



Report of the Subcommittee on
Economic Development and
Natural Resources

(Amendments to SB 700,
as Introduced)

Senate Finance Committee
Virginia General Assembly

February 6, 2005



SENATE OF VIRGINIA

Senate Finance Committee

**2005 Report of the Economic Development and Natural Resources
Subcommittee
Walter A. Stosch, Chairman**

Mr. Chairman and Members of the Committee:

I am pleased to report the recommendations of the Economic Development and Natural Resources Subcommittee. I believe that the amendments before you will significantly improve our environment and will offer a new array of economic opportunities for our rural communities.

ECONOMIC DEVELOPMENT

The Governor in his introduced budget included a new initiative to encourage economic expansion in rural Virginia. *Virginia Works* incorporates many ideas that the Senate Finance Committee has championed over the years, including adequate funding for the Governor's Opportunity Fund, workforce development, greater investment in agriculture and forestry, industrial site redevelopment, and support for local tourism. The Subcommittee recommends \$16.9 million for the initiative.

The Subcommittee also fully supports the Governor's actions to boost spending for workforce training and to honor the commitment pledged to Infineon Technologies, Inc. for their major plant expansion.

In addition, the Subcommittee recommends \$440,000 for homeless programs, specifically to provide greater health, education, and mental health services for the more than 5,000 children who are

in emergency shelter and transitional housing facilities and to assist in the development of single room occupancy units for adults with very low income or special needs.

NATURAL RESOURCES

Mr. Chairman, the protection and preservation of Virginia's natural resources is a constitutional obligation. It is an obligation that the Committee takes seriously.

To that end, the Subcommittee recommends a total of \$75.1 million for water quality programs. This is in addition to the \$32.4 million proposed in the introduced budget bill. The Subcommittee's recommendation will address point source pollution in the Chesapeake Bay watershed, the combined sewer overflow problems of the Cities of Richmond and Lynchburg, safe drinking water in Southwest Virginia, and water quality monitoring. But, the Subcommittee realizes that the resources to fulfill Virginia's commitment under the Chesapeake 2000 Agreement and the consent decree will require more. We look forward to working with other policy makers to develop the necessary funding mechanism.

The Subcommittee is also interested in protecting and preserving Virginia's historical resources and lands for recreational and economic purposes. The amendment package includes \$20.0 million for the Virginia Land Conservation Foundation to carry out these purposes as well as funding for the Department of Historic Resources to perform its mission.

Mr. Chairman, the Subcommittee has long supported Virginia's state parks and natural area preserves. We applaud and support the Governor for his \$2.2 million amendments. The Subcommittee recommends an additional \$3.2 million for these programs.

In closing, I would like to say that we believe in Virginia's future, and we believe our recommendations will help make that future better.

Respectfully Submitted,

The Honorable Walter A. Stosch, Chairman

The Honorable Charles R. Hawkins

The Honorable Richard L. Saslaw

The Honorable Frederick M. Quayle

The Honorable Emmett W. Hanger, Jr.

The Honorable John C. Watkins

**Agriculture & Forestry
Amendments to SB 700**

AGENCIES	General Fund Recommendations			NGF	Positions
	FY 2005	FY 2006	Biennium	Biennium	FY 2006
Secretary of Agriculture & Forestry					
SB 700, as introduced	68,000	540,000	608,000	0	3.00
Asian Soybean Rust		50,000	50,000		
<i>Total</i>	68,000	590,000	658,000	0	3.00
Agriculture					
SB 700, as introduced	23,471,283	23,777,694	47,248,977	47,821,662	501.00
Stewardship Program		60,000	60,000		1.00
Coyote Control Program		50,000	50,000		
Weights & Measures		500,000	500,000	(427,111)	
Products Promotion		100,000	100,000		
Hydrilla control		100,000	100,000		
Performance goals and objectives	Language				
<i>Total</i>	23,471,283	24,587,694	48,058,977	47,394,551	502.00
Forestry					
SB 700, as introduced	14,339,700	15,178,704	29,518,404	19,528,184	323.38
Reforestation of Timberlands		150,000	150,000		
Fire-fighting equipment		200,000	200,000		
<i>Total</i>	14,339,700	15,528,704	29,868,404	19,528,184	323.38
VA Agricultural Council					
SB 700, as introduced			0	980,668	0.00
No amendments					
<i>Total</i>	0	0	0	980,668	0.00
Total Operating Amendments	0	1,210,000	1,210,000	(427,111)	1.00

