

*Report of the
House Appropriations
Subcommittee*

on

Commerce & Technology



House Bill 1400

February 2, 2003

**Respectfully Submitted by the House Appropriations Subcommittee
on Commerce & Technology:**

Joe T. May, Chairman

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REPORT OF THE SUBCOMMITTEE

on

Commerce and Technology

Mr. Chairman and Members of the Committee:

For the past several weeks, the Subcommittee has been reviewing the budget before us and considering, what if any, changes in spending needed to be made in order to help restore funding for Committee priorities such as establishing a reserve fund and reopening the Department of Motor Vehicle offices as well as the priorities that the Subcommittee identified in the areas of Commerce and Technology. In that light, we have heard from state agency staff, Cabinet Secretaries, legislators, and citizens who work every day promoting agricultural and industrial development and information technology.

Mr. Chairman, Virginia has accomplished a great deal in the economic development and information technology arenas in the past decade. This accomplishment is clearly linked to the support you have consistently provided to this Subcommittee. Today, Virginia has a well-developed infrastructure designed to continue to build upon the great advances during the past decade, and not only in the area of high technology.

During this Session, the Subcommittee has examined the agencies and programs that are in our purview to begin the process of identifying programs and services in order to systematically and efficiently allocate our scarce resources. We recognize that in these times of fiscal constraints, we must scrutinize all of our spending and make difficult decisions, yet protect and, to the extent possible, nurture the activities that sustain our strong economic development and technology base.

Mr. Chairman, the framework we used to facilitate our review during this Session has resulted in reductions to some programs in this area. For example, the Subcommittee recommends that the Virginia Enterprise Initiative and the Business Incubator programs -- which were initiated during a period of extraordinary revenue growth -- be reduced in this budget. However, sufficient funding remains in both programs to carry out core functions. In addition, some economic development grant programs, such as the Solar Photovoltaic Grant program, were deferred until the next biennium when the Subcommittee will reevaluate their funding requirements.

It is important to note Mr. Chairman, that this program-by-program review also highlighted for the Subcommittee selected services and programs that the Subcommittee believes are important to the overall economy, business environment, and citizens of the Commonwealth. For example, the meat inspection program at the Department of Agriculture and Consumer Services is a service that is provided in an exemplary manner to 158 meat processing plants across the state that produce more than 80 million pounds of products annually. VDACS staff not only regulate facilities for safety and health issues, they provide plant owners and operators advice and assistance that improves efficiency and ultimately the final product. Given this, Mr. Chairman, it seems most appropriate to maintain a program that delivers top-notch service to the large and small businesses that we count on to help sustain and improve our economy.

In addition, Mr. Chairman, the Subcommittee's review concluded that the state's tourism industry is a key component of the state's economy. Moreover, this industry provides many wonderful opportunities for Virginia's own residents to enjoy the many cultural, historical, and tourist sites and activities within our great state.

More importantly, the upcoming release of the Civil War movie "Gods and Generals," which with your support was filmed

in-part on location in Virginia, will increase the exposure of Virginia's many Civil War historical sites and museums to families across the country. Therefore, to enhance our ability to build upon this exposure and to market all of our wonderful activities and sites, the Subcommittee recommends that \$1.0 million be allocated to the Cooperative Advertising Program at the Virginia Tourism Authority. Restoring this program will enable the Commonwealth to partner with local tourism organizations to build upon the interest in Virginia's historical sites and many tourist locations and activities as well as prepare for Virginia's 400th birthday celebration.

Mr. Chairman, our efforts to achieve specific budget savings while maintaining specific economic development programs have helped the entire Committee achieve its goals of re-opening the Department of Motor Vehicle's offices and providing a reserve that can be used to provide a cushion in case of a revenue decline or provide a much-needed salary increase for our hardworking public employees.

Mr. Chairmen and fellow Committee members, I will ask staff to take you through our detailed recommendations, and then I hope it will be your pleasure to adopt our subcommittee report.

