



Report of the Subcommittee on
Education

(Amendments to SB 700,
as Introduced)

Senate Finance Committee
Virginia General Assembly

February 6, 2005

**2005 REPORT OF THE EDUCATION SUBCOMMITTEE
JOHN H. CHICHESTER, CHAIRMAN**

Members of the Committee:

The members of the Education Subcommittee are pleased to present to you our package of budget recommendations. I would like to bring your attention first to our recommendations in Higher Education.

Higher Education

The Subcommittee's recommendations reflect our continued efforts to reinvigorate the state's commitment to higher education. As you will recall, for the first time last year we made meaningful progress towards fully funding "base adequacy" at our public colleges and universities. With a general fund infusion of more than \$175 million over the biennium, we committed to reaching full funding of the guidelines by FY 2010.

As a result of the 2004 General Assembly's efforts, the current budget already provides an increase of \$68.1 million for the educational and general (E&G) programs at our public institutions in the next year alone – not taking into account any additional funding we may provide this year.

With the progress of last year as a backdrop, the Subcommittee has focused over the last few weeks on

maintaining our momentum. Specifically, our recommendations address three key areas:

1. Ensuring that all institutions are positioned to reach full funding of the base adequacy guidelines by the end of the decade;
2. Renewing our shared commitment to fund faculty salaries at the 60th percentile of peer institutions by FY 2010; and
3. Providing increased financial aid to Virginia students attending public and private institutions in the Commonwealth.

Let me turn briefly to each of these areas.

First, in the area of base adequacy, the Subcommittee recommends a net increase of \$9.8 million GF in targeted supplements to offset costs associated with higher than anticipated enrollments at some institutions, and to keep all institutions moving towards full funding of the guidelines by FY 2010. This recommendation includes reallocating \$2.4 million of the \$12.2 million in general fund support that was earmarked in the introduced budget for “base adequacy” but was not allocated in accordance with the guidelines.

The Subcommittee’s recommendations reflect its continued interest in making allocation decisions using the guidelines. As you will recall, the guidelines were

developed to serve not only as a “measuring stick” to assess how much additional funding is needed in higher education, but also as a tool to identify the relative needs across colleges and universities and to allocate available funds accordingly.

However, the Subcommittee recognizes that the guidelines alone are not enough. Once funds have been allocated to the institutions, boards of visitors must continue to be good stewards of the public’s money by routinely prioritizing how they spend the dollars entrusted to them by the taxpayers, students, and families. As part of this responsibility, boards of visitors must ensure that dollars are being spent in a manner that:

- facilitates students’ timely completion of the certificate or degree programs in which they are enrolled;
- provides the academic rigor and content needed for students to gain marketable skills and practical knowledge; and
- aligns academic programs with the changing needs of Virginia’s economy.

So, as we continue down the path to full funding of the guidelines, we must ensure that “base adequacy” in and of itself does not become the goal, but rather that both the state and the institutions remain focused on our broader policy objectives.

Faculty Salaries

Turning to faculty salaries, the Subcommittee recognizes that the caliber of our faculty is reflected in the quality of the education our students receive. Our institutions' interests in attracting and retaining high-quality faculty are interlocked with the state's interests in providing educational opportunities for Virginians and in spurring economic growth throughout the Commonwealth.

Unfortunately, rankings for Virginia's public colleges and universities place current faculty salaries, on average, below the 40th percentile of peer institutions nationally -- well short of the General Assembly's long-standing goal to fund faculty salaries at the 60th percentile of peer institutions. With that in mind, the Subcommittee recommends that we amend the introduced bill to include an additional \$4.9 million for faculty salaries in FY 2006. These funds bring the total recommended general fund appropriation for faculty salary increases to \$16.6 million in FY 2006 and put us on a path to reach the 60th percentile by the end of the decade.

Specifically, this recommendation will provide for the state share of an average 4.2 percent salary increase for teaching and research faculty in FY 2006. Increases will vary across institutions, ranging from 4.0 to 5.4 percent. All other faculty, including administrative faculty, part-time faculty, and graduate assistants, will receive a 4.0 percent increase, in keeping with the General Government Subcommittee's recommendations for classified employees.

Student Financial Aid

Student financial aid continues to be an area of concern for the Subcommittee. Despite last year's efforts to enhance student aid, tuition increases and student need continue to outpace the state's financial aid funding. To address this concern, the Subcommittee recommends adopting the measures contained in the budget, as introduced, which provide: \$6.7 million for undergraduate aid; \$2.4 million for graduate aid; \$2.0 million for tuition waivers of military dependents; and \$1.8 million for tuition assistance grants (TAG). The Subcommittee also recommends a technical adjustment in FY 2005 to ensure that current TAG recipients receive their full awards this year. Lastly, the Subcommittee recommends that institutions allocate all state-supported graduate aid to Virginia students in order to ensure that our best and brightest students remain in the Commonwealth.

In summary, the Subcommittee's recommendations would increase the current E&G general fund appropriation in FY 2006 by almost \$34 million, providing Virginia's public colleges and universities with more than \$100 million in additional E&G general fund support for the coming year. Those funds combined with almost \$13 million in recommended increases for student financial aid will keep us well-positioned to maintain momentum for the objectives we set out in higher education last year.

Public Education

Turning to Public Education, as you well know, last Session the General Assembly increased the biennial budget by a remarkable \$1.5 billion. By stepping up to the plate on Standards of Quality costs, we made a strong commitment to the Commonwealth's funding partnership in Public Education, laying the groundwork for decades to come.

In December, the Governor proposed adding another \$46 million to Direct Aid to Public Education this biennium. The major components of this net increase were: increased lottery and sales tax revenue; a downward revision in projected enrollment growth; and a proposed earmark for teacher salary increases of 3 percent.

Aside from our on-going discussions about the state's role regarding teacher salaries, which I will come back to later, the Subcommittee's modest mid-biennium recommendations are focused on a couple of fundamental budgetary issues. Specifically, we recommend:

- Adding \$15.0 million in general funds to begin to replenish the Literary Fund, so that its proceeds can again be used to whittle down our waiting list for school construction loans, rather than for SOQ retirement costs. As in past decades, this will be a multi-year effort as our fiscal health recovers.

- Adding \$4.6 million to restore the 8 percent reduction taken in 2002 to the at-risk add-on funding. This funding will help those school divisions that face some of the biggest challenges day-in and day-out.

In addition to these funding actions, we recommend addressing the long-overdue need to consolidate the state's two schools for the deaf and blind. Enrollments keep declining (now at about 200 students between the two schools); the facilities keep aging at the sprawling 70-plus acre campuses; and these students, parents, and teachers keep needing decisive action from us about the future. The Subcommittee recommends continuing residential deaf, blind, and multi-disabled education by building one smaller, up-to-date facility, co-located on land we already own.

Finally, let me say our overall approach to this mid-biennium budget was to use caution regarding new on-going commitments. Despite some worthy purposes, we were reluctant to endorse new costs at this time.

Now, back to the school salary issue. The Governor's recommendations contained a 3 percent earmark for teacher salary increases. We evaluated that alongside a report from the Department of Education on teacher salaries. As of FY04, Virginia's average teacher salary lagged the national average by 6.2 percent, a smaller difference than in each of the preceding twelve years. Then, for FY05, we were

pleased to learn that localities have budgeted average teacher salary increases of 4.8 percent.

With all the additional money the state is providing to K-12 next year, I think it is safe to assume that localities will, in reality, go beyond the 3 percent salary increase, effective January 1, 2006, that the Subcommittee endorses. Depending on what happens nationally in FY05 and FY06, I would not be surprised to find Virginia's salary average within striking distance of the national average in FY06.

That said, the discussion will continue about what the state's goal should be regarding teacher salaries both from a policy and a budget perspective. Unlike in higher education, I would venture to say the General Assembly has yet to reach a consensus on the goal. (It is certainly complicated by the fact that differing salary levels reflect -- at least in part -- different local choices.)

But, I think an important point is that we are increasingly hearing from experts that "business-as-usual" salary schedules with across-the-board increases, based on years of experience, won't motivate the "Generation-Y" folks that we need to attract into the classroom.

We will need a different approach. Along those lines, there are some interesting efforts underway in Virginia. Through a competitive federal grant, the Department of Education is developing a multi-tiered performance-based licensure system, and is offering meaningful salary

incentives and support for highly qualified teachers who commit to working in “hard-to-staff” schools in a four-school pilot.

In addition, via such initiatives as the middle school math teacher corps, Virginia is now dabbling in incentives and extra support for educators willing to take on challenging assignments. The Subcommittee looks forward to considering the effectiveness of these strategies in improving teacher quality in Virginia.

While exciting innovations in compensation policy are being tested, the budgetary reality is that we have a huge “bill in the drawer” relative to teacher salaries and related costs. Going forward, teacher retirement rates, which are applied to the salary base, could easily go back up over 10 percent. The state - and the localities - must be mindful of this “bill” as we look ahead to the updated SOQ “re-benchmarking” costs for the next biennium.

Let me close by saying that our mid-biennium recommendations are modest, but that is in large part because you had the courage last session to do the right thing and own up to \$1.5 billion in commitments to Public Education.

Summaries of the Subcommittee’s recommendations and language amendments in Higher Education, Other Education, and Public Education are attached. We offer them to the Committee for its consideration.

Respectfully Submitted,

The Honorable John H. Chichester, Chairman

The Honorable Charles J. Colgan

The Honorable Benjamin J. Lambert III

The Honorable William C. Wampler, Jr.

The Honorable R. Edward Houck

The Honorable Charles R. Hawkins

The Honorable Richard L. Saslaw

The Honorable Thomas K. Norment, Jr.