**Economic Development
Amendments to SB 700**

AGENCIES	General Fund Recommendations			NGF	Positions
	FY 2005	FY 2006	Biennium	Biennium	FY 2006
Secretary of Commerce & Trade					
SB 700, as introduced	658,171	797,149	1,455,320	0	8.00
Regional Project Investment Board	Language				
<i>Total</i>	658,171	797,149	1,455,320	0	8.00
Board of Accountancy					
SB 700, as introduced			0	1,172,000	4.00
No Amendments					
<i>Total</i>			0	1,172,000	4.00
Business Assistance					
SB 700, as introduced	10,865,726	11,216,542	22,082,268	4,662,090	62.50
Small business incubators		(150,000)	(150,000)		
DBA & DMBE administrative functions	Language				
<i>Total</i>	10,865,726	11,066,542	21,932,268	4,662,090	62.50
Housing & Community Development					
SB 700, as introduced	23,953,516	44,975,680	68,929,196	142,642,082	136.00
SRO Housing for Homeless		300,000	300,000		
Homeless Children's' Coordinators		140,000	140,000		
Planning district commissions		200,000	200,000		
Enterprise Zones - SB 983		11,540,000	11,540,000		
Olmstead Advisory Committee		(1,500,000)	(1,500,000)		
Water projects	10,000,000		10,000,000		
VA Works: reduction		(4,000,000)	(4,000,000)		
Performance goals and objectives	Language				
Center for Rural Development	Language				
<i>Total</i>	33,953,516	51,655,680	85,609,196	142,642,082	136.00
Labor and Industry					
SB 700, as introduced	6,745,668	6,870,186	13,615,854	10,624,757	180.00
No amendments					
<i>Total</i>	6,745,668	6,870,186	13,615,854	10,624,757	180.00
Mines, Minerals & Energy					
SB 700, as introduced	9,545,182	9,545,201	19,090,383	35,690,674	235.00
No amendments					
<i>Total</i>	9,545,182	9,545,201	19,090,383	35,690,674	235.00
Minority Business Enterprise					
SB 700, as introduced	634,605	663,571	1,298,176	2,131,848	24.00
Vacancy Savings		(164,713)	(164,713)	(164,713)	(2.00)
<i>Total</i>	634,605	498,858	1,133,463	1,967,135	22.00
Professional & Occupational Reg.					
SB 700, as introduced	0	0	0	24,647,614	142.00
No amendments	0	0	0	0	
<i>Total</i>	0	0	0	24,647,614	142.00
VA Economic Development Partnership					

