



Report of the Subcommittee on
General Government

(Amendments to SB 29
And SB 30 as Introduced)

Senate Finance Committee
Virginia General Assembly

February 17, 2008

**REPORT OF THE SUBCOMMITTEE ON
GENERAL GOVERNMENT
On Senate Bills 29 and 30, as Introduced
(February 17, 2008)**

Mr. Chairman and Members of the Committee:

Your subcommittee has reviewed the provisions of Senate Bills 29 and 30, the budget bills as introduced, with respect to the two broad areas for which it has responsibility – General Government and Employee Compensation.

In light of the general fund revenue shortfall our recommendations are primarily in the nature of reductions. In those few places where we have included spending increases, they are typically in response to either statutory requirements or bills passed by the Senate. While we feel that all of these recommendations are necessary, a few of our recommendations are worthy of additional comment.

First, let me highlight some of the most important items in the area of General Government, which include:

- \$7.7 million for 16 new judges in the Circuit, General District and Juvenile and Domestic Relations District Courts;
- \$2.4 million for 32 additional deputy circuit court clerks, and district court clerks; and 16 court room security deputies to support these new judges; and,
- \$1.5 million to continue funding for the Statewide Automated Victim Notification system.

Now, let me address compensation.

Our recommendations in the area of compensation include savings of almost \$138 million from technical adjustments in the funding of employee benefit programs, and spending of \$56 million in FY 2010 for a salary increase of 2.5 percent for state classified employees, state-supported local employees, and faculty. We recognize that the absence of a salary increase in the first year of the biennium will disappoint many, as it disappoints us.

Mr. Chairman, we believe our recommendations address the critical needs of the commonwealth by contributing over \$124 million of general fund savings for the common good. It is our hope it will be your pleasure to adopt them.

Respectfully Submitted,

The Honorable Yvonne B. Miller, Chairman

The Honorable Walter A. Stosch

The Honorable Janet D. Howell

The Honorable Frederick M. Quayle

The Honorable William Roscoe Reynolds

General Government Subcommittee Recommendations

		FY 2008		
		GF	NGF	TOTAL
JUDICIAL				
Supreme Court				
	Court Technology Fund	\$0	\$1,000,000	\$1,000,000
	Waivers for Court Appointed Counsel	(\$4,000,000)	\$0	(\$4,000,000)
ADMINISTRATION				
Compensation Board				
	Per Diem Payments	(\$1,900,000)	\$0	(\$1,900,000)
FINANCE				
Department Of Accounts Transfer Payments				
	Change withdrawal from the Revenue Stabilization Fund	Language	\$0	\$0
Treasury Board				
	Debt Service Savings	(\$2,154,700)	\$0	(\$2,154,700)
CENTRAL ACCOUNTS				
	Fund cost of presidential primary	\$2,500,000	\$0	\$2,500,000
TOTAL: General Government		(\$5,554,700)	\$0	(\$4,554,700)