Higher Education and Other Education

**Budget Recommendations
and
Related Language Amendments**

Higher and Other Education
Education Subcommittee's Recommended Changes to Senate Bill 700, As Introduced

Agency or Institution	Item	GF	GF	NGF	NGF	Positions	Positions
		FY 2005	FY 2006	FY 2005	FY 2006	FY 2005	FY 2006
State Council of Higher Education for Va.							
	Increase funding for agency operations	\$0	\$265,000	\$0	\$0	0.00	5.00
	Redirect funding for Virtual Library	\$0	(\$430,000)	\$0	\$0	0.00	0.00
	Maintain TAG awards - technical	\$375,000	\$0	\$0	\$0	0.00	0.00
	Restore Va. Women's Institute for Leadership	\$0	\$150,000	\$0	\$0	0.00	0.00
	Direct balances for military tuition waivers to TAG		<i>Language Only</i>				
	Subtotal, SCHEV	\$375,000	(\$15,000)	\$0	\$0	0.00	5.00
Christopher Newport University							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$154,876)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$62,754	\$0	\$0	0.00	0.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$1,000,000	\$1,500,000	0.00	0.00
	Redirect graduate financial aid	\$0	(\$14,000)	\$0	\$0	0.00	0.00
	Subtotal, CNU	\$0	(\$106,122)	\$1,000,000	\$1,500,000	0.00	0.00
College of William & Mary							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$273,982)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$181,164	\$0	\$0	0.00	0.00
	Redirect funding for dual enrollment pilots	\$0	(\$155,802)	\$0	\$0	0.00	0.00
	Adjust graduate financial aid	\$0	\$7,720	\$0	\$0	0.00	0.00
	Subtotal, CWM	\$0	(\$240,900)	\$0	\$0	0.00	0.00
Richard Bland College							
	Begin phase-in to 60th percentile by FY2010	\$0	\$11,216	\$0	\$0	0.00	0.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$0	\$100,000		
	Subtotal, RBC	\$0	\$11,216	\$0	\$100,000	0.00	0.00
Virginia Institute of Marine Science							
	Begin phase-in to 60th percentile by FY2010	\$0	\$119,542	\$0	\$0	0.00	0.00
	Subtotal, VIMS	\$0	\$119,542	\$0	\$0	0.00	0.00
George Mason University							
	Increase base adequacy for enrollment growth	\$0	\$601,835	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$349,701	\$0	\$0	0.00	0.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$8,434,000	\$4,823,000	0.00	0.00
	Adjust graduate financial aid	\$0	\$7,524	\$0	\$0	0.00	0.00
	Subtotal, GMU	\$0	\$959,060	\$8,434,000	\$4,823,000	0.00	0.00
James Madison University							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$383,404)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$186,233	\$0	\$0	0.00	0.00
	Adjust graduate financial aid	\$0	(\$18,000)	\$0	\$0	0.00	0.00
	Subtotal, JMU	\$0	(\$215,171)	\$0	\$0	0.00	0.00

Higher and Other Education
Education Subcommittee's Recommended Changes to Senate Bill 700, As Introduced

Agency or Institution	Item	GF	GF	NGF	NGF	Positions	Positions
		FY 2005	FY 2006	FY 2005	FY 2006	FY 2005	FY 2006
Longwood University							
	Increase base adequacy	\$0	\$1,381,582	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$88,937	\$0	\$0	0.00	0.00
	Transfer funds to Southside Va. Higher Ed. Ctr.	\$0	(\$443,855)	\$0	\$0	0.00	0.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$0	\$60,000	0.00	0.00
	Adjust graduate financial aid	\$0	(\$14,000)	\$0	\$0	0.00	0.00
	Subtotal, LU	\$0	\$1,012,664	\$0	\$60,000	0.00	0.00
University of Mary Washington							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$293,679)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$63,333	\$0	\$0	0.00	0.00
	Correct fund split for O&M at Belmont Studio	\$0	\$82,766	\$0	\$0	1.50	2.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$0	\$597,262	0.00	0.00
	Adjust graduate financial aid	\$0	(\$14,000)	\$0	\$0	0.00	0.00
	Subtotal, UMW	\$0	(\$161,580)	\$0	\$597,262	1.50	2.00
Norfolk State University							
	Begin phase-in to 60th percentile by FY2010	\$0	\$77,765	\$0	\$0	0.00	0.00
	Adjust graduate financial aid	\$0	(\$18,247)	\$0	\$0	0.00	0.00
	Subtotal, NSU	\$0	\$59,518	\$0	\$0	0.00	0.00
Old Dominion University							
	Increase base adequacy for enrollment growth	\$0	\$669,789	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$191,029	\$0	\$0	0.00	0.00
	Remove one-time research seed money	\$0	(\$412,500)	\$0	\$0	0.00	0.00
	Adjust graduate financial aid	\$0	\$5,660	\$0	\$0	0.00	0.00
	Subtotal, ODU	\$0	\$453,978	\$0	\$0	0.00	0.00
Radford University							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$283,800)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$98,195	\$0	\$0	0.00	0.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$0	\$550,000	0.00	0.00
	Adjust graduate financial aid	\$0	(\$18,000)	\$0	\$0	0.00	0.00
	Subtotal, RU	\$0	(\$203,605)	\$0	\$550,000	0.00	0.00
Southwest Va. Higher Education Center							
	No amendments	\$0	\$0	\$0	\$0	0.00	0.00
	Subtotal, SWVHEC	\$0	\$0	\$0	\$0	0.00	0.00

Higher and Other Education
Education Subcommittee's Recommended Changes to Senate Bill 700, As Introduced

Agency or Institution	Item	GF	GF	NGF	NGF	Positions	Positions
		FY 2005	FY 2006	FY 2005	FY 2006	FY 2005	FY 2006
University of Virginia							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$339,386)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$624,029	\$0	\$0	0.00	0.00
	Remove funding for Va. Encyclopedia Project	\$0	(\$350,000)	\$0	\$0	0.00	0.00
	Redirect funding for nanotechnology program	\$0	(\$155,000)	\$0	\$0	0.00	0.00
	Remove one-time research seed money	\$0	(\$1,012,500)	\$0	\$0	0.00	0.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$0	\$1,300,000	0.00	0.00
	Adjust graduate financial aid	\$0	\$35,315	\$0	\$0	0.00	0.00
	Provide NGF increase for Access VA	\$0	\$0	\$0	\$350,000	0.00	0.00
	Subtotal, UVA	\$0	(\$1,197,542)	\$0	\$1,650,000	0.00	0.00
University of Virginia's College at Wise							
	Increase base adequacy for enrollment growth	\$0	\$664,973	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$25,206	\$0	\$0	0.00	0.00
	Subtotal, UVA-Wise	\$0	\$690,179	\$0	\$0	0.00	0.00
Virginia Commonwealth University							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$453,578)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$697,289	\$0	\$0	0.00	0.00
	Remove funding for Harris Leadership Institute	\$0	(\$100,000)	\$0	\$0	0.00	0.00
	Increase funding for Family Practice Programs	\$0	\$100,000	\$0	\$0	0.00	0.00
	Restore funding to Virginia Autism Center	\$0	\$140,150	\$0	\$0	0.00	0.00
	Adjust graduate financial aid	\$0	\$21,231	\$0	\$0	0.00	0.00
	Subtotal, VCU	\$0	\$405,092	\$0	\$0	0.00	0.00
Virginia Community College System							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$3,111,346)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$1,201,836	\$0	\$0	0.00	0.00
	Redirect funding for dual enrollment pilots	\$0	(\$408,750)	\$0	\$0	0.00	0.00
	Increase funding for NVCC Medical Education	\$0	\$883,639	\$0	\$295,665	0.00	23.00
	Remove funding for Workforce Scholarships	\$0	(\$1,103,288)	\$0	\$0	0.00	0.00
	Subtotal, VCCS	\$0	(\$2,537,909)	\$0	\$295,665	0.00	23.00
Virginia Military Institute							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$6,734)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$25,161	\$0	\$0	0.00	0.00
	Increase funding for VT Corps of Cadets	\$0	\$300,000	\$0	\$0	0.00	0.00
	Subtotal, VMI	\$0	\$318,427	\$0	\$0	0.00	0.00

Higher and Other Education
Education Subcommittee's Recommended Changes to Senate Bill 700, As Introduced