**Economic Development
Amendments to SB 700**

AGENCIES	General Fund Recommendations			NGF	Positions
	FY 2005	FY 2006	Biennium	Biennium	FY 2006
SB 700, as introduced	15,933,880	15,401,939	31,335,819		
Special incentives study	Language				
<i>Total</i>	15,933,880	15,401,939	31,335,819		
VA Employment Commission					
SB 700, as introduced	130,637	180,637	311,274	1,168,841,502	1,042.50
Career readiness certificate program		(100,000)	(100,000)		
Advantage VA incentive program	(50,000)		(50,000)		
<i>Total</i>	80,637	80,637	161,274	1,168,841,502	1,042.50
VA Racing Commission					
SB 700, as introduced	0	0	0	8,004,260	10.00
No amendments					
<i>Total</i>	0	0	0	8,004,260	10.00
VA Tourism Authority					
SB 700, as introduced	11,744,914	11,095,098	22,840,012		
Coalfield Regional Tourism Authority		25,000	25,000		
"See VA First" - VAB		150,000	150,000		
"See VA First" - Billboards		35,000	35,000		
Performance goals and objectives	Language				
<i>Total</i>	11,744,914	11,305,098	23,050,012		
CIT					
SB 700, as introduced	7,748,153	6,087,085	13,835,238		
VECTEC		(250,000)	(250,000)		
Phase out general fund support		(1,911,068)	(1,911,068)		
<i>Total</i>	7,748,153	3,926,017	11,674,170		
Central Appropriations					
Biotech commercialization loans	(100,000)	(1,500,000)	(1,600,000)		
Appomattox River dredging		500,000	500,000		
VA Biotechnology Research Park	Language				
<i>Total</i>	(100,000)	(1,000,000)	(1,100,000)		
ED - Operating Amends					
Agriculture & Forestry Amends	9,950,000	6,475,287	16,425,287		
Other Operating Amends	0	1,210,000	1,210,000	(427,111)	1.00
TOTAL	(100,000)	(3,161,068)	(3,261,068)		
TOTAL	9,850,000	4,524,219	14,374,219	(427,111)	1.00

**Natural Resources
Amendments to SB 700**

AGENCIES	General Fund Recommendations			NGF	FTEs
	FY 2005	FY 2006	Biennium	Biennium	FY 06
Secretary of Natural Resources					
SB 700, as introduced	532,452	604,795	1,137,247	0	6.00
No Amendments					
<i>Total</i>	532,452	604,795	1,137,247	0	6.00
Chippokes Plantation					
SB 700, as introduced	154,422	154,455	308,877	134,206	
No amendments					
<i>Total</i>	154,422	154,455	308,877	134,206	
Conservation and Recreation					
SB 700, as introduced	43,268,999	60,340,307	103,609,306	45,191,771	453.00
Chesapeake Bay Restoration Grants				439,434	
Natural heritage preservation		200,000	200,000		
Rappahannock River Basin Comm.		30,000	30,000		
SWCD dam maintenance		358,000	358,000		
State parks support		3,000,000	3,000,000		
Land conservation	20,000,000		20,000,000		
WQIF Reserve: technical amendment	Language				
<i>Total</i>	43,268,999	63,928,307	127,197,306	45,631,205	453.00
Environmental Quality					
SB 700, as introduced	50,795,452	60,584,008	111,379,460	236,026,420	898.00
Permit fees relief		35,000	35,000		
Water quality monitoring		106,000	106,000		
Water Quality Improvement Fund	65,000,000		65,000,000		
<i>Total</i>	50,795,452	60,725,008	176,520,460	236,026,420	898.00
Game and Inland Fisheries					
SB 700, as introduced				90,374,434	467.00
Report on damage caused by bears	Language				
<i>Total</i>				90,374,434	467.00
Historic Resources					
SB 700, as introduced	2,492,929	2,751,638	5,244,567	2,515,171	44.00
Environmental impact statements		(100,000)	(100,000)		
Easement & procurement positions		131,140	131,140		2.00
Inventory data sharing		80,000	80,000		2.00
Revolutionary War veterans' graves		2,845	2,845		
<i>Total</i>	2,492,929	2,865,623	5,358,552	2,515,171	48.00
Marine Resources Commission					
SB 700, as introduced	8,750,741	8,806,264	17,557,005	12,877,592	164.00
Marine police officers		350,000	350,000		5.00
Oyster replenishment		1,000,000	1,000,000		