Budget Amendment Recommendations

<u>Amendment</u>	2002-04 BIENNIAL TOTAL		
	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>

COMMERCE & TECHNOLOGY
HB 1400 (2002-04 Budget)

Additional Revenues

Defer Opportunity Fund Interest 500,000

Transfers

Adjust DHCD Transfer (168,656)
 VDACS Meat Inspection Cost Recovery 112,000

Secretary of Commerce and Trade

Regional Competitiveness Act Report Language

Department of Agriculture & Consumer Services

Agriculture Education Specialist 120,000
 Coyote Control Program 35,000
 Meat Inspection Program 1,031,396 49.00
 Milk Commission Consolidation Language

Department of Business Assistance

Virginia-Israel Advisory Board 148,700
 Incubator Grant Program (150,000)
 Remaining Small Business Develop. Cent. Savings (500,000)

Department of Housing & Community Development

Housing Partnership Revolving Loan Fund Language
 Virginia Enterprise Initiative (300,000)

Department of Mines, Minerals & Energy

Solar Photovoltaic Grant Program (1,647,636)

Department of Minority Business Enterprise

Authorization to Receive Donations Language

Milk Commission

Consolidation into VDACS Language

Virginia Economic Development Partnership

VASCIC (1,000,000)

Virginia Tourism Authority

Cooperative Advertising Program 1,000,000
 "See Virginia First" Cooperative Advertising Language
 Tredegar National Civil War Museum Language
 Coalfield Regional Tourism Authority Language
 African-American Heritage Trails 100,000

Budget Amendment Recommendations

<u>Amendment</u>	2002-04 BIENNIAL TOTAL		
	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>
Secretary of Technology			
Operating Plan for Merger of Philpott Center	Language		
Innovative Technology Authority			
Technology Research Fund	Language		
Facilitate Broadband Access	Language		
Virginia Information Technologies Agency			
Report on Procurement and Operational Functions	Language		
Conform Language on Consolidation to HB 1926	Language		
Report on Memorandum of Agreements	Language		
Appointments to Technology Board	Language		
Quarterly Reports by Regarding Status of HB 1926	Language		
Transfer to Central Accounts	(13,985,906)		
Central Appropriations			
Authority to Capture Savings From HB 1926	Language		
Transfer from VITA to Implement HB 1926	13,985,906		
Virginia Horse Center Debt Service	1,260,000		
Poultry Indemnification Guidelines	Language		
Commonwealth Technology Research Fund	Language		
Defer GOF Interest	Language		
Part III/IV			
Technical Change: VITA Transfer Fund Source	Language		
Transfers for VITA NGF Savings	Language		
VITA Line of Credit	Language		
Position Description Change Due to HB 1926	Language		
	=====	=====	=====
Total HB 30:	97,460	0	49.00

Office of Commerce and Trade

Secretary Of Commerce And Trade

Language

Language:

Page 83, after line 3, insert:

"C. The Secretary shall review the existing Regional Competitiveness Program as defined under §§ 15.2-1306 through 15.2-1310, Code of Virginia and propose a plan that can be used to reestablish the Regional Competitiveness Program. In completing the plan, the Secretary is encouraged to identify and review the structure and relationships that have been established under the Regional Competitiveness Act. The Secretary shall also identify existing options that will continue the Commonwealth's efforts to encourage regional strategic economic development planning which identifies and addresses critical issues of economic competitiveness for the regions of Virginia. All agencies of the Commonwealth shall provide assistance to the Secretary in the development of this plan, upon request. The Secretary shall submit his final report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 14, 2003."

Explanation:

(This amendment requires the Secretary of Commerce and Trade to develop a plan to reestablish the Regional Competitiveness Program.)

Office of Commerce and Trade

Department Of Agriculture And
Consumer Services

Language

Language:

Page 89, line 5, strike "Director, Department of Planning and Budget".

Page 89, line 5, after "The" insert:

"Commissioner of the Virginia Department of Agriculture and Consumer Services".

Page 89, line 9, after "2003.", insert:

"In developing the operating plan for the structure and operation of the Milk Commission, the Commissioner shall seek input from representatives of the affected industry. The Secretary of Commerce and Trade shall review and approve the final plan. The approved plan shall be submitted to the Chairmen of the House

Appropriations and Senate Finance Committees by June 1, 2003."

Page 89, line 13, after "Item.", insert:

"It is also the intent of the General Assembly that proposed legislation to effectuate the merger shall ensure that the Milk Commission's current core operations continue in form and function separate from those of the Virginia Department of Agriculture and Consumer Services."