Agency or Institution	Item	GF	GF	NGF	NGF	Positions	Positions
		FY 2005	FY 2006	FY 2005	FY 2006	FY 2005	FY 2006
Virginia Tech - Instructional Division							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$408,024)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$587,617	\$0	\$0	0.00	0.00
	Remove one-time research seed money	\$0	(\$1,075,000)	\$0	\$0	0.00	0.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$0	\$8,511,000	0.00	0.00
	Adjust graduate financial aid	\$0	\$45,042	\$0	\$0	0.00	0.00
	Subtotal, VT	\$0	(\$850,365)	\$0	\$8,511,000	0.00	0.00
Virginia Tech - Extension & Agr. Research Station							
	Begin phase-in to 60th percentile by FY2010	\$0	\$259,366	\$0	\$0	0.00	0.00
	Correct fund split for Agriculture Facility	\$0	\$281,262	\$0	\$0	0.00	0.00
	Subtotal, VT-E	\$0	\$540,628	\$0	\$0	0.00	0.00
Virginia State University							
	Redirect funding for degrees incl. as base adequacy	\$0	(\$24,242)	\$0	\$0	0.00	0.00
	Begin phase-in to 60th percentile by FY2010	\$0	\$53,070	\$0	\$0	0.00	0.00
	Provide O&M for Johnson and Owens Halls	\$0	\$103,302	\$0	\$124,584	0.00	0.00
	Increase E&G NGF authority - technical adj.	\$0	\$0	\$0	\$348,754	0.00	0.00
	Adjust graduate financial aid	\$0	(\$26,245)	\$0	\$0	0.00	0.00
	Subtotal, VSU	\$0	\$105,885	\$0	\$473,338	0.00	0.00
Virginia State - Extension & Agr. Research Station							
	Begin phase-in to 60th percentile by FY2010	\$0	\$10,910	\$0	\$0	0.00	0.00
	Subtotal, VSU-E	\$0	\$10,910	\$0	\$0	0.00	0.00
Eastern Virginia Medical School							
	Undergraduate Medical Education Funding	\$0	\$500,000	\$0	\$0	0.00	0.00
	Subtotal, EVMS	\$0	\$500,000	\$0	\$0	0.00	0.00
Southeastern Universities Research Association							
	No amendment	\$0	\$0	\$0	\$0	0.00	0.00
	Subtotal, SURA	\$0	\$0	\$0	\$0	0.00	0.00
Institute for Advanced Learning and Research							
	Increase Operating Funds	\$0	\$2,100,000	\$0	\$0	0.00	0.00
	Subtotal, IALR	\$0	\$2,100,000	\$0	\$0	0.00	0.00
Roanoke Higher Education Authority							
	No amendment	\$0	\$0	\$0	\$0	0.00	0.00
	Subtotal, RHEA	\$0	\$0	\$0	\$0	0.00	0.00
Southside Virginia Higher Education Center							
	Transfer operating funds from Longwood	\$0	\$443,855	\$0	\$0	0.00	0.00
	Subtotal, SVHEC	\$0	\$443,855	\$0	\$0	0.00	0.00
SUBTOTAL, HIGHER EDUCATION		\$375,000	\$2,202,760	\$9,434,000	\$18,560,265	1.50	30.00

Higher and Other Education
Education Subcommittee's Recommended Changes to Senate Bill 700, As Introduced

Agency or Institution	Item	GF FY 2005	GF FY 2006	NGF FY 2005	NGF FY 2006	Positions FY 2005	Positions FY 2006
Systemwide Higher Education Language Amendments							
Central Accounts	Allow institutions to allocate classified pay increases based on merit						
			<i>Language Only</i>				
General Provisions	Circumstances under which institutions can initiate a NGF capital outlay project with a sum sufficient appropriation						
			<i>Language Only</i>				
General Provisions	Allow institutions to supplement classified salaries with private funds						
			<i>Language Only</i>				
General Provisions	Limit the use of general fund support for graduate aid to Virginia students						
			<i>Language Only</i>				
General Provisions	Increase the capital project minimum to \$1 million						
			<i>Language Only</i>				
HIGHER EDUCATION LANGUAGE AMENDMENTS			<i>Language Only</i>				
Other Education Agencies							
Jamestown-Yorktown Foundation and Jamestown 2007							
	Preparation for 2007 Commemoration	\$0	\$500,000	\$0	\$0	0.00	9.00
	Target license plate fee revenue		<i>Language Only</i>				
	Subtotal, JYF	\$0	\$500,000	\$0	\$0	0.00	9.00
Library of Virginia							
	Redirect targeted non-formula library funding	\$0	(\$264,000)	\$0	\$0	0.00	0.00
	Increase aid to public funding	\$0	\$475,000				
	Subtotal, LVA	\$0	\$211,000	\$0	\$0	0.00	0.00
Virginia Museum of Fine Arts							
	One-time funds for traveling exhibits during construction	\$0	\$450,000	\$0	\$100,000	0.00	0.00
	Subtotal, VMFA	\$0	\$450,000	\$0	\$100,000	0.00	0.00
Science Museum of Virginia							
	One-time funding for exhibits	\$0	\$275,000				
	Subtotal, SMV	\$0	\$275,000	\$0	\$0	0.00	0.00
SUBTOTAL, OTHER EDUCATION		\$0	\$1,436,000	\$0	\$100,000	0.00	9.00
GRAND TOTAL		\$375,000	\$3,638,760	\$9,434,000	\$18,660,265	1.50	39.00

Proposed Senate Budget
Average Salary Increases for Teaching and Research Faculty

Institution	Teaching and Research Faculty¹
Christopher Newport University	4.0%
College of William and Mary	4.8%
George Mason University	4.0%
James Madison University	4.0%
Longwood University	4.8%
University of Mary Washington	4.3%
Norfolk State University	4.0%
Old Dominion University	4.0%
Radford University	4.0%
University of Virginia ²	5.0%
UVA - College at Wise	4.1%
Virginia Commonwealth University ²	4.5%
Virginia Military Institute	4.5%
Virginia State University	4.0%
Virginia Tech	4.6%
Richard Bland College	4.0%
Virginia Community Colleges	5.4%
Va. Institute of Marine Science	4.8%
Virginia Tech - Extension	4.6%
Virginia State - Extension	4.0%
Average, All Institutions³	4.2%

¹ A four-percent average increase is assumed for all other faculty -- administrative, part-time, and graduate assistants.

² Assumes increases for family practice faculty.

³ Estimated increases are built upon an adjusted base compensation that takes into account both the across-the-board salary increase approved by the 2004 General Assembly for FY 2005 and nongeneral fund supplements authorized by the institutions as the result of increased tuition revenue.

**Education: Elementary &
Secondary****FY 04-05****FY 05-06**

Secretary Of Education

\$0

\$300,000 GF

Language:

Page 118, line 4, strike "\$871,735" and insert "\$1,171,735".

Page 120, after line 21, insert:

"J. Out of this appropriation, \$300,000 from the general fund in the second year is provided for one-time costs associated with conducting a higher education affordability study. The purpose of the study is to address the extent to which cost is a barrier to access for students wishing to attend a public or private, nonprofit college or university in the Commonwealth. In addressing this issue, the study shall include, but may not be limited to, identifying: i) the economic diversity of students attending Virginia's public and private institutions of higher education, and ii) the extent to which students and families rely on grant aid, loans, savings, and supplemental employment to cover the cost of attendance. Prior to entering into a contract on these funds, the Secretary of Education shall seek input from the State Council of Higher Education for Virginia and the Council of Independent Colleges in Virginia on the study design, timeline, and expected outcomes."

Explanation:

(This amendment provides \$300,000 from the general fund in the second year for the Secretary of Education to enter into a one-time contract to conduct an in-depth study on the affordability of higher education in the Commonwealth.)

Education: Other**FY 04-05****FY 05-06**

Jamestown 2007

\$0

\$1,000,000 NGF

Language:

Page 230, line 24, strike "\$5,522,025" and insert "\$6,522,025".

Page 230, line 28, strike second instance of "\$5,000,000" and insert "\$6,000,000".

Page 231, line 29, strike "\$5,000,000" and insert "\$6,000,000".

Page 232, line 10, strike "\$5,000,000" and insert "\$6,000,000".

Page 232, line 12, strike "one-half" and insert "one-third".

Page 232, line 15, strike "one-half" and insert "one-third".

Page 232, line 19, strike "." and insert:

", and (iii) one-third shall be deposited to a special fund of the Virginia Tourism Authority to advertise and market statewide events that will occur in conjunction with the Jamestown 2007 Commemoration."

Page 232, line 20, strike "\$5,000,000" and insert "\$6,000,000".

Explanation:

(This amendment provides authority for the Secretary of Finance to issue a treasury loan in an amount not to exceed \$6,000,000 to Jamestown 2007 in anticipation of 2007 commemorative events and increases appropriation authority to collect up to \$6,000,000 in special dedicated revenue collected from the existing \$1 fee on vehicle registrations. The amendment also revises the allocation of funds collected through the vehicle registration fee. In the current budget, one-half of the proceeds is directed to the Virginia 400th Anniversary Fund (V400) and one-half is directed to the Department of Motor Vehicles (DMV). The amendment directs one-third of the proceeds to V400, one-third to DMV, and the remaining one-third to the Virginia Tourism Authority to advertise and market statewide events that will occur in conjunction with the Jamestown 2007 Commemoration. The amendment further amends existing language to raise the threshold for excess proceeds. Under the current language, proceeds in excess of \$5 million must be set aside for land conservation uses. This amendment increases that threshold to \$6 million.)

Education Subcommittee

Item 4-4.01 #2s

Capital Projects

General

Language

Language:

Page 574, after line 6, insert:

"3. Delegated authorization by Boards of Visitors, Public Institutions of Higher Education:

a. In accordance with Section 4-5.06 of this Act, the board of visitors of any public institution of higher education that has: i) entered into a memorandum of understanding with the Secretary of Education for delegated authority of nongeneral fund capital outlay projects, and ii) a sum sufficient nongeneral fund appropriation for emergency projects as set out in Part 2: Capital Project Expenses of this Act, may authorize the initiation of any capital project that is not specifically set forth in this act provided that the project meets at least one of the

conditions and criteria identified in Section 4-4.01 n. 1. of this Act.

b. At least 30 days prior to the initiation of a project under this provision, the board of visitors must notify the Governor and chairmen of the House Appropriations and Senate Finance Committees and must provide a life-cycle budget analysis of the project. Such analysis shall be in a form to be prescribed by the Auditor of Public Accounts.

c. The Commonwealth of Virginia shall have no general fund obligation for the construction, operation, insurance, routine maintenance, or long-term maintenance of any project authorized by the board of visitors of a public institution of higher education in accordance with this provision."