**Natural Resources
Amendments to SB 700**

AGENCIES	General Fund Recommendations			NGF	FTEs
	FY 2005	FY 2006	Biennium	Biennium	FY 06
Veined Rapa Whelk		40,000	40,000		
<i>Total</i>	8,750,741	10,196,264	18,907,005	12,877,592	169.00
Natural History Museum					
SB 700, as introduced	1,614,486	2,104,386	3,718,872	899,748	40.50
No amendments					
<i>Total</i>	1,614,486	2,104,386	3,718,872	899,748	40.50
Capital					
DGIF - Adjust scope of project				400,000	
DGIF - Powhatan Lakes				2,000,000	
DCR - land acquisition	Language				
Miscellaneous Provisions					
Litter Control and Recycling Grants	Language				
Natural Resources Total					
Chapter 700, as introduced	107,609,481	135,345,853	242,955,334	388,019,342	2,072.50
<i>Amendments</i>	<i>85,000,000</i>	<i>5,232,985</i>	<i>90,232,985</i>	<i>439,434</i>	<i>9.00</i>
Operating Total	192,609,481	140,578,838	333,188,319	388,458,776	2,081.50

Commerce And Trade

Secretary Of Commerce And Trade

Language

Language:

Page 83, strike lines 19 through 29 and insert:

"D.1. The Governor is hereby authorized to allocate an amount not to exceed \$2,500,000 in any one fiscal year from the unappropriated balance, derived by subtracting the general fund appropriations from the projected general fund revenues in this act, to address unanticipated business or industrial development opportunities of regional significance that will benefit the state's economy and for which other funding is not then available. Any such allocation shall be made only upon the approval of the Regional Project Investment Board.

2. The Regional Project Investment Board shall advise the Governor on any unanticipated business or industrial development of regional significance requiring state financial assistance as described in this Item. The Board shall be chaired by the Secretary of Commerce and Trade, and shall include the Secretaries of Agriculture and Forestry, Finance, and Transportation or their designees. Before making any recommendation to the Governor, the Board shall consult with the Chairmen of the Senate Finance and House Appropriations Committees or their designees. As part of the consultation, the Board shall share with the two Chairmen or their designees all information available to the Board on the unanticipated business or industrial development project."

Explanation:

(This amendment authorizes the Governor to use up to \$2.5 million of the unappropriated general fund balance to address an unanticipated business or industrial development opportunity. The language establishes a Regional Project Investment Board to advise the Governor on such opportunities.)

Commerce And Trade

Department Of Agriculture And
Consumer Services

FY 04-05

\$0
\$0

FY 05-06

\$500,000 GF
(\$427,111) NGF

Language:

Page 87, line 6, strike "\$2,268,624" and insert "\$2,341,513".

Page 97, line 16, after "\$4", insert "the first year".

Page 97 strike lines 24 through 55.

Page 98, strike lines 1 through 9.

Explanation:

(This amendment restores the general fund dollars (\$500,000) cut from the Department's Weights and Measures Program in FY 2004. The amendment also deletes the budget language authorizing a registration fee in FY 2006, and reduces the program's nongeneral fund appropriation by an amount equivalent to the \$4.00 registration fee authorized by the 2004 Appropriation Act.)

Economic Development - Natural Resources
Subcommittee

Item 107 #7s

Commerce And Trade

Department Of Business Assistance

Language

Language:

Page 91, after line 23, insert:

"L. The Department of Business Assistance shall perform all accounting, financial reporting, procurement, purchasing, personnel, payroll, and other non-program administrative functions for the Department of Minority Business Enterprises. Both agency Directors shall certify to the State Comptroller that the systems, processes and procedures are sufficient to provide each agency with adequate internal controls and comply with all applicable laws, rules and regulations of the Commonwealth and any applicable federal grants or contracts. Should either agency Director determine that a system, process or procedure prevents them from fulfilling their programmatic mission, they shall document this concern in writing to the State Comptroller, who shall recommend changes if any to accommodate the concern. An interagency agreement shall be entered into by July 1, 2005 stipulating any payment to be made by the Department of Minority Business Enterprise to the Department of Business Assistance for services rendered. Terms of such agreement are to be reflected in the Budget Bill submitted to the 2006 Session of the General Assembly."

