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# VIRGINIA STATE BUDGET

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2022 Special Session I

## Budget Bill - HB30 (Chapter 2)

Bill Order » Central Appropriations » Item 486

Central Appropriations

Item 486	First Year - FY2023	Second Year - FY2024
<b>Disaster Planning and Operations (72200)</b>	<b>\$1,053,644,384</b>	<b>\$147,865,262</b>
Pandemic Response (72211)	\$1,053,644,384	\$147,865,262
Fund Sources:		
Federal Trust	\$1,053,644,384	\$147,865,262

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A.1. The appropriation for this Item includes an amount estimated at \$902,022,198 in the first year and \$96,803,707 in the second year from the revenues to be received from distributions of the federal State and Local Recovery Fund (SLRF) pursuant to the American Rescue Plan Act of 2021 (ARPA).

2. The following appropriations shall be transferred from this Item for the following purposes:

a. Unemployment Assistance

1) \$17,600,000 in the first year to the Virginia Employment Commission (182) for the continuation of funding for information technology modernization, call center improvements, security, and claims adjudication. Information technology improvements shall include a customer relationship management system and other such communication tools to better serve Unemployment Insurance clients.

b. Broadband

1) \$750,000 in the first year and \$750,000 in the second year to the Department of General Services (194) for the continuation of funding for legal and real estate transaction support for agencies that own property to support broadband expansion.

2) \$8,000,000 in the first year to the Department of Housing and Community Development (165) for the continuation of funding for a Line Extension Customer Assistance Program to support the extension of existing broadband networks to low-to-moderate income residents.

c. Dairy Industry Support

1) \$2,000,000 in the first year to the Department of Agriculture and Consumer Services (301) to provide dairy industry support to mitigate pandemic losses.

2) \$1,000,000 in the first year to the Department of Agriculture and Consumer Services (301) to support the business operations of 4-H Educational Centers across the Commonwealth.

d. Other small business

1) \$27,600,000 in the first year to the Department of Housing and Community Development (165) for the

continuation of funding to support the Virginia Removal or Rehabilitation of Derelict Structures Fund program. Notwithstanding § 36-155, Code of Virginia, for the purposes of this funding, the maximum grant amount shall be \$5,000,000 for projects in economically distressed areas, and any grant award in excess of \$1,000,000 for projects in economically distressed areas shall be conditioned upon a 100 percent match of local and/or private funds by the local government. The funds shall be managed and awarded through the Industrial Revitalization Fund process; however, the department may adjust the criteria to reflect the provisions established by the U.S. Department of the Treasury's rules and regulations regarding the Coronavirus State and Local Fiscal Recovery Funds established under the American Rescue Plan Act. Pursuant to these provisions, DHCD shall increase project cap amounts and consider updates to program guidelines that make more projects viable, especially in communities disproportionately impacted by the pandemic. Where the proposed project's end user is a private business, DHCD shall include evaluation criteria that incentivizes significant private investment. Included in these amounts \$2,600,000 is hereby directed to an eligible grantee for a community revitalization project. An eligible grantee for the purposes of this paragraph is a locality in the Crater Planning District Commission awarded a grant during the 2022 Industrial Revitalization Fund grant round, announced in October of 2021. As a condition of the release of these funds, the eligible grantee must enter into a Memorandum of Understanding (MOU) with the Department of Housing and Community Development that guarantees a lien against the property equivalent to the total amount of state grants and awards used to demolish or renovate the structures associated with this project and further testify to its legal authority to demolish or renovate the structures associated with the project.

2) \$4,000,000 in the first year to the Department of Housing and Community Development (165) to support the Virginia Main Street program in providing assistance to businesses recovering from the COVID-19 pandemic.

e. Food Access

1) \$11,000,000 in the first year to the Department of Agriculture and Consumer Services (301) for the continuation of the Virginia Agriculture Food Assistance Program established in § 3.2-4783, Code of Virginia, and to expand the capacity of Virginia's network of food providers to accept, store, and distribute food products.