Explanation:

(This amendment delegates authority to the boards of visitors at eligible institutions to initiate "unforeseen" nongeneral fund projects without prior approval by the General Assembly. It also clarifies that the initiation of such projects shall not imply or obligate future general fund appropriations for the operation and maintenance of the facilities. This language is the result of work by the joint subcommittee studying the relationship between the state and its public higher education institutions and is contingent upon the passage of Senate Bill 1327. Companion amendments setting forth sum sufficient nongeneral fund appropriations are provided for Christopher Newport University, the College of William and Mary, James Madison University, Old Dominion University, Radford University, the University of Virginia, Virginia Commonwealth University, and Virginia Tech, which would be eligible to participate immediately based on existing memoranda of understanding with the Secretary of Administration.)

Education Subcommittee

Item 4-4.01 #3s

Capital Projects

General

Language

Language:

Page 574, strike lines 22 through 27, and insert:

"6.a. Any repair, renovation, or new construction project at any institution of higher education costing up to \$1,000,000 shall be exempt from the capital outlay review and approval process. For purposes of this paragraph, projects shall not include any subset of a series of projects, which in combination would exceed the

\$1,000,000 maximum."

Page 574, line 28, strike "c." and insert "b."

Explanation:

(This amendment allows all public institutions of higher education to address capital repairs, renovations, and construction costing less than \$1 million through operating revenues. This language is the result of work by the joint subcommittee studying the relationship between the state and its public higher education institutions and is contingent upon the passage of Senate Bill 1327.)

Education Subcommittee

Item 4-5.01 #1s

Special Conditions and Restrictions on Expenditures

Transactions with Individuals

Language

Language:

Page 576, after line 34, insert:

"d) Effective July 1, 2005, new awards for non-Virginia graduate students shall be made entirely through the use of nongeneral funds. An institution may use general fund appropriations only to continue awards for non-resident students who have received an award prior to July 1, 2005 and are in the process of completing their degree requirements."

Page 576, line 35, strike "d)" and insert "e)".

Page 576, line 38, strike "e)" and insert "f)".

Page 576, line 40, strike "f)" and insert "g)".

Page 576, line 42, strike "g)" and insert "h)".

Page 576, line 43, strike "h)" and insert "i)".

Explanation:

(This amendment requires that institutions of higher education allocate graduate aid awards supported from the general fund to Virginia students only. Currently, Virginia's public colleges and universities award, on average, 40 percent of their general fund appropriations for graduate aid -- or about \$4.4 million GF annually -- to out-of-state students. This language allows institutions to continue funding out-of-state students already receiving an award but requires all future awards be dedicated to Virginia students.)

Education Subcommittee

Item 4-6.01 #3s

Positions and Employment

Employee Compensation

Language

Language:

Page 593, after line 26, insert:

"p. Any public institution of higher education may supplement annual salaries for classified employees from private gifts, endowment funds, or income from endowments and gifts, subject to policies approved by the board of visitors. The Commonwealth shall have no general fund obligations for the continuation of such salary supplements."

Explanation:

(This amendment allows public colleges and universities to supplement salaries of classified employees with private funds. This language is the result of work by the joint subcommittee studying the relationship between the state and its public higher education institutions and is contingent upon the passage of Senate Bill 1327.)

Secretary of Education and Public Education

Budget Recommendations and Related Language Amendments

Secretary of Education and Public Education
Education Subcommittee's Recommended Changes to Senate Bill 700, As Introduced

Agency	Item	GF		NGF	
		FY 2005	FY 2006	FY 2005	FY 2006
Secretary of Education					
	Higher Ed - Affordability Study	\$0	\$300,000	\$0	\$0
	VSDB Consolidation Site Selection (Capital Appropriation of +\$2M Instead)	(\$49,550)	(\$148,650)	\$0	\$0
	Subtotal, SOE	(\$49,550)	\$151,350	\$0	\$0
Direct Aid to Public Education					
	Replace Literary Fund Dollars for SOQ Retirement With GF	\$0	\$15,000,000	\$0	(\$15,000,000)
	Restore 8% Reduction to At-Risk Add-On, Include Truancy	\$0	\$4,553,734	\$0	\$0
	Technical - Corrections (Item 145)	(\$26,816)	\$342,610	\$0	\$0
	Technical - Corrections (Item 146)	\$1,440,390	\$4,106,515	\$0	\$0
	Technical - Sales Tax Estimate - Offset in Basic Aid (Item 146)	(\$225,199)	(\$789,513)	\$0	\$0
	Technical - Sales Tax Estimate - Distribution (Item 147)	\$400,000	\$1,400,000	\$0	\$0
	Technical - Sales Tax Estimate - Language (Item 157.10)	Language	Language	\$0	\$0
	Technical - VPSA Technology Distribution Updates	Language	Language	\$0	\$0
	Eliminate New School Breakfast 5 Cent Reimbursement Program	\$0	(\$1,579,220)	\$0	\$0
	Reduce New Career Education Foundation Grant to +\$50K	\$0	(\$100,000)	\$0	\$0
	Ed for a Lifetime/NCLB Initiatives - Allow Transfer "Out" Up to \$959,811	\$0	Language	\$0	\$0
	Ed for a Lifetime/NCLB Initiatives - Language Re: Race for GED Funding	\$0	Language	\$0	\$0
	3% Teacher Salary Increase, Effective January 1, 2006	\$0	(\$7,744,747)	\$0	\$0
	Redirect FY04 Addtl. Lottery, Leaves +\$11M in FY05, +\$15.4M in FY06	(\$8,789,440)	\$0	\$0	\$0
	Planning Grant for Valley Area Governor's School	\$0	\$100,000	\$0	\$0
	Technical - Governor's Schools Updates	(\$119,041)	(\$57,752)	\$0	\$0
	Subtotal, Direct Aid	(\$7,320,106)	\$15,231,627	\$0	(\$15,000,000)
Department of Education, Central Office					
	Consolidation of Schools for the Deaf and Blind in New Facility at WWRC	\$0	Language	\$0	\$0
	Eliminate New Statewide On-Line Career Planning System*	\$0	(\$500,000)	\$0	\$0
	Reduce Turnaround Specialists Principals Credential Program*	(\$49,110)	(\$459,811)	\$0	\$0
	Ed for a Lifetime/NCLB Initiatives - Allow Transfer "In" Up to \$959,811	\$0	Language	\$0	\$0
	Ed for a Lifetime/NCLB Initiatives - Language Re: PASS Funding	Language	Language	\$0	\$0
	Reduce New GED Radio Announcements By Half	\$0	(\$300,000)	\$0	\$0
	Technical - National Board Certification Awards	(\$27,500)	(\$80,000)	\$0	\$0
	Subtotal, DOE	(\$76,610)	(\$1,339,811)	\$0	\$0

FY 2005 - Report of the Education Subcommittee of the Senate Finance Committee - Recommended Amendments to SB 700, As Introduced

Division	2004-2006	Projected	SB 700	Technical			FY04 Additional Lottery	Estimated
	Composite	FY 2005	As Introduced	Corrections	Net Sales Tax Estimate	VPSA Tech. & Gov's Sch.		FY 2005
	Index	ADM	Distributions ^(1, 2, 3)					Distributions ^(1, 2)
ACCOMACK	.2884	5,115	28,005,215	8,165	620	0	(48,442)	27,965,557
ALBEMARLE	.6054	12,190	38,641,511	11,266	2,555	26,000	(64,023)	38,617,308
ALLEGHANY	.2423	2,935	15,630,959	4,557	221	0	(29,602)	15,606,135
AMELIA	.3516	1,787	8,604,683	2,509	207	0	(15,425)	8,591,974
AMHERST	.2940	4,610	22,606,461	6,591	473	0	(43,323)	22,570,201
APPOMATTOX	.2797	2,259	11,722,101	3,417	208	0	(21,655)	11,704,072
ARLINGTON	.8000	17,932	40,293,142	11,747	4,990	0	(47,735)	40,262,144
AUGUSTA	.3434	10,633	48,872,669	14,248	1,259	0	(92,922)	48,795,254
BATH	.8000	782	1,811,035	528	204	0	(2,083)	1,809,684
BEDFORD	.3714	9,887	41,982,930	12,240	1,160	0	(82,724)	41,913,606
BLAND	.2827	894	5,143,099	1,499	81	0	(8,535)	5,136,144
BOTETOURT	.4061	4,801	20,470,257	5,968	677	0	(37,949)	20,438,953
BRUNSWICK	.2568	2,221	13,972,600	4,074	139	0	(21,970)	13,954,843
BUCHANAN	.2788	3,532	19,310,569	5,630	309	0	(33,903)	19,282,605
BUCKINGHAM	.2527	2,150	12,452,989	3,631	194	0	(21,381)	12,435,433
CAMPBELL	.2768	8,670	41,591,481	12,126	794	0	(83,459)	41,520,942
CAROLINE	.3109	3,790	18,173,811	5,298	360	0	(34,757)	18,144,713
CARROLL	.3001	4,006	20,093,470	5,858	399	0	(37,321)	20,062,407
CHARLES CITY	.4199	844	4,398,773	1,282	108	0	(6,519)	4,393,644
CHARLOTTE	.2331	2,173	12,447,945	3,629	156	0	(22,183)	12,429,548
CHESTERFIELD	.3785	55,669	223,043,121	65,026	6,378	0	(460,506)	222,654,019
CLARKE	.5546	2,114	7,130,726	2,079	371	0	(12,531)	7,120,646
CRAIG	.3356	674	3,732,599	1,088	90	0	(5,959)	3,727,818
CULPEPER	.3919	6,417	26,542,296	7,738	803	0	(51,934)	26,498,904
CUMBERLAND	.2943	1,342	7,355,735	2,144	167	0	(12,606)	7,345,440
DICKENSON	.2492	2,524	13,855,280	4,039	164	0	(25,218)	13,834,265
DINWIDDIE	.2844	4,527	21,856,866	6,372	373	0	(43,122)	21,820,489
ESSEX	.4175	1,559	7,302,318	2,129	238	0	(12,085)	7,292,600
FAIRFAX	.7489	158,302	376,354,293	109,722	42,328	0	(529,068)	375,977,275
FAUQUIER	.6193	10,684	31,435,915	9,165	2,210	0	(54,137)	31,393,152
FLOYD	.3251	2,087	10,192,915	2,972	220	0	(18,748)	10,177,358
FLUVANNA	.3595	3,402	15,108,230	4,405	339	0	(28,998)	15,083,976
FRANKLIN	.3882	7,108	31,725,061	9,249	920	0	(57,880)	31,677,350
FREDERICK	.3794	11,649	48,649,260	14,183	1,323	0	(95,165)	48,569,601
GILES	.2946	2,531	12,433,324	3,625	258	0	(23,764)	12,413,443
GLOUCESTER	.3132	6,037	28,362,762	8,269	666	0	(55,182)	28,316,515