Explanation:

(This amendment directs the Department of Business Assistance to conduct all financial and other non-program related administrative functions for the Department of

Minority Business Enterprise. The Auditor of Public Accounts has repeatedly identified internal control shortcomings at DMBE regarding its financial management activities. This amendment would allow for the consolidation of such work at DBA, an agency with sufficient personnel dedicated to such activities.)

Economic Development - Natural Resources
Subcommittee

Item 111 #8s

Commerce And Trade

Department Of Housing And
Community Development

Language

Language:

Page 97, after line 28, insert:

"I. As part of its mission, the Center for Rural Development shall monitor the implementation of the Virginia Works Program, and shall report periodically to the Chairmen of the Senate Finance and House Appropriations Committees on the effectiveness of the Virginia Works Program in addressing rural economic development problems."

Explanation:

(This amendment directs the Center for Rural Development to monitor and assess the effectiveness of the Virginia Works Program, and to report its findings to the Senate Finance and House Appropriations Committees.)

Economic Development - Natural Resources
Subcommittee

Item 111 #9s

Commerce And Trade

Department Of Housing And
Community Development

FY 04-05	FY 05-06
\$10,000,000	\$0 GF

Language:

Page 95, line 2, strike "\$40,077,706" and insert "\$50,077,706".

Page 97, after line 28, insert:

"I. Out of the appropriation for this Item, \$10,000,000 the first year from the general fund shall be provided to pay the capital costs for safe drinking water and wastewater treatment in the Lenowisco, Cumberland Plateau, or Mount Rogers planning districts.

The Department shall leverage the appropriation with other state moneys, federal grants or loans, local contributions, and private or nonprofit resources. Any unexpended balance in the Item for this purpose on June 30, 2005, and June 30, 2006, shall not revert to the general fund, but shall be carried forward, reappropriated, and allotted."

Explanation:

(This amendment provides \$10.0 million GF for clean water projects in Southwest Virginia.)

Economic Development - Natural Resources
Subcommittee

Item 112.10 #2s

Commerce And Trade

FY 04-05

FY 05-06

Department Of Housing And
Community Development

\$0

(\$4,000,000) GF

Language:

Page 99, line 2, strike "\$18,623,000" and insert "\$14,623,000".

Page 99, line 7, after "Works.", insert: "The Governor is authorized to adjust the amounts specified in this Item in order to match the general fund appropriations in each year. Unless indicated otherwise, the Secretary of Commerce and Trade shall provide a status report on the implementation of Virginia Works, including but not limited to the dollar amounts spent or obligated, the number of jobs created as a result of the program, the amount of local, federal or private money leveraged by Virginia Works, the number of persons trained, and the number of businesses created. The report shall be submitted to the Chairmen of the Senate Finance and House Appropriations Committees by December 28, 2005."

Page 99, strike lines 27 through 35 and insert:

"C. Out of the amounts for Economic and Community Development Services shall be provided \$2,995,000 the second year from the general fund to the Department of Conservation and Recreation to provide grants and enter into agreements with Roanoke River Rails to Trails, Inc., a 501(c)(3) organization, and other community organizations and local governments as necessary, for the acquisition, development, and maintenance of an approximately 50-mile section (from around Halifax County line to Lawrenceville area) as part of a rails to trails network in Southside Virginia. The Director of the Department of Conservation and Recreation also is authorized to use this funding for reasonable expenses necessary to carry out the Department's

responsibilities for this project. As part of the project, the Director of the Department of Conservation and Recreation shall develop a strategic plan for "rails to trails" projects in Southside Virginia. As part of the plan, the Department shall identify and develop partnerships with nonprofit organizations, regional park authorities, local governments, and other public bodies to acquire through purchase or donation abandoned rail lines. Such partnerships shall detail the responsibility of the state and its partners on such issues as the management, maintenance, and operation of "rails to trails." The Department shall report to the Chairmen of the Senate Finance and House Appropriations Committees on its findings and recommendations for action by December 28, 2005. The Director, Department of Planning and Budget, is authorized to establish a capital project for this purpose."