2) \$3,500,000 in the first year to the Department of Social Services (765) for the Virginia Federation of Food Banks for the purchase of food to be distributed through food banks across the Commonwealth.

f. Drinking Water, Wastewater, and CSOs

1) \$1,600,000 in the first year and \$4,150,000 in the second year to the Department of Health (601) for the continuation of funding to provide improvement funds for well and septic systems for homeowners at or below 200 percent of the federal poverty guidelines.

2) \$165,000,000 in the first year to the Department of Environmental Quality (440) for additional grants to the City of Alexandria, Virginia Sanitation Authority and the cities of Lynchburg and Richmond to pay a portion of the costs of combined sewer overflow control projects. The City of Alexandria, Virginia Sanitation Authority is to receive \$40,000,000; the City of Lynchburg is to receive \$25,000,000; and the City of Richmond is to receive \$100,000,000.

3) \$75,900,000 in the first year to the Department of Environmental Quality (440) for grants to the City of Fredericksburg and King George County Service Authority for wastewater projects; to the Towns of Wachapreague, Accomac, Parksley, and Exmore for sewer projects; to the Town of Quantico for water and sewer improvements; and to the City of Falls Church for stormwater improvements. The City of Fredericksburg is to receive \$27,000,000; the King George County Service Authority is to receive \$16,000,000; the Town of Wachapreague is to receive \$2,400,000; the Town of Exmore is to receive \$3,500,000; the Town of Accomac is to receive \$4,500,000; the Town of Parksley is to receive \$1,500,000; the Town of Quantico is to receive \$17,000,000; and the City of Falls Church is to receive \$4,000,000.

4) \$25,000,000 in the first year and \$25,000,000 in the second year to the Department of Health (601) for the

continuation of funding to support equal access to drinking water at small and disadvantaged community waterworks. These funds shall be limited in their use to qualifying municipal and private drinking water projects and shall not be used for improvements to the department's internal systems or processes.

5) \$5,700,000 in the first year to the Department of Environmental Quality (440) for grants to the Town of Colonial Beach for water and sewer improvements.

6) \$29,551,500 the first year to the Department of Environmental Quality (440) for grants to the City of Petersburg for water and wastewater upgrades at Poor Creek Pump Station.

7) \$10,000,000 in the first year to the Department of Conservation and Recreation (199) for improvements to identified high hazard water impounding structures consistent with the provisions of the Dam Safety, Flood Prevention, and Protection Assistance Fund established pursuant to § 10.1-603.17, Code of Virginia.

8) \$150,000 in the first year to the Department of Health (601) for the Town of Goshen for repairs to their water storage tank.

9) \$325,000 the first year to the Department of Environmental Quality (440) for a grant to the Town of Occoquan for outfall sediment removal projects and for stormwater dredging activities.

10) \$3,000,000 the first year to the Department of Environmental Quality (440) for a grant to the Town of Dumfries to support Municipal Separate Storm Sewer System permit activities.

11) \$3,000,000 the first year to the Department of Environmental Quality (440) for a grant to the County of Prince William to assist with the connection of Bristow Manor to the Prince William County wastewater collection system.

g. Mental Health

1) \$45,719,411 in the first year to Mental Health Treatment Centers (792) for salary adjustments for direct care staff at state behavioral health facilities and intellectual disability training centers.

2) \$700,000 in the first year to Mental Health Treatment Centers (792) to expand Telehealth Capability at DBHDS State Facilities.

3) \$6,695,369 in the first year to Intellectual Disabilities Training Centers (793) for salary adjustments for direct care staff at state behavioral health facilities and intellectual disability training centers.

4) \$5,370,806 in the first year to the Virginia Center for Behavioral Rehabilitation (794) for salary adjustments for direct care staff at state behavioral health facilities and intellectual disability training centers.

5) \$20,000,000 in the first year to Grants to Localities (790) for the continued expansion of community-based crisis services.

6) \$1,200,000 in the first year to the Department of Behavioral Health and Developmental Services (720) for the continuation of funding for the purchase of personal protective equipment at state facilities.