FY 2005 - Report of the Education Subcommittee of the Senate Finance Committee - Recommended Amendments to SB 700, As Introduced

Division	2004-2006	Projected	SB 700	Technical			FY04 Additional Lottery	Estimated
	Composite	FY 2005	As Introduced	Corrections	Net Sales Tax Estimate	VPSA Tech. & Gov's Sch.		FY 2005
	Index	ADM	Distributions ^(1, 2, 3)					Distributions ^(1, 2)
GOOCHLAND	.8000	2,164	4,527,699	1,320	554	0	(5,760)	4,523,814
GRAYSON	.2932	2,205	11,898,609	3,469	216	0	(20,744)	11,881,550
GREENE	.3241	2,639	13,976,534	4,075	281	0	(23,744)	13,957,146
GREENSVILLE	.2203	1,684	10,034,969	2,926	116	0	(17,472)	10,020,538
HALIFAX	.2380	5,921	34,401,440	10,029	478	0	(60,053)	34,351,895
HANOVER	.4539	18,178	65,108,534	18,982	2,495	0	(132,128)	64,997,883
HENRICO	.4834	46,113	170,219,690	49,626	7,139	0	(317,069)	169,959,386
HENRY	.2717	7,752	41,653,296	12,144	807	0	(75,147)	41,591,100
HIGHLAND	.6274	299	1,381,975	403	67	0	(1,481)	1,380,964
ISLE OF WIGHT	.3695	5,025	22,863,578	6,666	683	0	(42,169)	22,828,757
JAMES CITY	.5988	8,706	26,376,859	7,690	1,675	0	(46,492)	26,339,732
KING GEORGE	.3700	3,308	14,077,436	4,104	359	0	(27,742)	14,054,156
KING & QUEEN	.3376	832	5,128,283	1,495	96	0	(7,338)	5,122,536
KING WILLIAM	.3482	1,911	9,317,125	2,716	209	0	(16,577)	9,303,473
LANCASTER	.6498	1,415	4,161,316	1,213	313	0	(6,594)	4,156,248
LEE	.1845	3,621	24,173,043	7,047	181	0	(39,305)	24,140,966
LOUDOUN	.7220	43,515	100,504,151	29,301	9,171	0	(159,025)	100,383,598
LOUISA	.5591	4,330	14,410,547	4,201	854	0	(25,409)	14,390,194
LUNENBURG	.2626	1,711	9,945,491	2,900	168	0	(16,794)	9,931,765
MADISON	.4194	1,836	8,293,945	2,418	280	0	(14,185)	8,282,458
MATHEWS	.4474	1,257	5,481,587	1,598	191	0	(9,248)	5,474,128
MECKLENBURG	.3093	4,838	24,553,358	7,158	468	0	(44,473)	24,516,512
MIDDLESEX	.5522	1,305	5,110,646	1,490	255	0	(7,780)	5,104,610
MONTGOMERY	.3877	9,342	41,957,707	12,232	1,338	0	(76,132)	41,895,145
NELSON	.4664	1,996	8,585,357	2,503	346	0	(14,173)	8,574,033
NEW KENT	.4177	2,578	10,634,456	3,100	361	0	(19,983)	10,617,935
NORTHAMPTON	.3555	1,932	10,376,082	3,025	262	0	(16,575)	10,362,794
NORTHUMBERLAND	.5955	1,439	4,823,941	1,406	288	0	(7,750)	4,817,886
NOTTOWAY	.2431	2,329	13,905,902	4,054	206	0	(23,462)	13,886,700
ORANGE	.4127	4,271	18,073,136	5,269	581	0	(33,390)	18,045,596
PAGE	.3049	3,515	17,444,446	5,086	341	0	(32,519)	17,417,354
PATRICK	.2859	2,565	13,563,627	3,954	239	0	(24,381)	13,543,439
PITTSYLVANIA	.2694	9,035	46,599,584	13,586	852	0	(87,862)	46,526,160
POWHATAN	.3787	4,154	17,717,838	5,165	490	0	(34,350)	17,689,143
PRINCE EDWARD	.2906	2,668	14,880,375	4,338	291	0	(25,188)	14,859,816
PRINCE GEORGE	.2507	6,145	30,476,908	8,885	474	0	(61,282)	30,424,985

FY 2005 - Report of the Education Subcommittee of the Senate Finance Committee - Recommended Amendments to SB 700, As Introduced

Division	2004-2006	Projected	SB 700	Technical			FY04 Additional Lottery	Estimated
	Composite	FY 2005	As Introduced	Corrections	Net Sales Tax Estimate	VPSA Tech. & Gov's Sch.		FY 2005
	Index	ADM	Distributions ^(1, 2, 3)					Distributions ^(1, 2)
PRINCE WILLIAM	.4086	64,575	279,718,091	81,549	7,979	0	(502,831)	279,304,787
PULASKI	.3074	4,874	23,976,629	6,990	526	0	(44,934)	23,939,211
RAPPAHANNOCK	.6905	1,004	3,088,721	900	285	0	(4,136)	3,085,770
RICHMOND	.3421	1,200	6,170,044	1,799	128	0	(10,511)	6,161,459
ROANOKE	.3926	14,400	61,431,144	17,910	1,941	0	(116,417)	61,334,577
ROCKBRIDGE	.4516	2,750	11,202,509	3,266	430	0	(20,073)	11,186,131
ROCKINGHAM	.3526	10,831	48,905,760	14,258	1,436	0	(93,327)	48,828,128
RUSSELL	.2496	4,085	23,846,282	6,952	365	0	(40,804)	23,812,796
SCOTT	.2115	3,640	21,211,085	6,184	251	0	(38,206)	21,179,314
SHENANDOAH	.3678	5,790	25,891,251	7,548	697	(119,041)	(48,718)	25,731,738
SMYTH	.2355	4,932	27,858,893	8,122	409	0	(50,189)	27,817,235
SOUTHAMPTON	.2802	2,778	14,885,925	4,340	308	0	(26,613)	14,863,960
SPOTSYLVANIA	.3573	22,773	96,183,751	28,041	2,571	0	(194,806)	96,019,557
STAFFORD	.3274	25,439	105,532,339	30,767	2,506	0	(227,741)	105,337,871
SURRY	.8000	1,067	2,574,754	751	259	0	(2,841)	2,572,922
SUSSEX	.2961	1,350	7,522,712	2,193	119	0	(12,651)	7,512,373
TAZEWELL	.2626	6,848	36,490,281	10,638	606	0	(67,208)	36,434,318
WARREN	.3704	5,189	21,978,933	6,408	635	0	(43,486)	21,942,490
WASHINGTON	.3489	7,236	32,255,977	9,404	725	0	(62,708)	32,203,398
WESTMORELAND	.3801	1,794	8,795,442	2,564	268	0	(14,798)	8,783,476
WISE	.2062	6,646	36,840,506	10,740	455	0	(70,214)	36,781,487
WYTHE	.3017	4,181	20,766,212	6,054	433	0	(38,863)	20,733,837
YORK	.3548	12,363	49,883,116	14,543	1,318	26,000	(106,169)	49,818,808
ALEXANDRIA	.8000	10,672	24,686,419	7,197	3,091	0	(28,410)	24,668,297
BRISTOL	.3496	2,330	12,138,582	3,539	272	0	(20,166)	12,122,227
BUENA VISTA	.2322	1,117	6,506,105	1,897	83	0	(11,416)	6,496,668
CHARLOTTESVILLE	.6111	4,144	17,635,001	5,141	1,131	0	(21,452)	17,619,821
COLONIAL HEIGHTS	.4721	2,891	10,632,516	3,100	433	0	(20,309)	10,615,740
COVINGTON	.3221	838	4,460,854	1,301	57	0	(7,477)	4,454,734
DANVILLE	.2741	7,012	37,283,478	10,870	779	0	(67,751)	37,227,375
FALLS CHURCH	.8000	1,893	4,017,899	1,171	496	0	(5,038)	4,014,528
FREDERICKSBURG	.7005	2,423	6,519,763	1,901	564	0	(9,659)	6,512,569
GALAX	.3239	1,302	6,261,543	1,825	109	0	(11,716)	6,251,762
HAMPTON	.2521	22,711	117,060,663	34,128	2,128	26,000	(226,074)	116,896,845
HARRISONBURG	.4804	4,169	16,880,331	4,921	634	0	(28,829)	16,857,057
HOPEWELL	.2343	3,835	21,065,375	6,141	302	0	(39,082)	21,032,737

FY 2005 - Report of the Education Subcommittee of the Senate Finance Committee - Recommended Amendments to SB 700, As Introduced

