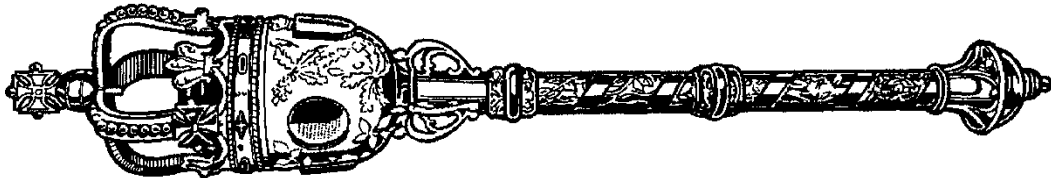


*Report of the
House Appropriations
Subcommittee*

on

*General Government &
Independent Agencies*



House Bill 1600

February 4, 2001

**Respectfully Submitted by the House Appropriations Subcommittee
on General Government:**

Robert Tata, Chairman

Riley E. Ingram

M. Kirkland Cox

Allen W. Dudley

William P. Robinson, Jr.

Mary T. Christian

Lionell Spruill, Sr.

REPORT OF THE SUBCOMMITTEE on GENERAL GOVERNMENT/INDEPENDENT

Mr. Chairmen and Members of the Committee:

As you know, the General Government Subcommittee has responsibility for a broad span of government operations -- the Legislature, the Judiciary, Administration, Finance, Independent Agencies, and the Executive Offices -- as well as such cross-cutting issues as information technology.

Much of the Subcommittee's focus this session has been on identifying revenues and other budget adjustments needed to restore budget cuts and second year holes. In total, the Subcommittee has identified about \$4.6 million in revenues and \$7.0 million of budget savings in our agencies. The increased revenues come primarily from deferring implementation of the E-Government initiative and cost savings at the Lottery resulting in an increase in Lottery proceeds for public education.

The Subcommittee recommends total budget reductions of \$7.0 million. Most of this reduction, \$6.6 million, is achieved by deferring proposed new initiatives. Specifically, the Subcommittee recommends deferring the following:

- \$1.2 million for 18 new law clerk positions in the judiciary;
- \$1.2 million in Executive Offices for the creation of a new Office of Substance Abuse Prevention and proposed funding increases for the Secretary of the Commonwealth;
- \$0.9 million in Finance agencies for new spending related to projected workload;
- \$2.0 million in Technology for new initiatives such as the PowerUp partnership and GIS Services, and;
- \$1.3 million in Central Appropriations, deferring an increase in the Economic Contingency fund.

The additional reductions are achieved by applying a six percent reduction to the operating budgets of Finance agencies in the second year, the same reduction applied across other areas of state government. There were two exceptions to the application of a six percent reduction. One exception is for the debt and bond functions in the Department of the Treasury; the other is for the revenue administration function in the Department of Taxation. For these critical functions, we would recommend no additional legislative reductions.

Turning to the Subcommittee's spending recommendations, our actions have been modest because of the demands we faced in other areas of the budget. The Subcommittee recommends additional funding be provided for four new judgeships approved this Session in House Bill 1683. An additional \$484,400 is recommended for the House and Senate Clerks to pay for increases to reimburse the Department of General Services for building maintenance charges. In addition, the Subcommittee recommends the restoration of \$3.0 million for the Commissioners of the Revenue whose state support was reduced in the introduced budget. Lastly, the Subcommittee recommends the restoration of two budget cuts in the Department of General Services for the Luray lab and consolidated lab testing services.

In addition to these proposals, we have proposed language to clarify qualifications for public television community service grants and general registrar's weekly service days.

I am proud to report that through the efforts of this Subcommittee, our actions push another \$6.4 million to the bottom line which can be devoted to pay raises for teachers and constitutional officers, as well as restoring cuts in Mental Health, Higher Education, and the environment.

We commend this report to you for your approval. The details are contained in the attachments, and staff will review them with you at this time.