7) \$1,650,000 in the first year to the Department of Behavioral Health and Developmental Services (720) for the continuation of funding to continue an expanded pilot program in FY 2023 to serve approximately 60 additional individuals with a primary diagnosis of dementia who are ready for discharge from state geriatric behavioral health hospitals to the community and who are in need of nursing facility level care. Funding for the pilot program shall be dependent upon an agreement between the department and the Community Services Board in the jurisdiction the pilot program is located.

8) \$1,500,000 in the first year to the Department of Criminal Justice Services (140) for the continuation of funding to provide resources for crisis intervention team training to law-enforcement officers and dispatchers, and one position to provide technical assistance in support of the mental health awareness response and community understanding services (Marcus) alert system.

9) \$22,245,501 in the first year to Grants to Localities (790) for the continued support of STEP-VA community-based mental health services.

#### h. Substance Use Disorder

1) \$2,000,000 in the first year and \$3,000,000 in the second year to the Department of Health (601) for the continuation of funding for substance misuse and suicide prevention efforts.

2) \$5,000,000 in the first year to Grants to Localities (790) for the continuation of funding to expand community-based substance use disorder treatment services.

3) \$250,000 in the first year to the Department of Health (601) to contract with the Carilion Clinic for a pilot program to study, operationalize, determine barriers, and report on Opioid Education and Naloxone Distribution in the emergency department (ED) to high-risk opioid use disorder and opioid overdose patients who present in the ED.

#### i. Public Health Initiatives

1) \$2,378,000 in the first year and \$2,378,000 in the second year to the Department of General Services (194) for the continuation of funding to include customer support upgrades and Laboratory Information Management System (LIMS) infrastructure, development, and improvement.

2) \$3,750,000 in the first year to the Department of Housing and Community Development (165) for the continuation of funding for a dedicated lead rehabilitation program to address childhood lead poisoning in residential properties.

3) \$10,000,000 in the first year and \$10,000,000 in the second year to the Department of Health (601) for the continuation of funding for the procurement and deployment of an electronic health records system.

4) \$15,000,000 in the first year and \$25,000,000 in the second year to the Department of Health (601) for the continuation of funding for the modernization of administrative systems and software in order to create response capacity during future emergencies.

5) \$10,000,000 in the first year and \$10,000,000 in the second year to the Department of Health (601) for the continuation of funding for a records management system that will digitize and automate records processes.

6) \$5,000,000 in the first year to the Department of Health (601) to contract with the Virginia Association of Free and Charitable Clinics for pandemic-related costs incurred by free and charitable clinics in Virginia.

7) \$5,000,000 in the first year to the Department of Medical Assistance Services (602) for the continuation of funding to address operational backlogs by hiring contractors to assist with eligibility re-evaluations and member appeals. Funding may be used to perform COVID-19 related outreach and engagement activities, make information

technology system changes, and to support overtime costs at local departments of social services.

8) \$5,000,000 in the first year to the Department of Social Services (765) to upgrade mission critical network infrastructure.

9) \$1,587,200 in the first year and \$1,892,500 in the second year to the Department for Aging and Rehabilitative Services (262) for the continuation of funding fund HVAC/air quality systems and physical plant improvements in assisted living facilities that serve a disproportionate share of auxiliary grant residents.

10) \$34,000,000 the first year to the Department of Medical Assistance Services to make payments to Virginia hospitals for COVID-19 related auditable costs including vaccine clinic and additional workforce expenses that have not been reimbursed through other federal relief programs available for this purpose.

11) \$7,175,000 the first year to the Eastern Virginia Medical School for HVAC renovations at Lewis Hall.

12) \$9,718,539 in the first year to the Department of Medical Assistance Services (602) to reimburse local government-owned nursing homes for unreimbursed expenses and lost revenue due to the impact of COVID-19.

#### j. Addressing Community Violence

1) \$75,000 in the first year to the Department of State Police (156) for the continuation of funding for the purchase of equipment used to analyze firearms evidence.

2) \$6,000,000 the first year and \$3,000,000 the second year to the Department of Criminal Justice Services (140) to support services to victims of crime including, but not limited to, services for victims of sexual assault and domestic violence. The department shall use these funds to support sexual assault and domestic violence applicants of the Victims Services Grant Program.