Division	2004-2006	Projected	SB 700	Technical			FY04 Additional Lottery	Estimated
	Composite	FY 2005	As Introduced	Corrections	Net Sales Tax Estimate	VPSA Tech. & Gov's Sch.		FY 2005
	Index	ADM	Distributions ^(1, 2, 3)					Distributions ^(1, 2)
LYNCHBURG	.3830	8,539	39,396,228	11,486	1,396	0	(70,128)	39,338,982
MARTINSVILLE	.2678	2,569	13,288,063	3,874	241	0	(25,039)	13,267,139
NEWPORT NEWS	.2598	31,100	162,779,681	47,457	3,206	0	(306,399)	162,523,945
NORFOLK	.2632	33,700	185,391,286	54,049	3,348	0	(330,490)	185,118,194
NORTON	.3411	713	3,395,542	990	80	0	(6,253)	3,390,359
PETERSBURG	.2197	5,086	31,308,123	9,128	344	0	(52,818)	31,264,776
PORTSMOUTH	.2100	15,300	86,321,447	25,166	1,051	0	(160,878)	86,186,787
RADFORD	.3019	1,522	7,136,812	2,081	135	0	(13,993)	7,125,035
RICHMOND CITY	.4265	23,633	119,353,805	34,796	4,159	0	(180,396)	119,212,365
ROANOKE CITY	.3765	12,784	64,468,101	18,795	1,664	26,000	(106,091)	64,408,469
STAUNTON	.3983	2,615	13,954,651	4,068	439	0	(20,941)	13,938,218
SUFFOLK	.3012	13,400	64,156,120	18,704	1,390	0	(124,629)	64,051,585
VIRGINIA BEACH	.3353	74,339	326,447,027	95,172	8,681	0	(652,635)	325,898,246
WAYNESBORO	.3349	2,986	13,738,894	4,005	334	0	(26,435)	13,716,799
WILLIAMSBURG	.8000	712	2,983,260	870	208	0	(1,897)	2,982,440
WINCHESTER	.5473	3,595	12,938,202	3,772	640	0	(21,659)	12,920,954
FAIRFAX CITY	.8000	2,720	5,647,055	1,646	791	0	(7,240)	5,642,252
FRANKLIN CITY	.3033	1,386	8,029,117	2,341	130	0	(12,851)	8,018,737
CHESAPEAKE CITY	.3215	40,029	181,679,032	52,967	4,447	0	(358,791)	181,377,655
LEXINGTON	.4380	640	3,088,972	901	70	0	(4,788)	3,085,155
EMPORIA	.2931	875	4,840,043	1,411	71	0	(8,232)	4,833,293
SALEM	.3905	3,930	15,616,372	4,553	499	0	(31,880)	15,589,544
BEDFORD CITY	.3125	936	4,238,707	1,236	96	0	(8,560)	4,231,479
POQUOSON	.3313	2,549	10,811,274	3,152	250	(52,000)	(22,524)	10,740,151
MANASSAS CITY	.4254	6,578	28,651,636	8,353	971	(208,000)	(50,311)	28,402,649
MANASSAS PARK	.3661	2,299	11,440,281	3,335	251	(104,000)	(19,393)	11,320,475
COLONIAL BEACH	.2696	588	3,397,225	990	42	(52,000)	(5,721)	3,340,537
WEST POINT	.2622	797	4,043,796	1,179	51	(78,000)	(7,822)	3,959,204
	1,177,369		4,848,645,514	1,413,574	174,801	(509,041)	(8,791,007)	4,840,933,841

Note: This analysis includes state funds for Standards of Quality accounts (Group 1), Incentive-Based accounts (Group 2), and Categorical accounts (Group 3). Federal funds are not included in this analysis.

¹Does not allocate estimated non-participation savings.

²Includes non-general fund distributions for VPSA Technology Initiative.

³Reflects prorated reductions for the \$1.4 million in technical corrections restored in the next column.

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Division	SB 700		Restore 8% Reduction to At-Risk Add- On	Technical			Eliminate New School Breakfast Reimburs.	3% Salary Supplement Effective Jan. 1, 2006	Estimated FY 2006 Distributions ^(1, 2)	
	2004-2006 Composite Index	Projected FY 2006 ADM		As Introduced FY 2006 Distributions ^(1, 2, 3)	Corrections	Net Sales Tax Estimate				VPSA Tech. & Gov's Schools
ACCOMACK	.2884	5,078	29,565,605	72,036	25,495	2,143	0	(13,698)	(43,870)	29,607,711
ALBEMARLE	.6054	12,255	40,965,037	9,533	35,325	8,943	26,000	(10,363)	(53,834)	40,980,642
ALLEGHANY	.2423	3,006	16,882,845	12,996	14,558	773	0	(5,961)	(27,341)	16,877,871
AMELIA	.3516	1,832	9,265,925	6,911	7,990	725	0	(2,226)	(15,496)	9,263,829
AMHERST	.2940	4,674	24,033,960	20,341	20,725	1,655	0	(6,798)	(36,311)	24,033,571
APPOMATTOX	.2797	2,238	12,194,690	11,955	10,516	716	0	(4,096)	(19,348)	12,194,432
ARLINGTON	.8000	17,668	42,584,785	30,748	36,722	17,465	0	(24,139)	(51,987)	42,593,593
AUGUSTA	.3434	10,656	51,976,051	20,568	44,820	4,409	0	(14,805)	(84,278)	51,946,765
BATH	.8000	778	1,916,064	637	1,652	710	0	(1,871)	(1,868)	1,915,325
BEDFORD	.3714	9,973	44,506,026	22,324	38,378	4,061	0	(20,858)	(69,065)	44,480,867
BLAND	.2827	872	5,212,811	3,733	4,495	268	0	(2,274)	(8,131)	5,210,903
BOTETOURT	.4061	4,889	21,937,571	3,219	18,917	2,371	0	(3,741)	(34,863)	21,923,474
BRUNSWICK	.2568	2,178	14,189,450	37,477	12,236	733	0	(9,504)	(20,824)	14,209,568
BUCHANAN	.2788	3,465	19,724,960	53,988	17,009	1,037	0	(11,528)	(30,130)	19,755,335
BUCKINGHAM	.2527	2,124	12,941,795	22,258	11,160	659	0	(5,467)	(20,636)	12,949,770
CAMPBELL	.2768	8,712	44,066,866	30,765	38,000	2,781	0	(15,588)	(63,071)	44,059,753
CAROLINE	.3109	3,869	19,665,425	20,148	16,958	1,262	0	(7,153)	(29,435)	19,667,204
CARROLL	.3001	3,985	20,887,732	26,586	18,012	1,423	0	(11,733)	(31,276)	20,890,744
CHARLES CITY	.4199	823	4,530,236	6,524	3,907	450	0	(1,904)	(6,684)	4,532,530
CHARLOTTE	.2331	2,157	13,256,901	19,515	11,432	547	0	(8,830)	(19,863)	13,259,703
CHESTERFIELD	.3785	56,663	240,588,018	80,596	207,463	22,326	0	(25,226)	(389,539)	240,483,640
CLARKE	.5546	2,177	7,702,088	1,370	6,642	1,302	0	(1,856)	(12,658)	7,696,888
CRAIG	.3356	654	3,868,599	1,139	3,336	303	0	(886)	(5,665)	3,866,826
CULPEPER	.3919	6,664	29,200,081	19,834	25,180	2,809	0	(10,284)	(44,884)	29,192,735
CUMBERLAND	.2943	1,352	7,770,258	17,977	6,700	585	0	(5,326)	(10,495)	7,779,700
DICKENSON	.2492	2,490	14,237,115	28,238	12,277	697	0	(7,518)	(20,564)	14,250,245
DINWIDDIE	.2844	4,605	23,296,933	20,080	20,089	1,305	0	(6,683)	(36,305)	23,295,420
ESSEX	.4175	1,531	7,666,261	9,400	6,611	831	0	(2,329)	(11,696)	7,669,078
FAIRFAX	.7489	158,817	399,987,582	76,802	344,916	148,148	0	(112,444)	(496,201)	399,948,803
FAUQUIER	.6193	11,084	34,187,874	6,171	29,481	7,732	0	(8,027)	(51,368)	34,171,863
FLOYD	.3251	2,096	10,727,117	7,290	9,250	768	0	(3,358)	(17,038)	10,724,029
FLUVANNA	.3595	3,439	16,243,228	3,814	14,007	1,186	(57,752)	(2,818)	(22,892)	16,178,772
FRANKLIN	.3882	7,081	33,228,151	31,366	28,653	3,222	0	(18,601)	(47,729)	33,225,061
FREDERICK	.3794	12,048	53,039,204	11,066	45,737	4,628	0	(12,154)	(74,361)	53,014,119
GILES	.2946	2,539	13,043,228	7,798	11,247	902	0	(4,132)	(19,701)	13,039,343
GLOUCESTER	.3132	5,933	29,354,192	14,686	25,313	2,259	0	(6,969)	(49,020)	29,340,460