Explanation:

(This amendment provides additional guidance regarding the consolidation of the Milk Commission into the Department of Agriculture and Consumer Services.)

Commerce - Economic Development Subcommittee

Item 111 #3h

Office of Commerce and Trade

Department Of Housing And
Community Development

Language

Language:

Page 95, strike lines 19 through 53 and insert:

G.1. The Director of the Department of Housing and Community Development shall enter into an agreement with the Virginia Housing Development Authority, whereby the Authority shall purchase the portfolio of outstanding loans and other assets comprising the Virginia Housing Partnership Revolving Loan Fund upon such terms as shall be mutually agreed to by the Department and the Authority.

2. The Authority shall contract with a third party, subject to approval by the Secretary of Commerce and Trade, to review the underwriting and pricing of the portfolio with the costs of such review to be paid by the Authority. In selecting the third-party reviewer, the Secretary shall take into consideration the candidates' experience in the underwriting, pricing or sale of community development loan portfolios.

3. The agreement shall set out the details of the transfer of the responsibilities and functions of the housing finance activities of the Department to the Authority. As part of the agreement, any residual balances from the sale of the Virginia Housing Partnership Revolving Loan Fund shall be transferred to the Authority to be used in conjunction with existing resources to provide affordable housing to low-income Virginians not currently served by existing Authority programs.

4. Before the execution of such agreement, the Secretary of Commerce and Trade shall provide the House Appropriations and Senate Finance Committees the opportunity to review the agreement. For this review, the Secretary shall also include information identifying the options and alternatives reviewed for carrying out the purposes of § 36-142, Code of Virginia, as well as the rationale for selecting the option incorporated in the draft agreement. In developing and assessing options, the Secretary shall consult with representatives of the housing industry, including the Virginia Housing Coalition.

5. The draft agreement submitted by the Secretary of Commerce and Trade shall also include the discount rate to be applied in calculating the market value of the loan portfolio, and other pertinent items.

6. Upon execution of the agreement, the Authority shall deposit the proceeds of the sale into the Virginia Housing Partnership Revolving Loan Fund. Notwithstanding the provisions of §§ 36-141 through 36.151, Code of Virginia, the Director of the Department of Housing and Community Development is directed to pay from the proceeds of the sale of the Virginia Housing Partnership Revolving Loan Fund in the amount of \$40,822,000 to the general fund prior to June 30, 2003.”

Explanation:

(This amendment sets out the policies and procedures for the sale of the Virginia Housing Partnership Revolving Loan portfolio.)

Commerce - Economic Development Subcommittee

Item 125 #2h

Office of Commerce and Trade

Department Of Minority Business
Enterprise

Language

Language:

Page 105, after line 4, insert:

"The Department of Minority Business Enterprise, in conjunction with the Department of General Services, the Virginia Employment Commission and the Virginia Department of Transportation, is authorized to conduct analyses of the availability of minority business enterprises in Virginia and the utilization of such businesses by the Commonwealth of Virginia, localities or private industry in the acquisition of goods and services. To carry out such analyses, the Department is authorized to receive and accept from the

United States government, or any agency thereof, and from any other source, private or public, any and all gifts, grants, allotments, bequests or devises of any nature that would assist the Department in conducting such analyses or otherwise strengthen its services to minority business enterprises. The Department is further authorized to create and hold an institutional fund for its exclusive use and purposes into which it may deposit the proceeds of any gift, grant, bequest, allotment, or devise of any nature received from private sources. Such fund shall be subject to the Uniform Management of Institutional Funds Act (§ 55-268.1 et seq.). The fund and the income from such fund shall not be subject to the provisions of § 2.2-1802. The availability of such fund shall not be taken into consideration in, nor used to reduce, state appropriations or payments, but such funds shall be used in accordance with the wishes of the donors thereof to offset the costs of conducting analyses of the availability and utilization of minority business enterprises or otherwise strengthen the services rendered by the Department to minority business enterprises in the Commonwealth. The Director, Department of Planning and Budget, is authorized to establish a nongeneral fund appropriation for the purposes of expending revenues that may be received for this program."

Explanation:

(This amendment authorizes the Department to accept and receive donations in effectuating the purposes of this amendment.)