3) \$200,000 in the first year to the Department of Criminal Justice Services (140) for a one-time appropriation to the City of Chesapeake for the purchase of equipment used to analyze firearms evidence.

#### k. Public Safety

1) \$532,086 in the first year and \$532,086 in the second year to the Department of Corrections (799) for the continuation of funding for five staff positions to support COVID-19 project management activities.

2) \$45,000 in the first year and \$45,000 in the second year to the Department of Corrections (799) for the continuation of funding to reimburse the contractor that operates the Lawrenceville Correctional Center for the cost of personal protective equipment (PPE).

3) \$3,055,000 in the first year to the Department of Corrections (799) to expand video visitation in correctional facilities.

4) \$418,121 in the first year and \$418,121 in the second year to the Department of Emergency Management (127) for the continuation of funding for Virginia Emergency Support Team (VEST) COVID-19 recovery activities and four support staff.

5) \$600,000 in the first year to the Department of Juvenile Justice (777) for the continuation of funding for mobile smartphones for agency staff.

6) \$1,380,000 in the first year to the Department of State Police (156) for the continuation of funding to support live scan fingerprinting machines for the agency's area offices.

7) \$75,000,000 in the first year to the Department of Criminal Justice Services (140) to make one-time grants to state and local law enforcement agencies located in the Commonwealth, including colleges and universities, local and regional jails for the purpose of training and purchasing equipment and supplies to support law enforcement related activities, excluding equipment for which one-time equipment grants were appropriated from the general fund in Item 406, Chapter 552, 2021 Acts of Assembly. Of the amount provided, no less than \$60,000,000 shall be provided for the support of local law enforcement agencies. Of the amount provided, the Director, Department of Criminal Justice Services, is authorized to recover reasonable, one-time costs related to administering this grant program. Any distribution made to a local law enforcement agency shall not require a local match. The Department shall report on the distributions made to the Governor, the Chairs of the House Appropriations and the Senate Finance and Appropriations Committees, and the Secretary of Finance by November 1, 2023.

8) \$8,820,000 in the first year to the Department of Corrections (799) for air conditioning installation and associated costs in correctional facilities.

#### l. Health Care Safety Net

1) \$38,057,684 in the first year to the Department of Medical Assistance Services (602) to continue a 12.5 percent increase in rates for certain Medicaid home and community-based services that was implemented in fiscal year 2022 and is set out Item 304.

#### m. ARPA Reporting

1) \$500,000 in the first year and \$500,000 in the second year to the Department of Accounts (151) for the cost of supporting ARPA reporting requirements.

2) \$600,000 in the first year for the Secretary of Finance to engage internal or third-party assistance for additional administrative oversight of executive branch agency Coronavirus State and Local Fiscal Recovery Fund expenditures.

#### n. Education

1) \$3,500,000 in the first year to Direct Aid to Public Education (197) to support a one-time grant to the United Way of Southwest of Virginia to increase childcare capacity in southwest Virginia.

2) \$4,000,000 in the first year to Direct Aid to Public Education (197) to supplement the 21st Century Community Learning Centers Program in Item 138. These funds shall be awarded to community-based organizations partnering with school divisions for after-school, before-school, and summer learning programs to provide additional instructional opportunities to combat learning loss for school-age children attending high-poverty, low-performing schools. The Department may contract with the Virginia Partnership for Out-of-School Time to assist applicants with obtaining the required licensure and to provide best practices and support to grantees.

3) \$10,000,000 the first year shall be transferred to Direct Aid to Public Education (197) to support recruitment efforts through incentive payments to individuals hired to fill instructional positions between August 15, 2022, and November 30, 2022. Local school divisions desiring to participate in this program shall report to the Department of Education the number of instructional position vacancies on August 15, 2022, no later than August 31, 2022. The Department of Education shall report the August 15, 2022 instructional vacancy data to the Secretary of Education and the General Assembly by October 1, 2022. Based on this information, the Department shall communicate to each school division its available allocation from these funds, and school divisions shall communicate the availability of these funds in their recruitment. Such payments shall be based on \$2,500 per individual; however, for individuals hired in hard-to-fill positions or hard-to-staff schools, as defined by the Department of Education, the incentive payment shall be based on \$5,000 per individual. The Department of Education and the school

