000,000 for a supplemental Nutrient Removal Grant to reimburse capital costs incurred by the Hopewell Regional Wastewater Treatment Authority for the design and installation of nutrient removal technology. Such reimbursement shall be in addition to any conventional grant awarded for the nutrient removal project to the extent determined by the Department of Environmental Quality pursuant to the provisions of Chapter 21.1 of Title 10.1, Code of Virginia, including but not limited to the qualifications of projects for Virginia Water Quality Improvement Grants as set forth in §§ 10.1-2129, 10.1-2130, and 10.1-2131, Code of Virginia, and in written guidelines developed by the Secretary of Natural Resources in accordance with § 10.1-2129.

5. Up to \$5,000,000 for the Appomattox River Water Authority, to increase the supply of drinking water for the counties of Dinwiddie, Prince George, and Chesterfield, the cities of Colonial Heights and Petersburg, and the U.S. Army Garrison at Fort Lee, and to improve streamflow within the Appomattox River. The amount provided shall be matched by local contributions from any one or more of the affected local governments totaling \$5,000,000.

G. Out of this appropriation, \$85,000 the second year from the general fund is designated to help with the costs of a

new wastewater treatment facility at the W. E. Skelton 4-H Educational Conference Center at Smith Mountain Lake.