Budget Amendment Recommendations

GENERAL GOVERNMENT Amendment	BIENNIAL TOTAL		
	General Fund	Nongeneral Fund	FTE
<u>REVENUES</u>			
Reimburse Treasury Mailing Costs	4,063		
Sale of Luray Lab	(240,000)		
Technology Planning E-Government	2,200,000		
Lottery Proceeds Increase	2,000,000		
Unexpended Balances from AG	400,000		
Revenues Subtotal	4,364,063	0	-
<u>HB 1600</u>			
Legislative Department			
General Assembly			
Capitol and General Assembly Building Maint.	484,800		
House Chamber Ladies Room	Language		
Division Of Legislative Services			
Crime Commission-Jt. Rules Recommendations	78,124		1.00
Joint Legislative Audit and Review			
JLARC-Jt. Rules Recommendations	(78,124)		(1.00)
Legislative Subtotal	484,800	0	-
Judicial Department			
Supreme Court of Virginia			
General District Court Judges (HB 1683)	379,276		2.00
Juvenile and Domestic Court Judges (HB 1683)	379,276		2.00
Supreme Court - Defer Law Clerks Positions	(496,904)		(7.00)
Court of Appeals - Defer Law Clerk Positions	(753,455)		(11.00)
Judicial Subtotal	(491,807)	0	(14.00)
Executive Offices			
Secretary of the Commonwealth			
Defer Increase in Support Costs	(200,000)		
Office of Substance Abuse			
Defer New Office	(1,000,000)	(400,000)	(2.00)

Budget Amendment Recommendations

GENERAL GOVERNMENT Amendment	BIENNIAL TOTAL		
	General Fund	Nongeneral Fund	FTE
Executive Subtotal	(1,200,000)	(400,000)	(2.00)
Administration			
Compensation Board			
Restore Commissioners of the Revenue Funding	3,035,540		
Department of General Services			
Restore Funding for Luray Laboratory	180,000		3.00
Restore Budget Cuts for Lab Testing Services	500,000		
State Board of Elections			
Registrars' Population Range	Language		
Combined Voter List Pollbook	Language		
Virginia Public Broadcasting			
Community Service Grants	Language		
Administration Subtotal	3,715,540	0	3.00
Finance			
Department Of Accounts			
Apply 6% Management Savings	(190,497)		
Defer Metafile Software Purchase	(33,000)		
Cost Recovery - Certain CARS Transactions	Language		
Contingency: Line of Duty Health Insurance	Language		
Department Of Planning and Budget			
Apply 6% Management Savings	(114,684)		
Department Of Taxation			
Defer Wage Position Salary Increases	(500,000)		
Remove Postage Increase - Yr. 1	(24,141)		
State Internal Auditor			
Defer New Audit Program	(121,613)		
Department Of the Treasury			
Apply 6% Management Savings	(144,625)		
Defer Workload Increase	(185,709)		(2.00)
Offset Postage Costs	(4,063)		
Finance Subtotal	(1,318,332)	0	(2.00)

Budget Amendment Recommendations

GENERAL GOVERNMENT Amendment	BIENNIAL TOTAL		
	General Fund	Nongeneral Fund	FTE
Technology			
Department of Technology Planning			
PowerUp Partnership Initiative	(1,000,000)		
Reduce Community Grants Initiative	(300,000)		
Educational Website Initiative	(200,000)		
GIS Services	(500,438)		
E-Government Language	Language		
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Technology Subtotal	(2,000,438)	0	-
Central Appropriations			
Economic Contingency	(1,300,000)		
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CA Subtotal	(1,300,000)	0	-
§3-1.01			
Lottery Proceeds Increase	Language		
Reimbursement of Treasury Mailing Costs	Language		
Unexpended Balances from Attorney General	Language		
E-Government	Language		
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Total	(2,110,237)	(400,000)	(15.00)
 Net GF Total - General Government	 (6,474,300)		