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Division	SB 700		Restore 8% Reduction to At-Risk Add- On	Technical				Eliminate New School Breakfast Reimburs.	3% Salary Supplement Effective Jan. 1, 2006	Estimated FY 2006 Distributions ^(1, 2)
	2004-2006 Composite Index	Projected FY 2006 ADM		As Introduced FY 2006 Distributions ^(1, 2, 3)	Corrections	Net Sales Tax Estimate	VPSA Tech. & Gov's Schools			
GOOCHLAND	.8000	2,223	4,875,337	914	4,204	1,938	0	(3,047)	(5,793)	4,873,552
GRAYSON	.2932	2,174	12,273,894	19,832	10,584	732	0	(7,572)	(18,463)	12,279,008
GREENE	.3241	2,659	14,766,331	5,973	12,733	984	0	(2,738)	(23,468)	14,759,816
GREENSVILLE	.2203	1,712	10,619,837	23,142	9,158	405	0	(6,220)	(16,027)	10,630,295
HALIFAX	.2380	5,953	36,259,224	72,817	31,267	1,671	0	(14,931)	(63,723)	36,286,325
HANOVER	.4539	18,452	69,598,349	9,932	60,016	8,732	0	(8,347)	(121,158)	69,547,523
HENRICO	.4834	47,578	185,559,953	89,119	160,012	24,984	0	(32,021)	(248,201)	185,553,845
HENRY	.2717	7,454	42,255,848	48,874	36,438	2,615	0	(17,911)	(71,774)	42,254,090
HIGHLAND	.6274	300	2,009,279	1,128	1,733	130	0	(729)	(2,299)	2,009,241
ISLE OF WIGHT	.3695	5,054	24,596,483	19,179	21,210	2,388	0	(7,088)	(38,337)	24,593,834
JAMES CITY	.5988	9,125	29,106,958	12,641	25,099	5,864	0	0	(40,409)	29,110,153
KING GEORGE	.3700	3,441	15,390,047	6,796	13,271	1,255	0	(3,087)	(28,244)	15,380,038
KING & QUEEN	.3376	814	5,350,468	11,981	4,614	347	0	(3,552)	(7,549)	5,356,308
KING WILLIAM	.3482	1,958	9,997,405	4,204	8,621	733	0	(4,365)	(18,077)	9,988,521
LANCASTER	.6498	1,437	4,435,803	6,761	3,825	1,096	0	(3,104)	(6,074)	4,438,307
LEE	.1845	3,564	24,955,870	59,909	21,520	781	0	(12,256)	(43,741)	24,982,083
LOUDOUN	.7220	47,110	112,799,116	10,150	97,269	32,097	0	(10,672)	(169,822)	112,758,138
LOUISA	.5591	4,412	15,569,661	10,652	13,426	2,989	0	(7,776)	(19,496)	15,569,456
LUNENBURG	.2626	1,704	10,429,566	26,401	8,994	581	0	(4,977)	(16,405)	10,444,160
MADISON	.4194	1,820	8,773,284	3,216	7,565	974	0	(1,852)	(12,701)	8,770,486
MATHEWS	.4474	1,224	5,649,940	2,373	4,872	654	0	(2,800)	(8,117)	5,646,922
MECKLENBURG	.3093	4,883	26,109,160	52,758	22,514	1,637	0	(8,975)	(37,175)	26,139,919
MIDDLESEX	.5522	1,294	5,360,063	3,336	4,622	889	0	(2,569)	(8,144)	5,358,197
MONTGOMERY	.3877	9,396	44,513,975	28,269	38,385	4,685	0	(12,167)	(70,265)	44,502,882
NELSON	.4664	2,012	9,112,077	7,498	7,858	1,215	0	(2,979)	(14,025)	9,111,644
NEW KENT	.4177	2,649	11,501,034	2,252	9,918	1,263	0	(1,725)	(16,974)	11,495,768
NORTHAMPTON	.3555	1,891	10,720,991	30,623	9,245	901	0	(6,017)	(16,394)	10,739,349
NORTHUMBERLAND	.5955	1,431	5,144,674	6,268	4,436	1,011	0	(3,878)	(6,396)	5,146,114
NOTTOWAY	.2431	2,318	14,460,530	25,279	12,470	714	0	(4,736)	(24,111)	14,470,144
ORANGE	.4127	4,482	19,765,612	10,245	17,044	2,035	0	(5,501)	(31,680)	19,757,755
PAGE	.3049	3,519	18,261,198	14,879	15,747	1,193	0	(5,042)	(26,968)	18,261,006
PATRICK	.2859	2,553	14,175,044	17,943	12,223	825	0	(6,234)	(21,998)	14,177,803
PITTSYLVANIA	.2694	9,028	49,560,927	47,242	42,737	2,978	0	(18,668)	(79,922)	49,555,294
POWHATAN	.3787	4,370	19,488,499	2,750	16,805	1,715	0	(1,845)	(30,459)	19,477,464
PRINCE EDWARD	.2906	2,636	15,453,428	36,958	13,326	1,019	0	(5,113)	(24,429)	15,475,188
PRINCE GEORGE	.2507	6,256	32,591,865	17,447	28,105	1,656	0	(8,521)	(56,400)	32,574,151

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Division	2004-2006 Composite Index	Projected FY 2006 ADM	SB 700 As Introduced FY 2006 Distributions ^(1, 2, 3)	Restore 8% Reduction to At-Risk Add- On	Technical				Eliminate New School Breakfast Reimburs.	3% Salary Supplement Effective Jan. 1, 2006	Estimated FY 2006 Distributions ^(1, 2)
					Corrections	Net Sales Tax Estimate	VPSA Tech. & Gov's Schools				
PRINCE WILLIAM	.4086	67,400	308,780,294	104,185	266,267	27,928	0	(65,695)	(525,902)	308,587,077	
PULASKI	.3074	4,860	25,124,015	24,413	21,665	1,831	0	(10,000)	(37,072)	25,124,851	
RAPPAHANNOCK	.6905	980	3,215,679	421	2,773	991	0	(1,113)	(3,947)	3,214,803	
RICHMOND	.3421	1,183	6,413,496	6,045	5,530	446	0	(1,578)	(10,214)	6,413,725	
ROANOKE	.3926	14,491	64,932,155	8,408	55,992	6,794	0	(8,583)	(97,424)	64,897,342	
ROCKBRIDGE	.4516	2,693	11,660,390	6,342	10,055	1,479	0	(3,821)	(20,757)	11,653,688	
ROCKINGHAM	.3526	10,876	51,647,208	21,598	44,536	5,028	0	(14,253)	(85,470)	51,618,646	
RUSSELL	.2496	4,076	24,682,922	38,685	21,285	1,271	0	(7,762)	(39,356)	24,697,044	
SCOTT	.2115	3,602	21,951,369	31,448	18,929	853	0	(8,832)	(35,234)	21,958,532	
SHENANDOAH	.3678	5,868	27,522,882	11,301	23,733	2,438	0	(3,872)	(40,989)	27,515,494	
SMYTH	.2355	4,906	29,201,425	35,807	25,181	1,413	0	(15,245)	(45,074)	29,203,506	
SOUTHAMPTON	.2802	2,779	15,736,957	18,325	13,570	1,076	0	(5,914)	(22,004)	15,742,010	
SPOTSYLVANIA	.3573	23,701	104,675,056	24,499	90,263	8,997	0	(13,305)	(168,172)	104,617,338	
STAFFORD	.3274	26,418	115,306,821	21,702	99,431	8,770	0	(26,078)	(179,130)	115,231,515	
SURRY	.8000	1,066	2,720,043	3,344	2,346	903	0	(2,581)	(3,206)	2,720,849	
SUSSEX	.2961	1,349	7,888,083	22,018	6,802	425	0	(5,689)	(13,435)	7,898,204	
TAZEWELL	.2626	6,744	37,681,002	58,685	32,493	2,052	0	(14,360)	(59,690)	37,700,182	
WARREN	.3704	5,291	23,549,194	10,647	20,307	2,224	0	(5,974)	(33,481)	23,542,917	
WASHINGTON	.3489	7,292	34,173,024	32,777	29,468	2,540	0	(13,655)	(52,356)	34,171,798	
WESTMORELAND	.3801	1,712	9,013,568	16,612	7,773	904	0	(5,472)	(14,535)	9,018,850	
WISE	.2062	6,664	38,714,864	66,177	33,385	1,592	0	(12,719)	(59,208)	38,744,091	
WYTHE	.3017	4,124	21,566,788	20,453	18,597	1,478	0	(7,059)	(35,032)	21,565,225	
YORK	.3548	12,299	52,402,818	6,156	45,188	4,585	26,000	(8,048)	(80,168)	52,396,530	
ALEXANDRIA	.8000	10,612	26,662,925	28,642	22,992	10,820	0	(17,794)	(26,613)	26,680,971	
BRISTOL	.3496	2,346	12,894,070	18,718	11,119	952	0	(6,376)	(17,171)	12,901,312	
BUENA VISTA	.2322	1,128	6,929,862	5,628	5,976	288	0	(1,121)	(12,162)	6,928,472	
CHARLOTTESVILLE	.6111	4,132	18,343,847	19,608	15,818	3,959	0	(10,150)	(19,484)	18,353,598	
COLONIAL HEIGHTS	.4721	2,959	11,519,789	3,218	9,934	1,515	0	(1,346)	(15,819)	11,517,292	
COVINGTON	.3221	803	4,495,087	4,296	3,876	289	0	(1,249)	(6,456)	4,495,843	
DANVILLE	.2741	6,898	38,801,859	98,785	33,460	2,643	0	(19,856)	(55,341)	38,861,550	
FALLS CHURCH	.8000	1,938	4,330,527	190	3,734	1,736	0	(1,784)	(4,731)	4,329,673	
FREDERICKSBURG	.7005	2,467	6,953,383	9,340	5,996	1,973	0	(4,913)	(8,241)	6,957,539	
GALAX	.3239	1,275	6,523,620	9,663	5,625	365	0	(3,478)	(9,735)	6,526,060	
HAMPTON	.2521	22,640	123,084,093	134,895	106,138	7,558	26,000	(36,129)	(186,892)	123,135,662	
HARRISONBURG	.4804	4,284	18,534,090	22,925	15,982	2,218	0	(7,117)	(26,103)	18,541,995	
HOPEWELL	.2343	3,799	21,950,686	54,694	18,928	1,033	0	(12,281)	(35,013)	21,978,048	

