



Report of the Subcommittee on
Compensation and General
Government

(Senate Bills 29 and 30,
as Introduced)

Senate Finance Committee
Virginia General Assembly

February 20, 2000

Mr. Chairman:

The General Government Subcommittee has met several times during the session to consider the two broad areas for which it has responsibility. The challenge before us has been one of finding a way to improve the operation of the courts, and maintain the competitiveness of compensation for our state employees, while providing modest adjustments for essential programs and services.

We are pleased to recommend to you a package that fully addresses these top priorities -- the court system and compensation.

Let me briefly address our recommendations.

GENERAL GOVERNMENT

Most of the subcommittee's recommendations for General Government are limited in scope, in keeping with the emphasis the Finance Committee has placed on other areas. Among these are such items as: 48 new positions for operation of Commonwealth's Attorneys, 26 new positions for operation of Circuit Court Clerks, 16 new positions for operation of local treasurers and directors of finance and the provision of \$4.5 million to provide additional support for conversion of public television stations to the FCC's new digital standard.

Adequate financing for the judicial branch of state government is always an important priority of the subcommittee. This year, we recommend a limited number of amendments, including \$8.6 million to increase court-appointed attorneys' fees beginning in the second year, and \$8.5 million over two years for court automation. The subcommittee also recommends \$1.6 million each year and 47.9 positions for the District Courts and Magistrates.

Finally, we recognize that expanded mediation services are essential for containing the growth in the workload of the court system in the future, and we recommend \$500,000 each year for contracting in this field.

Now, let me address compensation.

COMPENSATION

As we have stated often, our state employees are valued and dedicated to providing quality services to the public. Our recommendations this year address two main issues: providing an adequate compensation package for state and state supported local employees and modernization of the valuation process used by the Virginia Retirement System.

First, under our recommendations, state and state supported local employees will receive salary increases averaging 3.5 percent. This is closer to the 4.2 percent movement in the general labor market.

The total cost of this compensation program is \$118.1 million.

Second, we have recommend that you adopt a requirement for the VRS to conduct its valuation studies annually. More than 83% of plans with assets over \$10 billion, and 85% of plans with more than 100,000 members conduct annual valuations. This is good, sound business practice that will save the Commonwealth approximately \$110 million in the next biennium. Local governments, local school boards, and agencies funded from nongeneral funds – such as the Department of Transportation – will also benefit from this change.

We believe that our recommendations reinforce the courts, and the compensation of our state and state-supported local employees. It is our hope it will be your pleasure to adopt them.

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General Government Subcommittee

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>SB 30</u>
Revenues				
Y2K Loan Reserve-half from NGF Balances	4,500,000	0	0	0
Reinstate DIT Internal Service Fund Transfers	2,612,521	0	0	0
JT. Rules-Unallot Legislative Balances	1,687,268	0	0	0
Legislative				
APA: Joint Rules Committee Adjustment	0	(539,306)	(535,225)	(1,074,531)
DLAS: Joint Rules Committee Adjustment	0	(853)	(747)	(1,600)
JLARC: Joint Rules Committee Adjustment	0	(607)	(541)	(1,148)
Ches Bay Comm: Joint Rules Committee Adj.	0	(296)	(303)	(599)
COY: Joint Rules Adjustment	0	(296)	(303)	(599)
Housing Study Comm: Joint Rules Comm. Adj.	0	(296)	(303)	(599)
JCHC: Joint Rules Committee Adjustment	0	6,291	6,344	12,635
Code Comm: Joint Rules Committee Adj.	0	7,577	7,577	15,154
Leg. Reversion Clearing Account: Jt. Rules	0	207,500	(42,500)	165,000
Capitol Police: Joint Rules Committee Adj.	0	98,105	97,593	195,698
Capitol Police: Salary Correction	0	Language	Language	Language
DLS: Joint Rules Committee Adjustment	0	147,429	48,666	196,095
Va Comm Intergovernmental Coop: Jt. Rules Adj.	0	122,470	131,650	254,120
GA: Joint Rules Committee Adjustment	0	716,191	716,670	1,432,861
Leg. Reversion Clearing Account: Jt. Rules	0	1,687,268	0	1,687,268
Crime Comm: Adj. Wage Employment	0	35,000	0	35,000
GA: Aids in VSDP	0	50,000	50,000	100,000
Senate Clerk	0	586,469	19,500	605,969
Leg Contingency Account: Tax Study Done	0	(250,000)	0	(250,000)
Total: Legislative	<u>0</u>	<u>2,872,646</u>	<u>498,078</u>	<u>3,370,724</u>
Judicial				
SupCt: Mediation Services by Contract	0	500,000	500,000	1,000,000
District Cts: Correct Salary Table	0	Language	0	0
Court of Appeals Judget (SB 370)	0	323,138	311,358	634,496
State Bar: Community Tax Law Project	0	50,000	50,000	100,000
State Bar: Dues Increase	0	NGF	NGF	NGF
Sup Ct: Unbudgeted Cost Increases	0	643,706	643,706	1,287,412
SupCt: District Court Positions	0	1,694,000	1,694,000	3,388,000
SupCt: Court Automation (Master Equip. Lease)	0	3,300,000	5,200,000	8,500,000
SupCt: Court Appointed Attorney Fees (SB 481)	0	0	8,591,029	8,591,029