Page 100, line 48, after "purpose.", insert:

"The Department of Housing and Community Development shall report to the Chairmen of the Senate Finance and House Appropriations Committees by December 28, 2004, on the site locations for the two Artisan Centers, the amounts of private and nonstate investment committed to each project, the schedule to have each center in operation entirely or through a phased-in approach, the management structure for each Center, and potential future financial obligations for the state."

Page 102, line 59, after "3.", insert:

"As a condition of appropriation for this Item, the Director shall provide the Chairmen of the Senate Finance and House Appropriations Committees a draft of the article of incorporation for review and comment."

Explanation:

(This amendment reduces funding for the Virginia Works Program by \$4.0 million and establishes reporting requirements.)

Economic Development - Natural Resources
Subcommittee

Item 128 #2s

Commerce And Trade

Virginia Economic Development
Partnership

Language

Language:

Page 110, after line 50, insert:

"O. The Virginia Economic Development Partnership, in conjunction with the Virginia Tobacco Indemnification and Community Revitalization Commission, the Departments of Business Assistance and Housing and Community Development, and the Virginia Community College System, shall evaluate the Commonwealth's policy, tax, and budget incentives capable of attracting new investment and job creation such as major automotive industries or other significant economic development projects to targeted regions of Virginia with emphasis placed on those localities with the most need of economic development. Such incentive packages may be in the range of those offered by other states for such business incentive packages. The Partnership shall report its findings and recommendations to the Chairmen of the Senate Finance and House Appropriations Committees by December 28, 2005."

Explanation:

(This amendment requires the Partnership to work with several state agencies to review the state's economic development policies and incentives in order to determine what, if any, changes are needed to attract a major manufacturer to areas outside of Northern Virginia, Hampton Roads, and Central Virginia.)

Economic Development - Natural Resources
Subcommittee

Item 385 #2s

Natural Resources	FY 04-05	FY 05-06	
Department Of Environmental Quality	\$0	\$35,000	GF

Language:

Page 369, line 38, strike "\$35,764,296" and insert "\$35,799,296".
Page 370, after line 44, insert:

"E. Out of this Item, \$35,000 the second year from the general fund shall be used by the Director to waive or forgive the annual VPDES Permit Program Maintenance Fee due either October 1, 2004 or October 1, 2005 for any municipal waste water treatment of drinking water treatment system, publicly owned, that is a Virginia Pollution Discharge Elimination System permit holder with a discharge limit of less than 10 million gallons per day, that paid permit application fees between July 1, 2002 and June 30, 2004 and that submitted a written appeal claiming financial hardship caused by payment of the fee to the Department by December 31, 2004."

Explanation:

(This amendment provides \$35,000 GF to address a transition issue created when DEQ implemented a new fee structure. The new fee schedule did not result in a net increase for most facilities. However, some smaller operations did not have sufficient time to prepare for the change. The amendment sets up a process for the agency to review these hardships and to waive or forgive the amounts due.)

Economic Development - Natural Resources
Subcommittee

Item 393 #1s

Natural Resources

Department Of Game And Inland
Fisheries

Language

Language:

Page 375, after line 39, insert:

"C. The Department of Game and Inland Fisheries shall report on the Black Bear Damage Programs in other states, which may have application to Virginia's Black Bear Management Program. The Department is further directed to review the policies of federal land management agencies within the Commonwealth which may impact Virginia's ability to manage the resident Black Bear population and associated damage. This information shall be made available to the General Assembly by December 1, 2005."

