

Independent

The introduced budget for the 2006-08 biennium includes \$613,570 GF and \$663.9 million NGF for the independent agencies. Although no general fund actions are proposed for these agencies, the proposed budget recommends nongeneral fund increases of \$19.3 million, for a net biennial increase of 3.0 percent when compared to the adjusted appropriation for current operations.

The amendments include an additional \$5.4 million NGF to provide additional staff, information technology, and salary adjustments for the Virginia Retirement System's investment department, \$3.2 million to address workload issues in the administration of retirement benefits, \$5.4 million to increase the nongeneral fund revenues appropriated for the Workers' Compensation Commission, \$1.4 million for the Workers' Compensation Commission to hire additional attorneys, and \$3.7 million for the State Corporation Commission to assume fiscal responsibility for the telephone services provided to the deaf and hard of hearing.

- **Virginia Retirement System**

- *Provide Funding for Investment Staff Incentive Pay Plan.* Includes \$1.3 million each year in nongeneral funds to increase the salaries of the agency's investment staff. The agency has an incentive pay plan for the investment staff in order to attract and retain quality professionals.
- *Provide Staffing for Administration of Benefits and Retirement Programs.* Provides \$1.6 million and 11 positions the first year and \$1.6 million the second year in nongeneral funds to address the increasing number of retirement applications being filed by an aging state and local government workforce.
- *Provide Staffing for Investment Department Workload Increases.* Adds \$1.1 million and seven positions the first year and \$1.1 million the second year in nongeneral funds to address workload increases in the Investment Department that stem from the increasing percentage of the Retirement System's portfolio managed in-house.
- *Provide for Investment Department Data Needs.* Provides \$492,640 and two positions the first year and \$488,640 the second year in nongeneral funds to develop the software and data feeds necessary to manage the Retirement System's investment portfolio in-house.

In-house management yields savings to the Retirement System from reduced external management fees.

- **State Corporation Commission**
 - *Assume Administrative Responsibility for CapTel Service Costs.* Includes \$1.5 million the first year and \$2.2 million the second year in nongeneral funds to assume fiscal responsibility for the CapTel service from the Department for the Deaf and Hard of Hearing (VDDHH). Federal restrictions that previously required the State Corporation Commission to pass invoices for this service to VDDHH have been eliminated.
- **Virginia Office of Protection and Advocacy**
 - *Delay Implementation of Ombudsman Program.* Language delays implementation of the agency's ombudsman program to July 1, 2008.
- **Workers' Compensation Commission**
 - *Increase Nongeneral Fund Appropriation.* Includes \$2.7 million each year in nongeneral funds to augment the amounts available for crime victim compensation, services for the uninsured employers' fund, and other administrative needs. The source of nongeneral fund revenues is federal payments from the U.S. Department of Justice and workers' compensation premiums paid by private sector employers.
 - *Provide Additional Attorney Services.* Provides \$767,818 and 11 positions the first year and \$767,818 the second year from nongeneral funds to provide attorney services to injured workers of uninsured employers and to conduct administrative changes to improve the services provided to other agency clients.