divisions are authorized to prorate these amounts if the demand exceeds the initial allocation. School divisions shall (i) provide half of the incentive payment to the individual no earlier than January 1, 2023, and (ii) provide the balance of the full amount of the incentive payment to the individual no earlier than May 1, 2023, provided that the individual receives a satisfactory performance evaluation and provides a written commitment to return to the same school in the 2023-2024 school year. Individuals who are employed by a local school division in Virginia as of July 1, 2022, who accept an otherwise qualifying position in another local school division are not eligible for this incentive. Individuals employed by a local school division as of July 1, 2022, who transfer from a non-hard-to-staff school to a hard-to-staff school, as defined by the Department of Education, within the same division are eligible for the \$5,000 incentive payment. School divisions shall report to the Department of Education, in a format specified by the Department, all instructional hires in the 2022-2023 school year who qualify for this incentive payment, no later than November 30, 2022. No later than January 5, 2023, the Department of Education shall report to the House Appropriations Committee and the Senate Finance and Appropriations Committee on the number of hires reported by each school division participating in this program and the anticipated amount of funding to be provided to each school division for payment to those individuals.

4) \$3,500,000 in the first year to the Department of Education, Central Office Operations (201), for the provision of a contract to assist public school divisions with outreach and support for disengaged, chronically absent, or struggling students in response to the COVID-19 pandemic. The statewide program shall be contracted with a provider that has experience in providing state-wide attendance recovery to at-risk students and can scale to provide multi-modal outreach and academic coaching support to over 15,000 students by the end of calendar year 2023.

5) \$5,138,000 in the second year to the Department of Education (201) to support the provision of a statewide Learning Management System to all local public school divisions in Virginia.

6) \$5,000,000 in the second year to the Department of Education (201) for continued support of the through-year growth assessment system for grades three through eight, pursuant to the provisions of Chapter 443 and Chapter 444, 2021 Special Session I.

7) \$130,122,981 to Direct Aid to Public Education (197) to provide a one-time pandemic bonus payment of \$1,000 on December 1, 2022, for funded SOQ instructional and support positions and for Academic Year Governor's School and Regional Alternative Education Program instructional and support positions, as a provision of government services pursuant to the State and Local Fiscal Recovery Funds from the American Rescue Plan Act of 2021. These funds cover the entire cost of the \$1,000 bonus for funded SOQ instructional and support positions and Academic Year Governor's School and Regional Alternative Education Program instructional and support positions. The funds for which a division is eligible to receive shall require no match by the local government. Localities are encouraged to use additional available funds to provide pandemic bonuses to other eligible school instructional and support positions.

3.a. Prior to initiating any program, service, or spending from the appropriations listed in paragraph 2. above, the responsible agency must ensure that its intended action qualifies for the use of the funds under the ARPA criteria to support health expenditures, to address negative economic impacts caused by the public health emergency, to provide premium pay for essential workers, or to invest in water, sewer, and broadband infrastructure as described in the Interim Final Rule or the guidance issued by the U.S. Department of Treasury. Agencies shall not rely on the provisions for replacing lost public sector revenue as a qualifying criteria without receiving prior written approval from the Governor.

b. Agencies must ensure compliance with all use, documentation, and reporting requirements established in state and federal guidelines and laws.

4. The Governor is authorized to appropriate additional amounts not listed above if they must be executed before the 2023 regular session of the General Assembly to protect the public health in order to respond to a public health

emergency or to prevent the emergence of a new health emergency. The Governor shall provide written notice to the chairpersons of the House Appropriations Committee and the Senate Finance and Appropriations Committee no less than five business days prior to appropriating such amounts.

