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# VIRGINIA STATE BUDGET

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2020 Special Session I

## Budget Bill - HB5005 (Introduced)

Bill Order » Office of Veterans and Defense Affairs » Item 462

Secretary of Veterans and Defense Affairs

Item 462 (Not set out)	First Year - FY2021	Second Year - FY2022
<b>Economic Development Services (53400)</b>	<b>\$3,100,000</b>	<b>\$3,100,000</b>
Financial Assistance for Economic Development (53410)	\$3,100,000	\$3,100,000
Fund Sources:		
General	\$600,000	\$600,000
Trust and Agency	\$2,500,000	\$2,500,000

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A.1. Any administrative reappropriations or other administrative appropriation increases pursuant to Item 458 of the Appropriation Act for the 2014-2016 biennium to address the encroachment of incompatible uses in localities in which the United States Navy Master Jet Base, an auxiliary landing field, or United States Air Force Base are located shall continue to be governed by the provisions contained in the 2014-2016 Appropriation Act. The recurring, dedicated special (nongeneral) fund component of the U.S. Navy Master Jet Base and Auxiliary Landing Field encroachment mitigation program is continued through June 30, 2022.

2. In the event that dedicated special revenues generated pursuant to the provisions of the 2014-16 Appropriations Act exceed the amounts needed to fund the requirements set out in that Act, any excess dedicated special fund revenue a total of \$3,000,000 is hereby appropriated as follows:

- a. \$1,700,000 for encroachment mitigation activities in the vicinity of Naval Auxiliary Landing Field Fentress;
- b. \$700,000 for encroachment mitigation activities in the vicinity of Langley Air Force Base; and
- c. \$600,000 for encroachment mitigation activities in the vicinity of Naval Air Station Oceana.

3. The amounts identified in paragraph A.2. of this item shall be used to provide additional assistance to the locality in which the United States Navy Master Jet Base auxiliary landing field is located for the purpose of purchasing property or development rights and otherwise converting such property to an appropriate compatible use and prohibiting new uses or development which is deemed incompatible with air operations arising from such Master Jet Base.

4. In addition to the amounts identified in paragraph A.1. of this item, \$450,000 is hereby appropriated as follows:

- a. \$250,000 for encroachment mitigation activities in the vicinity of Naval Auxiliary Landing Field Fentress; and
- b. \$200,000 for encroachment mitigation activities in the vicinity of Langley Air Force Base.

5. Included in this appropriation is \$2,500,000 the first year and \$2,500,000 the second year from nongeneral funds to be provided through a long-term lease agreement with the City of Virginia Beach as consideration for use of state-owned parcels totaling approximately 12 acres, more or less, and currently leased to the City for use as

parking for the Virginia Aquarium and Marine Science Center and overflow Rudee Inlet boat ramp parking. Such funds shall be used for construction of a new secure access control point, including all desirable or required supporting facilities, to the Camp Pendleton State Military Reservation located in the City of Virginia Beach. As additional consideration, the City of Virginia Beach shall also provide for a new signal-controlled entrance to Camp Pendleton State Military Reservation aligned with the new secure access control point. An initial payment of \$2,500,000 shall be made by the City within 30 days of lease execution but no later than June 30, 2021 and an additional payment of \$2,500,000 shall be made by the City within 12 months of lease execution but no later than June 30, 2022. Pursuant to Executive Order 20 (2018), authorizing the transfer of administrative authority of the Department of Military Affairs from the Secretary of Public Safety and Homeland Security to the Secretary of Veterans and Defense Affairs, the Secretary of Veterans and Defense Affairs shall be the authorized entity to enter into the initial and any subsequent lease agreement with the City. The term of the lease shall be not less than 50 years upon such terms and conditions as negotiated between the parties to the lease, which may include additional annual payment pursuant to the lease. The Secretary of Veterans and Defense Affairs shall report to the Chairs of the House Appropriations and the Senate Finance and Appropriations Committees on such projects and real property lease agreements executed from funds appropriated in this item by October 15th of each year until completion of the specified improvement projects.

B. Included in this appropriation is \$600,000 in the first year and \$600,000 in the second year from the general fund to support the recommendations of the Governor's Commission on Military Installations and Defense Activities.

C. The Secretary of Veterans and Defense Affairs may submit project requests that improve, expand, develop, or redevelop a federal or state military installation or its supporting infrastructure, to enhance its military value to the MEI Project Approval Commission established pursuant to § 30-309, Code of Virginia. The Commission shall recommend approval or denial of such packages to the General Assembly. The authority of the Commission to consider and evaluate such projects shall be in addition to the authorities provided to the MEI Project Approval Commission and § 30-310, Code of Virginia.

D. The Secretary of Veterans and Defense Affairs and the Secretary of Finance shall, in cooperation with the City of Chesapeake, execute an addendum to the grant agreement for Encroachment Grant #2017-100 such that the terms of the agreement are to expire on September 30, 2020.

E.1. The Secretary of Veterans and Defense Affairs and the Secretary of Finance, shall convene a workgroup to oversee the development of detailed business plans for the operation of Veterans Care Centers in the Commonwealth. The workgroup shall include the Department of Veterans Services, the Department of Medical Assistance Services, the Department of Planning and Budget, and staff of the House Appropriations and Senate Finance and Appropriations Committees, as well as other agencies deemed appropriate. The purpose of the workgroup shall be to plan for business needs, funding needs, and estimate viable revenue streams in anticipation of opening new Veterans Care Centers in the state.

2. The workgroup shall prepare a business plan for each existing, planned, or proposed Care Center that includes, by fiscal year: appropriate staffing levels, anticipated care populations, costs, and revenue streams. The plans shall be specific to each facility and shall base revenue projections on estimated reimbursement rates from Medicare, Medicaid, and other payers. Each plan shall identify payment schedules for any loan or capital advance, with identified revenue streams, covering the entirety of the loan until projected defeasance.

3. The Secretary shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the business plans required in this paragraph by November 15, 2020.