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Division	2004-2006 Composite Index	Projected FY 2006 ADM	SB 700 As Introduced FY 2006 Distributions ^(1, 2, 3)	Restore 8% Reduction to At-Risk Add- On	Technical					Estimated FY 2006 Distributions ^(1, 2)
					Corrections	Net Sales Tax Estimate	VPSA Tech. & Gov's Schools	Eliminate New School Breakfast Reimburs.	3% Salary Supplement Effective Jan. 1, 2006	
LYNCHBURG	.3830	8,395	41,022,887	66,702	35,375	4,822	0	(17,973)	(52,907)	41,058,906
MARTINSVILLE	.2678	2,544	13,940,015	26,064	12,021	886	0	(4,741)	(22,594)	13,951,651
NEWPORT NEWS	.2598	30,694	169,234,203	281,114	145,934	10,938	0	(60,511)	(230,663)	169,381,014
NORFOLK	.2632	33,262	192,639,935	412,805	166,117	11,411	0	(84,485)	(297,794)	192,847,990
NORTON	.3411	735	3,671,237	6,169	3,166	280	0	(1,550)	(4,843)	3,674,459
PETERSBURG	.2197	4,946	32,324,879	110,118	27,874	1,108	0	(12,598)	(46,826)	32,404,556
PORTSMOUTH	.2100	14,908	88,914,357	177,078	76,672	3,404	0	(69,401)	(129,623)	88,972,487
RADFORD	.3019	1,515	7,489,032	3,821	6,458	471	0	(2,003)	(12,592)	7,485,187
RICHMOND CITY	.4265	24,525	128,273,223	345,998	110,612	14,558	0	(60,485)	(169,969)	128,513,937
ROANOKE CITY	.3765	12,680	67,378,213	154,221	58,101	5,822	26,000	(28,787)	(88,421)	67,505,148
STAUNTON	.3983	2,582	15,081,250	12,867	13,005	1,520	0	(4,139)	(20,021)	15,084,482
SUFFOLK	.3012	13,753	69,115,652	82,744	59,600	4,865	0	(25,366)	(96,137)	69,141,358
VIRGINIA BEACH	.3353	73,745	342,062,598	164,460	294,967	29,973	0	(75,903)	(585,525)	341,890,570
WAYNESBORO	.3349	3,012	14,684,157	17,810	12,662	1,172	0	(4,748)	(22,181)	14,688,872
WILLIAMSBURG	.8000	726	3,095,994	515	2,670	727	0	(6,727)	(1,768)	3,091,411
WINCHESTER	.5473	3,631	13,758,753	11,266	11,864	2,239	0	(5,150)	(20,143)	13,758,830
FAIRFAX CITY	.8000	2,631	5,909,467	1,038	5,096	2,765	0	0	(6,059)	5,912,307
FRANKLIN CITY	.3033	1,400	8,470,245	25,430	7,304	460	0	(4,361)	(13,731)	8,485,347
CHESAPEAKE CITY	.3215	40,690	194,789,654	93,105	167,971	15,562	0	(48,153)	(274,465)	194,743,674
LEXINGTON	.4380	650	3,364,670	864	2,901	243	0	(361)	(6,616)	3,361,701
EMPORIA	.2931	844	4,895,263	10,472	4,221	310	0	0	(7,181)	4,903,085
SALEM	.3905	3,977	16,674,689	4,179	14,379	1,746	0	(4,362)	(24,311)	16,666,320
BEDFORD CITY	.3125	935	4,465,704	2,315	3,851	339	0	0	(6,439)	4,465,769
POQUOSON	.3313	2,585	11,642,494	407	10,040	874	(52,000)	(1,657)	(18,905)	11,581,253
MANASSAS CITY	.4254	6,601	30,528,793	9,527	26,326	3,397	(208,000)	(6,666)	(44,004)	30,309,373
MANASSAS PARK	.3661	2,379	12,437,975	7,239	10,725	879	(104,000)	(1,809)	(18,880)	12,332,129
COLONIAL BEACH	.2696	604	3,689,763	4,609	3,182	148	(52,000)	(960)	(6,240)	3,638,502
WEST POINT	.2622	818	4,421,036	517	3,812	180	(78,000)	(957)	(6,647)	4,339,941
	1,190,713		5,159,496,418	4,553,734	4,449,125	610,288	(447,752)	(1,579,219)	(7,744,747)	5,159,337,846

Note: This analysis includes state funds for Standards of Quality accounts (Group 1), Incentive-Based accounts (Group 2), and Categorical accounts (Group 3). Federal funds are not included in this analysis.

¹Does not allocate estimated non-participation savings.

²Includes non-general fund distributions for VPSA Technology Initiative.

³Reflects prorated reductions for the \$4.5 million in technical corrections restored two columns over.

**Education: Elementary &
Secondary**

Department Of Education, Central
Office Operations

Language

Language:

Page 121, after line 17, insert:

"E. 1. It is the intent of the General Assembly that residential education as a placement option for deaf, blind, and multi-disabled students shall continue in the Commonwealth. In order to provide improved services via up-to-date facilities as well as to achieve long-term cost savings, notwithstanding other provisions of the Code of Virginia, the Virginia School for the Deaf and Blind at Staunton and the Virginia School for the Deaf, Blind, and Multi-Disabled at Hampton shall be consolidated into one school upon completion of a new facility, which shall be co-located with the Woodrow Wilson Rehabilitation Center on existing state property. The Department of Education shall work in collaboration with the Department of General Services, the Woodrow Wilson Rehabilitation Center, and the Department of Planning and Budget to accomplish the planning provided for in Item C-3.50 of this Act. The capacity of the new facility shall be 250 students, designed for the possibility for expansion at a later date if justified by increased enrollment.

2. The Departments of Education and General Services shall provide an update on the planning process to the Governor and the Chairmen of the House Committees on Education and Appropriations and the Senate Committees on Finance and Education and Health by October 1, 2005. At a minimum, the report shall address:

- a. Revised cost estimates and proposed timelines for construction of the new facility;
- b. In cooperation with the Department of Planning and Budget, revised projected operating budgets for FY07, FY08, FY09, and FY10, including any one-time transitional costs;
- c. Status of proposed mechanisms to assist school divisions with programs for children not continuing at the new school;
- d. Detailed cost estimates of possible program enhancements, including specialized technology, expanding services to include deaf children with emotional disabilities, a parent resource center and professional development center available across the state; and
- e. Potential alternative uses of the existing campuses in Hampton and Staunton."

Explanation:

(This amendment requires consolidation of the Virginia School for the Deaf and Blind at Staunton and the Virginia School for the Deaf, Blind, and Multi-Disabled at Hampton at a new facility to be co-located with the state's Woodrow Wilson Rehabilitation Center in Fishersville. The schools, which have a combined enrollment of about 200 students, are each situated on 70-plus acre multi-building campuses with cumulating deferred maintenance needs.)

Education Subcommittee

Item 137 #3s

Education: Elementary & Secondary

Department Of Education, Central Office Operations

Language

Language:

Page 121, after line 17, insert:

"F. In the event that existing funds are not available, additional nongeneral funds do not become available, and/or the contracts are not re-negotiated to lower amounts, the Department is authorized to transfer up to \$500,000 the second year from the general fund appropriation for Item 144 in E. 5. a. to this Item for the contract for on-line career planning services and up to \$459,811 the second year from the general fund appropriation for Item 144 in E. 5. a. to this Item for the contract for the turnaround specialists program."

Explanation:

(This amendment authorizes the Department to transfer certain funds from Item 144 to Item 137.)

Education Subcommittee

Item 146 #1s

Education: Elementary & Secondary

Direct Aid To Public Education

FY 04-05

FY 05-06

\$0

\$4,553,734 GF

Language:

Page 133, line 35, strike "\$3,223,517,215" and insert "\$3,228,070,949".
Page 146, line 33, strike "\$54,208,178" and insert "\$58,761,912".

Page 147, line 6, after "Dropout Prevention," insert "community and school-based truancy officer programs,"

Explanation:

(This amendment adds \$4.6 million statewide to restore the 8 percent reduction taken in 2002 to the At-Risk Add-On payments, which support approved programs for students who are educationally at-risk. In addition, this amendment adds truancy programs to the list of programs that may be supported with this funding.)

Education Subcommittee

Item 146 #2s

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$0

(\$7,744,747) GF

Language:

Page 133, line 35, strike "\$3,223,517,215" and insert "\$3,215,772,468".

Page 144, strike "\$54,828,112" and insert "\$47,083,715".

Page 144, strike "December 1, 2005" and insert "January 1, 2006".

Explanation:

(This amendment reduces the cost for the 3 percent compensation supplement from \$54.8 million to \$47.1 million by changing the effective date from December 1, 2005 to January 1, 2006.)

Education Subcommittee

Item 149 #1s

**Education: Elementary &
Secondary**

FY 04-05

FY 05-06

Direct Aid To Public Education

\$0

\$100,000 GF

Language:

Page 160, line 7, strike "\$13,227,769" and insert "\$13,327,769".

Page 161, after line 21, insert "E. Out of the amounts for Governor's School Payments, \$100,000 the second year from the general fund shall be available for expenses related to the planning of a new Governor's School to serve the City of Winchester and Culpeper, Clarke, Fauquier, Frederick, Rappahannock, and Warren Counties.".

Explanation:

(This amendment provides a planning grant for a new Governor's School to serve the City of Winchester and Culpeper, Clarke, Fauquier, Frederick, Rappahannock, and Warren Counties.)