Commerce - Economic Development Subcommittee

Item 127 #1h

Office of Commerce and Trade

Milk Commission

Language

Language:

Page 106, line 23, strike "is hereby abolished" and insert:

"shall be merged into the Department of Agriculture and Consumer Services".

Explanation:

(This amendment clarifies language regarding the merger of the Milk Commission into the Virginia Department of Agriculture and Consumer Services.)

Commerce - Economic Development Subcommittee

Item 135 #7h

Office of Commerce and Trade

Virginia Tourism Authority

Language

Language:

Page 113, unstrike lines 30 through 39.

Page 113, line 31, strike "\$200,000 the first year".

Page 113, line 31, after "program," insert "\$160,000 the second year".

Page 113, line 34, after "Broadcasters." insert:

"The "See Virginia First" program shall be operated under the guidelines in effect on June 30, 2000."

Explanation:

(This amendment provides \$160,000 the second year from the general fund for the "See Virginia First" cooperative advertising program operated by the Virginia Association of Broadcasters.)

Commerce - Economic Development Subcommittee

Item 135 #8h

Office of Commerce and Trade

Virginia Tourism Authority

Language

Language:

Page 115, line 33, strike "Tourist Promotion" and insert:
"cooperative advertising program".

Page 115, line 34, after "provided" strike "\$250,000".

Page 115, line 34, unstrike "and \$250,000 year".

Page 115, line 34, unstrike "second year".

Page 115, line 34, after "and" strike "\$250,000" and insert "\$150,000".

Explanation:

(This amendment restores \$150,000 in the second year from the cooperative advertising program to support the activities of the Tredegar National Civil War Museum.)

Commerce - Economic Development Subcommittee

Item 135 #9h

Office of Commerce and Trade

Virginia Tourism Authority

Language

Language:

Page 115, line 47, after "year" insert "\$50,000 the second year".

Explanation:

(This amendment restores \$50,000 from the cooperative advertising program to support the activities of the Coalfield Regional Tourism Authority.)

Commerce - Economic Development Subcommittee

Item 464 #1h

Technology

Secretary Of Technology

Language

Language:

Page 430, line 12, before "The" insert "1."

Page 430, after line 27, insert:

"2. The Secretary of Technology, Secretary of Education, and Chancellor of the Virginia Community College System shall prepare an operating plan that details the merger of the A.L. Philpott Manufacturing Extension Partnership into the Center for Innovative Technology. The focus of the operating plan shall address: (i) the extent to which any similar functions or programs operated by both entities can be combined to generate cost savings or enhance the delivery of services, (ii) the elimination of duplicative administrative activities, (ii) the consolidation or merger of regional offices to effectuate cost savings and enhance the delivery of services statewide, and (iv) the need to maintain the Manufacturing Extension Partnership at its current location. The report shall be submitted by November 13, 2003, to the Chairmen of the House Appropriation and Senate Finance Committees and the Chairman of the Joint Commission on Technology and Science. The Innovative Technology Authority, the Department of Planning and Budget, and the Virginia Community College System shall cooperate and provide assistance upon request."

Explanation:

(This amendment is self-explanatory.)

Commerce - Economic Development Subcommittee

Item 470 #2h

Technology

Innovative Technology Authority

Language

Language:

Page 436, after line 14, insert:

"J. The Center for Innovative Technology shall continue to support efforts of public and quasi-public bodies within the Commonwealth to enhance or facilitate the prompt availability of and access to advanced electronic communications services, commonly known as broadband, throughout the Commonwealth, monitoring trends and advances in advanced electronic communications technology to plan and forecast future needs for such technology, and identify funding options."

Explanation:

(This amendment requires the Center for Innovative Technology to continue to support efforts to expand the availability of broadband services.)

Commerce - Economic Development Subcommittee

Item 470 #3h

Technology

Innovative Technology Authority

Language

Language:

"Page 436, after line 14, insert:

J.1.a. Notwithstanding the provisions of § 2.2-2515, Code of Virginia, from such funds as may be appropriated by the General Assembly and any gifts, grants, or donations from public or private sources, there is created in the state treasury a special nonreverting, permanent fund, to be known as the Commonwealth Technology Research Fund ("the Fund"), to be administered by the Authority. The Fund shall be established on the books of the Comptroller. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund at the end of each fiscal year, including interest thereon, shall not revert to the general fund but shall remain in the Fund. Expenditures and disbursements from the Fund, which may consist of grants or loans, shall be made by the State Treasurer on warrants issued by the Comptroller upon written request bearing the signature of the chairman or the vice-chairman of the Authority, or, if so authorized by the Authority, bearing his facsimile signature, and the official seal of the Authority, subject to any restrictions listed in Item 512 of this act.

b. Moneys in the Fund shall be used for the sole purpose of attracting public and private research funding for institutions of higher education, in order to increase technological and economic development in Virginia. Awards from the Fund shall be made to Virginia public institutions of higher education or to their associated intellectual property foundations.