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	<u>FY 2000</u>		<u>FY 2001</u>		<u>FY 2002</u>		<u>SB 30</u>
Total: Judicial	0		6,510,844		16,990,093		23,500,937
Statewide Elected							
AG: Medicaid Fraud Control Unit (4 FTE)	0		59,118		60,766		119,884
AG: Money Laundering Unit (1 FTE)	0		65,338		66,221		131,559
Atty Gen: Defer Civil Commitment Program	0		(317,388)		(401,152)		(718,540)
Total: Statewide Elected	0		(192,932)		(274,165)		(467,097)
Administration							
Comp Bd: Bail Reform Per Diems	(2,963,040)		(5,694,856)		(5,927,616)		(11,622,472)
Comp Board: Offset Day Reporting Center	0		(200,000)		(356,877)		(556,877)
Comp Bd: Clifton Forge Sheriff	0		79,146		87,369		166,515
Comp Bd: Master Deputy Program	0		90,987		90,987		181,974
Comp Bd: Master Deputy Program Prince William	0		86,684		86,684		173,368
Comp Bd: Commissioners of the Revenue Staff	0		123,900		125,112		249,012
Comp Bd: Treasurers Staff Staff	0		160,367		161,639		322,006
Comp Bd: Treasurers Career Development Program	0		160,292		402,350		562,642
Comp Bd: Part-time to full-time CA	0		217,810		217,810		435,620
Comp Bd-Victim Notification	0		125,000		0		125,000
Comp Bd: Clerk's Staff Staff	0		536,744		539,416		1,076,160
Comp Bd: CA Staff	0		1,552,498		1,567,805		3,120,303
Comp Bd: Jail Contract Beds			Language		0		0
CO: Public Broadcasting Board-GAB Press Room (Gov)	50,000		0		0		0
Public Broadcasting: Radio Reading Service	0		34,000		34,000		68,000
Public Broadcasting: Relocate WVPT Transmitter	0		95,000		0		95,000
Public Broadcasting: Leases for Digital TV	0		2,520,688		2,520,688		5,041,376
Elections: 2000 Presidential Primary (Local Only)	1,956,000		0		0		0
Elections: Registrars Salaries (\$2,000)	0		270,000		270,000		540,000
Vet Affrs: Veterans Cemetery Loan	0		NGF Language		0		0
DPT: Workforce Planning	0		(98,754)		(81,267)		(180,021)
DPT: Authorization for IHRIS Spending	Language		Language		0		0
Charitable Gaming Commission	0		NGF Reductions		0		0
DGS: Statewide Electronic Procurement	0		Language		0		0
DGS: Consolidated Labs Language	0		Language		0		0
DGS: Service Charges for Port Facilities			500,000 NGF		500,000 NGF		1,000,000 NGF
Total: Administration	(957,040)		59,506		(261,900)		(202,394)

