

Technology

Approved actions for technology agencies result in a net reduction of \$3.4 million GF for the 2002-04 biennium when compared to the original appropriation. New spending of \$2.4 million GF is primarily attributable to the proposed establishment of the new Virginia Information Technologies Agency (VITA). As part of the establishment of the VITA, three existing information technology agencies will be consolidated into the new agency. Finally, reductions of \$5.9 million GF, including \$3.3 million GF from the October 2002 reduction plans, were approved.

- **Center for Innovative Technology**
 - **Research and Development Grant Cost Recovery.** Requires the Center for Innovative Technology (CIT) to enter into memoranda of understanding with Virginia's higher education institutions and affected industries to recover a portion of CIT's administrative and program costs associated with obtaining federal research and development grants and awards. CIT is authorized to assess up to a 7.5 percent cost recovery fee to be applied against the value of a grant or award they were involved in obtaining. CIT is directed to deposit \$500,000 to the general fund in the second year from amounts collected through the fee. Budget language also states that it is the intent of the General Assembly that general fund support for CIT be eliminated by FY 2008.
 - **October 2002 Reductions.** Includes reductions of \$1.0 million GF the first year and \$1.4 million GF the second year in reductions included as part of the October 2002 reduction plan.

Virginia Information Technologies Agency (VITA)

- **Establish Virginia Information Technologies Agency.** Establishes the Virginia Information Technologies Agency (VITA) in the second year of the biennium by consolidating the positions and funding from the Department of Information Technology, the Virginia Information Providers Network Authority, and the Department of Technology Planning.
- **Transfer Executive Branch Agency Information Technology Resource Funding and Positions.** Consistent with the provisions of HB 1926 and SB 1247, 2003 Session, budget language authorizes the Department of Planning and Budget to transfer appropriations and

technology-related positions from Executive Department agencies, other than institutions of higher education, to the new Virginia Information Technology Agency.

- **Technology Reform Implementation Funding.** Transfers \$14.0 million GF in the second year from the Virginia Information Technologies Agency to Central Appropriations where the Director of the Department of Planning and Budget will manage the disbursement of the funds during the consolidation of agency information technology-related functions and personnel.
- **Information Technology Reform Reporting Requirements.** Budget language requires periodic reports on the status of the information technology consolidation process including a review of the proposed memorandum of agreement that will guide the provision of services between VITA and the affected Executive department agencies.

Note: Governor Warner vetoed the new item 471.10, which included the above language amendments and the sum sufficient appropriation for administrative support.

- **Department of Information Technology**

- **Consolidate Agency.** Consolidates the Department of Information Technology into the new Virginia Information Technologies Agency. Transfers all funds and positions to the new agency.

- **Department of Technology Planning**

- **Consolidate Agency.** Consolidates the Department of Technology Planning into the new state Virginia Information Technologies Agency.

- **Virginia Information Providers Network Authority (VIPNet)**

- **Wireless E-911 Fund Balances.** Provides for a transfer of \$7.5 million the first year and \$5.7 million the second year from unobligated cash balances in the Wireless E-911 Fund to the general fund.
- **Consolidate Agency.** Consolidates the Virginia Information Providers Network Authority into a new state agency to be named the Virginia Information Technologies Agency. Transfers all funds and positions to the new agency.