2.a. For purposes of awards, the Fund shall have four components: (i) a matching funds program to leverage federal and private research dollars; (ii) a strategic enhancement program to upgrade the research capacity of those academic departments that have demonstrated the ability to perform innovative research in technology fields that has strong potential to contribute to economic development in the Commonwealth; (iii) a program to upgrade research capacity in key departments of the institutions in order to attract specific companies to locate or expand in Virginia; and (iv) a program to enhance the capability of the institutions of higher education to commercialize technologies developed through their research.

b. Awards for the matching funds component shall be contingent upon the approval of the institution's grant proposal for federal or private funds. Awards from the Fund shall be matched on at least a dollar-for-dollar basis by the respective institution of higher education, with private funds, or combinations thereof. However, for good cause, this requirement may be waived, in whole or in part, by the chairman of the Authority, provided that such action is reported to the Chairmen of the House Appropriations and Senate Finance Committees at least 10 days prior to the award or disbursement of such funds for such purpose.

3.a. Awards shall be based on the scientific merit and economic development potential of research programs in the following fields: aerospace, biotechnology, energy, environmental and information technologies, high performance manufacturing, telecommunications, and transportation. However, for good cause, awards supporting research in other relevant fields or disciplines may be made by the chairman of the Authority, provided that such action is reported to the Chairmen of the House Appropriations and Senate Finance Committees at least 10 days prior to the award or disbursement of such funds for such purpose.

b. Specific guidelines for the award of funds from this program shall be established and maintained by the Authority, in consultation with the Virginia Economic Development Partnership and the State Council of Higher Education. These guidelines shall address, at a minimum, the application process, and the composition and operation of proposal review panels, and give special emphasis to fostering collaboration between institutions of higher education and partnerships between institutions of higher education and business and industry.

c. The chairman of the Authority shall coordinate the evaluation of proposals, to be conducted by review panels with the appropriate science and technology expertise,

drawn from federal agencies and academic and industrial research institutions across the country.

d. Recommendations on the grants shall be made by representatives from the Virginia Research and Technology Advisory Commission pursuant to § 2.2-2515, the Virginia Economic Development Partnership, and the State Council of Higher Education based on the recommendations of the review panels.

4. The chairman of the Authority shall provide the Governor and the General Assembly with an annual report which shall include a detailed list of awards committed, the amount of each approved award, a description of the approved proposals, and the amount of federal or private matching funds anticipated where applicable, and an assessment of the effectiveness of the Fund in attracting public and private research funding and increasing technological and economic development in Virginia."

Explanation:

(This amendment places responsibility for administering the Technology Research Fund to the Center for Innovative Technology as required by House Bill 2284.)

Commerce - Economic Development Subcommittee

Item 471.10 #1h

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 438, after line 49, insert:

"5. At least 60 days prior to implementing any consolidation of the procurement and operational functions of information technology, which includes but is not limited to servers and networks, from state agencies as authorized in the sixth enactment clause of House Bill 1926, the Secretary of Technology shall prepare a report on the operating plan that will be used to implement the consolidation. The report shall be submitted to the Chairmen of the House Appropriations, Senate Finance, Senate General Laws, and House Science and Technology Committees. The report shall include but not be limited to the following items: (i) a listing by agency of the equipment that has been identified for transfer to the Virginia Information Technologies Agency; (ii) a listing by agency of the position description for each

position to be transferred to the Virginia Information Technologies Agency; (iii) the methodology used to determine the staff and equipment to be transferred to the Virginia Information Technologies Agency; and (iv) discussion on the manner in which procurement and operational functions of information technology services will continue to be provided to each agency affected by the consolidation."

