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# VIRGINIA STATE BUDGET

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2014 Special Session I

## Budget Bill - HB5002 (Substitute)

Bill Order » Office of Natural Resources » Item 357

Department of Conservation and Recreation

Item 357	First Year - FY2015	Second Year - FY2016
<b>Land and Resource Management (50300)</b>	<b>\$72,540,947</b>	<b>\$48,639,397</b>
Nonpoint Pollution Prevention (50301)	\$17,267,694	\$13,148,032
Dam Inventory, Evaluation and Classification and Flood Plain Management (50314)	\$2,600,831	\$2,600,831
Natural Heritage Preservation and Management (50317)	\$4,183,043	\$4,183,043
Financial Assistance to Soil and Water Conservation Districts (50320)	\$6,941,091	\$6,941,091
Technical Assistance to Soil and Water Conservation Districts (50322)	\$3,710,551	\$2,128,000
Agricultural Best Management Practices Cost Share Assistance (50323)	\$37,837,737	\$19,638,400
Fund Sources:		
General	\$37,490,169	\$13,588,619
Special	\$1,731,135	\$1,731,135
Dedicated Special Revenue	\$30,095,242	\$30,095,242
Federal Trust	\$3,224,401	\$3,224,401

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Authority: Title 10.1, Chapters 1, 2, 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 Virginia Soil and Water Conservation Districts, \$6,941,091 the first year and \$6,941,091 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 upon approval by the Virginia Soil and Water Conservation Board to the districts in accordance with the Board's established financial allocation policy. These amounts shall be in addition to any other funding provided to the districts for technical assistance pursuant to subsections B. and D. of this item. Of this amount, \$6,309,091 the first year and \$6,309,091 the second year from the general fund shall be distributed to the districts for core administrative and operational expenses (personnel, training, travel, rent, utilities, office support, and equipment) based on identified budget projections and in accordance with the Board's financial allocation policy; \$312,000 the first year and \$312,000 the second year from the general fund shall be distributed at a rate of \$3,000 per dam for maintenance; \$150,000 the first year and \$150,000 the second year from the general fund for small dam repairs of known or suspected deficiencies; and \$170,000 the first year and \$170,000 the second year to the department to provide district support in accordance with Board policy, including, but not limited to, services related to auditing, bonding, contracts, and training.

2. The Virginia 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 acted upon the recommendations of the stakeholder group, established in Item 360, paragraph A.2. of Chapter 806,

2013 Acts of Assembly.

3. The Department shall provide a quarterly report to the Chairmen of the House Appropriations and Senate Finance Committees of how appropriations for each soil and water conservation district have been dispersed in the current quarter and the planned disbursements for the upcoming quarter by district for the following: (i) the federal Conservation Reserve Enhancement Program, (ii) the use of Agricultural Best Management Cost-Share Program funds within the Chesapeake Bay watershed, (iii) the use of Agricultural Best Management Cost-Share Program funds within the Southern Rivers area, and (iv) the amount of Technical Assistance funding.

B.1. Notwithstanding § 10.1-2129 A., Code of Virginia, \$23,897,500 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. Of this amount, \$1,150,000 shall be appropriated to the Department for Nonpoint Pollution Prevention for the following specified uses: \$100,000 shall be utilized as cost-share for the development of nutrient management plans for golf courses, \$250,000 shall be provided to the Department of Forestry for water quality grants, and \$800,000 shall be used for the Commonwealth's match for participation in the federal Conservation Reserve Enhancement Program (CREP). Pursuant to paragraph B of Item 356, \$2,965,612 is designated for deposit to the reserve within the Virginia Water Quality Improvement Fund. Of the remaining amounts, \$19,781,888 is authorized for transfer to the Virginia Natural Resources Commitment Fund, a subfund of the Virginia Water Quality Improvement Fund. The monies transferred to the Virginia Natural Resources Commitment Fund shall be disbursed by the Department in accordance with the allocation percentages in § 10.1-2128.1 B., Code of Virginia. Of the \$19,781,888, a total of eight percent, \$1,582,551 shall be appropriated for Technical Assistance for Virginia Soil and Water Conservation Districts and \$18,199,337 for Agricultural Best Management Practices Cost-Share Assistance.

2. This appropriation, together with the amount listed in Item 363 of this act, meets the mandatory deposit requirements associated with the FY 2013 excess general fund revenue collections and discretionary year-end general fund balances.

C. 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.

D.1 Out of this appropriation, \$10,000,000 the first year and \$10,000,000 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 by the Department pursuant to § 10.1-2128.1, Code of Virginia.

2. The source of an amount estimated at \$10,000,000 the first year and \$10,000,000 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 this amount, a total of eight percent, or \$1,200,000, whichever is greater, shall be appropriated to Virginia Soil and Water Conservation Districts for technical assistance to farmers implementing agricultural best management practices, and \$8,800,000 for Agricultural Best Management Practices Cost-Share Assistance. Of the amount deposited for Cost-Share Assistance, distributions between watersheds shall be in accordance with the allocation percentages set out in § 10.1-2128.1 B., Code of Virginia.

E.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.

F. 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.

G. 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.

H. It is the intent of the General Assembly that balances in Nonpoint Pollution Prevention be used first, and then balances from Agricultural Best Management Practices Cost Share Assistance be used for the Commonwealth's statewide match for participation in the federal Conservation Reserve Enhancement Program (CREP).

I.1. Out of the amounts appropriated for Dam Inventory, Evaluation, and Classification and Flood Plain Management, \$1,596,000 the first year and \$1,596,000 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. Out of these amounts, \$400,000 the first year and \$400,000 the second year from the general fund shall be provided to match federal and local funding for the renovation of Todd Lake Dam in Augusta County, and \$500,000 the first year and \$500,000 the second year from the general fund shall be provided for repairs to the Lake Jackson Dam in Prince William County.

2. Included in the amounts provided for Dam Inventory, Evaluation and Classification and Flood Plain Management is \$231,706 the first year and \$231,706 the second year from the general fund 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.

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, then the program may be transferred to another state agency.

K. Out of this appropriation, \$80,000 the first year and \$80,000 the second year from the general fund is provided to the Department of Conservation and Recreation to make available a competitive grant, or grants, to provide Chesapeake Bay educational field services.