Explanation:

(This amendment requires the agency to report on other states' Black Bear management programs and to work with relevant federal agencies owning land in the Commonwealth to review the impact of federal policies on Virginia's management program.)

Economic Development - Natural Resources
Subcommittee

Item 506 #2s

Central Appropriations

FY 04-05

FY 05-06

Central Appropriations

\$0

\$500,000 GF

Language:

Page 467, line 22, strike "\$24,685,016" and insert "\$25,185,016".

Page 471, after line 27, insert:

"R. Out of this appropriation, \$500,000 the second year from the general fund shall be provided to the City of Petersburg for the Appomattox River Dredging Project. As a condition of this appropriation, the City shall enter into a memorandum of agreement with the Virginia Economic Development Partnership to structure a long-term repayment of the appropriation to begin in the second year after the dredging project is completed. Proceeds shall be credited to the Governor's Development Opportunity Fund. "

Explanation:

(This amendment provides \$500,000 GF to support the efforts to restore the navigation channel in the Appomattox River to historic downtown Petersburg. The money will be used by the U.S. Army Corps of Engineers to design a placement site for the dredged materials. The amendment also requires the appropriation to be repaid.)

General Government Subcommittee

Item C-147.10 #1s

Natural Resources

Department Of Conservation And Recreation

Language

Language:

Page 527, line 38, strike "nine +/- acres of".

Explanation:

(This amendment provides the Department of Conservation and Recreation with flexibility in its efforts to acquire land owned by the Margaret Lyons Jones Land Trust. Work done by the agency's surveyor and title company shows that the land under discussion contains more acreage than courthouse records indicate.)

Economic Development - Natural Resources Subcommittee

Item C-153.10 #2s

Natural Resources

Department Of Game And Inland Fisheries

FY 04-05

\$250,000

FY 05-06

\$1,750,000 NGF

Language:

Page 528, after line 18

"C-153.10. New Construction: Reconstruct

\$250,000

\$1,750,000

Upper and Lower Powhatan Lakes

Fund Sources: Trust and Agency \$250,000". \$1,750,000".

"The Department of Game and Inland Fisheries is authorized to reconstruct the damaged Upper and Lower Powhatan Lakes and associated facilities (roads, parking areas) based on Dam Safety Standards and Engineering Practices. This project will be paid from the State Insurance Reserve Trust Fund, and all insurance reimbursements paid to the Commonwealth as a result of the insured damages to these structures shall be deposited into the State Insurance Reserve Trust Fund. All state agencies associated with this project shall cooperate to the fullest extent with the Department during the planning and construction phases of the project. The project is to be completed on or before June 30, 2008. Planning and design shall be initiated in FY 2005. The State Treasurer is authorized to issue a no-interest treasury loan for the project in anticipation of the state receiving the insurance proceeds."

Explanation:

(This amendment authorizes \$2.0 million for a capital project to reconstruct two lakes owned by the Department in Powhatan County.)

Economic Development - Natural Resources
Subcommittee

Item 3-1.01 #3s

Transfers

Interfund Transfers

Language

Language:

Page 554, line 53, strike the line after "0900" and insert "\$68,324 \$68,324".

Page 556, after line 49, insert:

"MM. On or before June 30, 2005, and June 30, 2006, the State Comptroller shall transfer to the general fund \$349,776 the first year and \$349,776 the second year representing the 20.0 percent for statewide and regional educational program grants made pursuant to § 10.1-1422.01 B.2. of the Code of Virginia. Thereafter, it is the intent of the General Assembly that the funds designated by statute for statewide and regional educational grants shall be used exclusively for this purpose and that the Governor shall reflect the legislative intent in his budget submission for the 2006-2008 biennium."

Explanation:

(This amendment identifies Litter Control and Recycling Funds transferred to the general fund for purposes other than intended by the Code of Virginia. The language also directs the Governor to include these funds in his 2006-2008 budget

submission as intended by the appropriate statute.)