B.1. The appropriation in this item includes an amount estimated at \$151,622,186 in the first year and \$51,061,555 in the second year from the estimated revenues to be received pursuant to the American Rescue Plan Act of 2021 (ARPA) from grants other than the State and Local Recovery Fund (SLRF). The following appropriations shall be transferred from this item to the following:

<b>ARPA Fund Source / Grant</b>	<b>State Agency</b>	<b>FY 2023 Appropriation</b>	<b>FY 2024 Appropriation</b>
Crisis Response Cooperative Agreement (CDC)	Department of Health (601)	\$25,460,480	\$2,000,000
Epidemiology and Lab Capacity for School Testing (CDC)	Department of Health (601)	\$84,838,264	\$7,069,855
Epidemiology and Lab Capacity for Confinement Settings (CDC)	Department of Health (601)	\$6,976,200	\$6,976,200
COVID-19 Vaccine Preparedness Adjustment (CDC)	Department of Health (601)	\$12,557,027	\$12,557,027
Maternal, Infant and Early Childhood Home Visiting Grant Program (HRSA)	Department of Health (601)	\$439,674	\$109,918
Disease Intervention Workforce (CDC)	Department of Health (601)	\$4,519,512	\$4,519,512
AmeriCorps (CNCS)	Department of Social Services (765)	\$2,262,662	\$2,562,662
Family Violence Prevention and Services (ACF)	Department of Social Services (765)	\$4,694,940	\$7,434,005
Homeless Service Sites & Congregate Settings (ELC)	Department of Health (601)	\$575,688	\$575,688
Strengthening HAI & AR Program Capacity (SHARP) (ELC)	Department of Health (601)	\$3,270,588	\$3,270,588
Nursing Home & Long-term Care Facility Strike Teams - SNF (ELC)	Department of Health (601)	\$2,003,832	\$2,003,832
Nursing Home & Long-term Care Facility Strike Teams - NH & LTC (ELC)	Department of Health (601)	\$1,982,268	\$1,982,268
Travelers Health Year 2 (ELC)	Department of Health (601)	\$277,083	\$0
Maternal, Infant and Early Childhood Homevisiting Grant Program	Department of Health (601)	\$1,763,968	\$0

2. The Director of the Department of Planning and Budget is authorized to adjust the amounts appropriated in paragraph B.1. above to reflect the actual revenues received by the Commonwealth for each grant.

3.a. Agencies are authorized to initiate spending from these appropriations in order to provide one-time services



for purposes authorized and permitted under federal law and in accordance with the guidance issued by the U.S. Department of Treasury and other applicable federal agencies, or to execute requirements of federal law that must be initiated. No such spending shall be initiated for programs or services that create an ongoing commitment of state resources after the conclusion of the federal grant unless such services are required by federal law.

b. Prior to initiating any program, service, or spending from these appropriations, the responsible agency must provide written notification of its intended action to the Governor, the Chairs of the House Appropriations Committee and the Senate Finance and Appropriations Committee, and the Director of the Department of Planning and Budget. Such notice shall be provided no less than ten business days before an agency initiates services or incurs any costs associated with the grant. For purposes of this section, initiating a program includes any public announcement or proposal presented to constituent groups.

c. If an agency wishes to spend any amounts from these grants for purposes that create an ongoing commitment that must be maintained by state resources after the conclusion of the federal grant, it must receive prior approval and authorization of the General Assembly. Agencies must submit such proposals to the Department of Planning and Budget for consideration by the Governor and the General Assembly in the 2023 session of the General Assembly.

d. Agencies must ensure compliance with all use, documentation, and reporting requirements established in state and federal guidelines and laws.

e. The Governor is authorized to appropriate any additional grants not listed above if they must be executed before the 2023 regular session of the General Assembly. The Governor shall provide written notice to the chairpersons of the House Appropriations Committee and the Senate Finance and Appropriations Committee no less than five business days prior to appropriating such grants.

C. Temporary nurse aides practicing in long term care facilities under the federal Public Health Emergency 1135 Waiver may be deemed eligible by the Board of Nursing while this waiver is in effect, and in the four-month period from the end of this waiver, to take the National Nurse Aide Assessment Program examination upon submission of a completed application, the employer's written verification of competency and employment as a temporary nurse aide, and provided no other grounds exist under Virginia law to deny the application.

D. Any amounts appropriated in this item that remain unspent at the end of any fiscal year shall be reappropriated in the next fiscal year to be spent for the same purposes as stated in this act.