
VIRGINIA STATE BUDGET

2021 Special Session I

Budget Bill - HB1800 (Chapter 552)

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Central Capital Outlay

Item C-70

First Year - FY2021 Second Year - FY2022

Improvements: Local Water Quality and Supply Projects (18050)	\$125,000,000	\$0
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Fund Sources:

Bond Proceeds	\$125,000,000	\$0
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A. The Virginia Public Building Authority, pursuant to § [2.2-2260](#) et seq., Code of Virginia, is authorized to issue bonds in a principal amount not to exceed \$125,000,000, plus amounts needed to fund issuance costs, reserve funds, original issue discount, interest prior to and during the acquisition or construction and for one year after completion thereof, and other financing expenses, to finance the costs of the projects described in paragraph C. of this Item.

B. Debt service on bonds issued under the authorization in this Item shall be provided from appropriations to the Treasury Board.

C. 1. Stormwater Local Assistance Fund. From the appropriation and bond authorization provided in this Item, up to \$50,000,000 of the bond proceeds shall be provided to the Department of Environmental Quality for the Stormwater Local Assistance Fund, established in accordance with the provisions of Item 379 of this Act. In accordance with the purpose of the Fund set out in Item 379, the bond proceeds shall be used to provide grants solely for capital projects meeting all pre-requirements for implementation, including but not limited to: i) new stormwater best management practices; ii) stormwater best management practice retrofits; iii) stream restoration; iv) low impact development projects; v) buffer restoration; vi) pond retrofits; and vii) wetlands restoration. Such grants shall be in accordance with eligibility determinations made by the State Water Control Board under the authority of the Department of Environmental Quality.

2. a. Combined Sewer Overflow Matching Fund. From the appropriation and bond authorization provided in this Item, up to \$25,000,000 of the bond proceeds shall be provided to the Department of Environmental Quality for the Combined Sewer Overflow Matching Fund, established pursuant to § [62.1-242.12](#), Code of Virginia. These bond proceeds shall be used by the Virginia Resources Authority and the State Water Control Board to make a grant to the City of Alexandria to pay a portion of the capital costs of its combined sewer overflow control project. 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.

b. The appropriation in paragraph C.2.a. is the second of three allocations for the Combined Sewer Overflow for the City of Alexandria. It is the intent of the General Assembly to provide the third and final allocation in the 2022-2024 biennium.

3. Nutrient Removal Grants. From the appropriation and bond authorization provided in this Item, up to \$50,000,000 of the bond proceeds shall be provided to the Department of Environmental Quality to reimburse entities as provided in § [10.1-2117](#) et seq., 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 act 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.

D. The appropriation in this Item is subject to the conditions of § 2-0 F. of this act.

E. Except as provided in paragraph D. of this Item, the provisions of §§ 2-0 and 4-4.01 of this act and the provisions of § [2.2-1132](#), Code of Virginia, shall not apply to the projects supported by this Item.