Explanation:

(This amendment requires a report by the Secretary of Technology at least 60 days prior to any consolidation of staff and equipment as authorized by House Bill 1926.)

Commerce - Economic Development Subcommittee

Item 471.10 #1h

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 437, strike lines 1 through 11.

Page 437, line 12, strike "B" and Insert "A".

Page 437, line 12, after "a.", strike "The".

Page 437, line 12, after, "a." insert:

"Consistent with the provisions of House Bill 1926, the".

Page 437, line 18, after "Agency." strike "An information technology".

Page 437, strike lines 19 to 22.

Page 437, strike lines 35 to 58.

Page 438, strike lines 1 to 49.

Page 438, line 50, strike "D" and insert "B".

Explanation:

(This amendment makes corrections to language included in the budget, as introduced, to conform to the provisions of technology reform legislation approved by the House.)

Commerce - Economic Development Subcommittee

Item 471.10 #2h

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 438, after line 49, insert:

"5. The Secretary of Technology shall provide a report by August 1, 2003 to the Chairmen of the House Appropriation, Senate Finance, Senate General Laws, and the Chairman of the House Science and Technology Committees that details a draft of the memorandum of agreement that is proposed to be used to guide the provision of information technology equipment and operating support by the Virginia Information Technologies Agency to each affected state agency. The report shall also detail how service levels will be determined, the input affected agencies will have in ensuring service levels are maintained, and mechanisms available to agencies with concerns about services provided by the Virginia Information Technologies Agency. No memorandum of agreement shall be executed between the Virginia Information Technologies Agency and any state agency prior to the Committees cited earlier having the opportunity to review and comment upon the draft memorandum of agreement."

Explanation:

(This amendment requires that the Secretary of Technology to provide a report on the proposed memorandum of agreement to be used to determine the type and level of services to be provided by the Virginia Information Technologies Agency.)

Commerce - Economic Development Subcommittee

Item 471.10 #3h

Technology

Virginia Information Technologies Agency

Language

Language:

Page 438, after line 49, insert:

"5. Notwithstanding the effective date of House Bill 1926, the Governor and the Joint Rules Committee are authorized to appoint their respective members to the Information Technology Investment Board prior to July 1, 2003. However, the powers and authorities granted to the Board shall not become effective until July 1, 2003."

Explanation:

(This amendment authorizes the Governor and the Joint Rules Committee to appoint individuals to the Information Technology Investment Board prior to the effective date of House Bill 1926.)

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 438, after line 49, insert:

"5. Notwithstanding the reporting requirements of House Bill 1926, the Chief Information Officer shall report quarterly on the activities of the Virginia Information Technologies Agency, the status of any consolidations of state agency information technology operations and staff, the status of cost saving initiatives, and any other information that may be requested by the Chairmen of the House Appropriations, Senate Finance, Senate General Laws, and House Science and Technology Committees."

Explanation:

(This amendment requires quarterly reports from the Chief Information Officer regarding the activities of the Virginia Information Technologies Agency.)

Central Appropriations

Central Appropriations

Language

Language:

Page 476, after line 24, Insert:

"510.10. Technology Reform

"A. Consistent with the provisions of House Bill 1926, the Director, Department of Planning and Budget, is authorized to transfer general fund and nongeneral fund appropriations from Executive Department agencies, other than institutions of higher education, to this item. These transfers shall be from such savings as the Secretary of Technology, or the Chief Information Officer upon his hiring, may identify from actions such as: (i) consolidation of servers, networks, desktop support, help desk operations, and desktop and server licenses, (ii) centralization of procurement, (iii) conversion of contract positions to full-time or part-time state employment, (iv) centralized access management, and (v) promulgation of a revised

telecommunications usage policy, including dedicated private lines. The State Comptroller shall transfer cash consistent with these appropriation transfers.

B. The Department of Planning and Budget shall increase the position level and make adjustments within the line items of any agency of the Commonwealth to the extent necessary to carry out the provisions of Paragraph A(iii) of this item."

Explanation:

(This amendment captures savings resulting from implementation of technology reform consistent with the provisions of House Bill 1926.)

Commerce - Economic Development Subcommittee

Item 512 #4h

Central Appropriations

Central Appropriations

Language

Language:

Page 485, line 11, after "Services", insert:

"In developing the guidelines to allocate payments, the Commissioner of the Department of Agriculture and Consumer Services shall consult with representatives of the affected industries."