General Government Subcommittee

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>SB 30</u>
Finance				
DOA: ABC Profits	0	350,000	350,000	700,000
DOA: Unclaimed Property Auditors (5 FTE) - SB 676	0	NGF	NGF	NGF
DOA: Revenue Stabilization Fund Deposit from Re-forecast	0	0	60,753,477	60,753,477
Treas Bd.: No VPBA Bill (SB 32)	0	(347,281)	(1,215,838)	(1,563,119)
DPB: Replace Financial Computer Systems (Use Loan & Recovery)	(300,000)	(1,000,000)	0	(1,000,000)
DPB: Study of Cafeteria Benefits (Move to SFC/HAC)	0	Language		
Tax-Information Technology Support-with phased hiring	0	490,632	704,617	1,195,249
Tax: Enacted and Proposed Legislation Policy Staffing	0	(409,544)	(506,994)	(916,538)
Tax: Parking Subsidy for Employees	(61,425)	(136,500)	(38,675)	(175,175)
Tr Bd: Carrier Center	0	292,466	2,080,560	2,373,026
Sec of Fin: Study of Pharmaceutical Utilization	0	Language		
Total: Finance	(361,425)	(760,227)	62,127,147	61,366,920
Technology				
DTP: Create statewide digital base map systems	0	0	(3,066,630)	(3,066,630)
DTP: Increase resources to carryout new responsibilities	0	(896,162)	(765,787)	(1,661,949)
DTP: Create shared geographic information	0	(843,029)	(481,779)	(1,324,808)
DIT: E-911 Division and Board (SB 148)	0	NGF	NGF	NGF
DIT: Increase use of statewide information technology procurement	(287,906)	(633,344)	(313,673)	(947,017)
DIT: Norton Relay Center	0	Revised Language	0	0
Secy of Tech: Position Increase	0	0	(35,648)	(35,648)
Secy-National Technology Conference (Gov)	0	250,000	0	250,000
Secy of Tech: Limit Authority to Executive Branch	0	Language	0	0
Total: Technology	(287,906)	(2,122,535)	(4,663,517)	(6,786,052)
Central Accounts				
Comp Suppl: Conservation Officers Regrade	0	900,000	900,000	1,800,000
Comp Suppl: Disability Program	0	900,000	1,800,000	2,700,000
Comp Suppl: Classified Salaries (to 3.5% FY 2001)	0	15,185,775	27,517,610	42,703,385
Comp Suppl: No Additional Incr. For Tech Positions	Language	Language	0	0
Comp Suppl: State Police Dispatchers	0	330,985	330,985	661,970
Comp Suppl: Comp reform Consultant	0	25,000	0	25,000
COMP SUPPL: Annual Valuation (Faculty, Teachers, Locals, Classified)	0	(52,987,488)	(56,220,827)	(109,208,315)
CA: Carrier Integration	(6,555,000)	0	0	0
CA: Solar Voltaic Grants	(250,000)	0	0	0
CA: DOC-Corrections Peer Progression	0	(1,096,275)	(3,056,068)	(4,152,343)

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	<u>FY 2000</u>		<u>FY 2001</u>		<u>FY 2002</u>		<u>SB 30</u>
Reversion Clearing-Elect/Natural Deregulation	0		(750,000)		(1,500,000)		(2,250,000)
Reversion Clearing-Revise to Reflect Exclusions	0		Language		0		0
Reversion Clearing-Revise Year End Balance (2Yr Avg)	0		Language		0		0
Car Tax Appropriation Error	(166,628)		0		0		0
Restriction on Unapproved Salary Increases	Language		Language				
Total: Central Accounts	(6,971,628)		(37,492,003)		(30,228,300)		(67,720,303)
Independent							
Special Retirement: purchase of Service (Service before 1983)	Language		Language				
Special Retirement: Purchase of Service (At Will EE)	Language		Language				
Extend GA Parking Spaces in 9th and Franklin Deck	Language		Language				
Capital Outlay							
CO: GAB:Phase 1 Renovation	0		3,953,000		0		3,953,000
CO: Veterans' Cemtery (Treasury Loan)			NGF Language				
General Provisions							
Limitation on Sec. Of Technology	Language		Language				
Special Retirement: Judges	Language		Language				
Special Retirement: Disabled Sheriff	Language		Language				
Statewide Plans: Compensation Reform	Language		Language				