Explanation:

(This amendment requires the Department of Agriculture and Consumer Services to seek input from the poultry industry in developing guidelines for the distribution of the indemnity payments.)

Commerce - Economic Development Subcommittee

Item 512 #8h

Central Appropriations

Central Appropriations

Language

Language:

Page 482, line 30, after "G." strike "1." and insert "a."

Page 482, line 33, after "Fund.", strike the remainder of line.

Page 482, strike lines 34 through 38.

Page 482, line 39, insert "b. Notwithstanding § 2.2-233.1, Code of Virginia,".

Page 482, line 39, strike "Expenditures" and insert "expenditures".

Page 482, stike lines 43 through 58.

Page 483, strike lines 1 through 57.

Page 484, strike lines 1 through 19.

Explanation:

(This amendment modifies the administration of the Commonwealth Technology Research Fund and is contingent upon passage of House Bill 2284.)

Commerce - Economic Development Subcommittee

Item 512 #12h

Central Appropriations

Central Appropriations

Language

Language:

Page 481, line 42, after "balances." insert:

"Interest totaling \$500,000 is deferred until fiscal year 2005."

Explanation:

(This amendment defers \$500,000 of interest until fiscal year 2005.)

Commerce - Economic Development Subcommittee

Item 3-1.01 #2g

Transfers

Interfund Transfers

Language

Language:

Page 563, strike lines 45 and 46.

Page 563, line 48, strike "\$100,000" and insert "\$81,344".

Page 565, line 24, strike "\$118,549,074" and insert "\$118,380,418".

Explanation:

(This amendment reduces the amount to be transferred from the nongeneral fund balances of the Department of Housing and Community Development per § 3-1.01, Paragraph U.1.)

Commerce - Economic Development Subcommittee

Item 3-1.01 #5g

Transfers

Interfund Transfers

Language

Language:

Page 564, line 66, strike "\$902,000" and insert "\$0".

Page 564, after line 66, insert:

"136 Virginia Information Technologies Agency 0900 \$0 \$9,745,098".

Page 564, strike line 67.

Page 565, line 1, strike "\$0" and insert "\$6,956,273".

Page 565, line 1, strike "\$4,100,000" and insert "\$0".

Explanation:

(This amendment modifies the transfers as shown in § 3-1.01, Paragraph U.1. to reflect the new Virginia Information Technologies Agency and corrects the fund sources used to transfer amounts from the Department of Technology Planning. There is no impact on the total amount being transferred.)

Commerce - Economic Development Subcommittee

Item 3-1.01 #12h

Transfers

Interfund Transfers

Language

Language:

Page 560, line 3, unstrike "\$112,000".

Explanation:

(This amendment restores the second year federal cost recovery for the VDACS meat inspection program.)

Commerce - Economic Development Subcommittee

Item 3-1.01 #15h

Transfers

Interfund Transfers

Language

Language:

Page 568, line 43, after "1." strike "The" and insert:

"Consistent with the provisions of House Bill 1926, the".

Page 568, line 43, after "fund" insert:

"an amount estimated at \$19,393,549".

Page 568, line 43, strike "the following amounts from the"

Page 568, line 44, strike "state agencies and fund sources listed below".

Page 568, strike lines 45 to 56.

Page 569, strike lines 1 to 48.

Explanation:

(This amendment provides the Comptroller with additional flexibility in achieving nongeneral fund transfers required in the budget, as introduced.)

Commerce - Economic Development Subcommittee

Item 3-2.03 #2h

Working Capital Funds and Lines of Credit

Lines of Credit

Language

Language:

Page 571, strike lines 11 through 15.

Explanation:

(This amendment eliminates a proposed \$30.0 million line of credit for the proposed Virginia Information Technologies Agency. It is the intent of the General Assembly that it have the opportunity to review and approve funding for major technology projects.)

Commerce - Economic Development Subcommittee

Item 4-5.06 #3h

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 594, line 49, strike "Director" and insert "Chief Information Officer".

Page 594, line 53, strike "Director" and insert "Chief Information Officer".

Explanation:

(This amendment makes technical corrections to conform language in the budget to the provisions of House Bill 1926.)