General Government Subcommittee Recommendations

	General Fund			Non-General Fund			FTE POSITIONS		
	FY 2009	FY 2010	Total	FY 2009	FY 2010	Total	FY 2009	FY 2010	Total
LEGISLATIVE DEPARTMENT									
General Assembly of Virginia									
Salary Range for Senate Clerk									
Language		0	0	0	0	0	0.00	0.00	0.00
Total: General Assembly of Virginia	0	0	0	0	0	0	0.00	0.00	0.00
Auditor of Public Accounts									
Salary Adjustment - Auditor of Public Accounts									
Language		0	0	0	0	0	0.00	0.00	0.00
Division Of Legislative Services									
Salary Adjustment - Director of Legislative Services									
Language		0	0	0	0	0	0.00	0.00	0.00
Study of Reading Proficiency (SJR 61)	8,000	0	8,000	0	0	0	0.00	0.00	0.00
Study of Teacher Shortage (SJR 55)	8,000	0	8,000	0	0	0	0.00	0.00	0.00
Study of Local Government (SJR 57)	12,000	0	12,000	0	0	0	0.00	0.00	0.00
Total: Division Of Legislative Services	28,000	0	28,000	0	0	0	0.00	0.00	0.00
Virginia State Crime Commission									
Crime Commission	50,000	40,000	90,000	0	0	0	0.00	0.00	0.00
Total: Virginia State Crime Commission	50,000	40,000	90,000	0	0	0	0.00	0.00	0.00
Virginia Sesquicentennial Of The American Civil War Commission									
Technical Language Correction									
Language		0	0	0	0	0	0.00	0.00	0.00
Total: Virginia Sesquicentennial Of The American Civil War Commission	0	0	0	0	0	0	0.00	0.00	0.00
TOTAL: LEGISLATIVE DEPARTMENT	78,000	40,000	118,000	0	0	0	0.00	0.00	0.00
JUDICIAL DEPARTMENT									
Supreme Court									
Courts Technology Fund	0	0	0	1,000,000	1,000,000	2,000,000	0.00	0.00	0.00
Courts Financial Management System									
Language		0	0	0	0	0	0.00	0.00	0.00
Total: Supreme Court	0	0	0	1,000,000	1,000,000	2,000,000	0.00	0.00	0.00
Circuit Courts									
New Circuit Court Judgeships (SB 178)	1,526,724	1,526,724	3,053,448	0	0	0	6.00	0.00	6.00
Total: Circuit Courts	1,526,724	1,526,724	3,053,448	0	0	0	6.00	0.00	6.00
General District Courts									
New General District Court Judgeships (SB 179)	927,016	927,016	1,854,032	0	0	0	4.00	0.00	4.00
District Court Positions (20 FTE)	483,120	966,240	1,449,360	0	0	0	20.00	0.00	20.00
Total: General District Courts	1,410,136	1,893,256	3,303,392	0	0	0	24.00	0.00	24.00
Juvenile And Domestic Relations District Courts									
New Juvenile Court Judgeships (SB 179)	1,390,524	1,390,524	2,781,048	0	0	0	6.00	0.00	6.00
Total: Juvenile And Domestic Relations District Courts	1,390,524	1,390,524	2,781,048	0	0	0	6.00	0.00	6.00
Virginia State Bar									
Legal Services Corp of Virginia - Civil Filing Fees (SB 248)	0	0	0	4,250,000	4,250,000	8,500,000	0.00	0.00	0.00
Total: Virginia State Bar	0	0	0	4,250,000	4,250,000	8,500,000	0.00	0.00	0.00
TOTAL: JUDICIAL DEPARTMENT	4,327,384	4,810,504	9,137,888	5,250,000	5,250,000	10,500,000	36.00	0.00	36.00
EXECUTIVE OFFICES									
Virginia Enterprise Applications Program Office									
Enterprise Applications Office Program Responsibilities									
Remove VEAP Program Office Savings Assumptions									
VEAP Program Office Technical Correction									
Language									
Language									
Language									
Total: Virginia Enterprise Applications Program Office	0	0	0	0	0	0	0.00	0.00	0.00
Attorney General And Department Of Law									
Annual Report on Settlements									
Language		0	0	0	0	0	0.00	0.00	0.00
Total: Attorney General And Department Of Law	0	0	0	0	0	0	2.00	0.00	2.00

General Government Subcommittee Recommendations

	General Fund			Non-General Fund			FTE POSITIONS		
	FY 2009	FY 2010	Total	FY 2009	FY 2010	Total	FY 2009	FY 2010	Total
TOTAL: EXECUTIVE OFFICES	0	0	0	0	0	0	2.00	0.00	2.00
ADMINISTRATION									
Secretary Of Administration									
Allegheeny Mountain Radio	19,000	19,000	38,000	0	0	0	0.00	0.00	0.00
Total: Secretary Of Administration	19,000	19,000	38,000	0	0	0	0.00	0.00	0.00
Compensation Board									
Per Diem Payments	(1,900,000)	(1,900,000)	(3,800,000)	0	0	0	0.00	0.00	0.00
90 Day hiring Freeze (Sheriffs/Jails/Comm Attys)	(1,124,052)	(1,699,905)	(2,823,957)	0	0	0	0.00	0.00	0.00
Deputy Sheriff Positions (16)	182,184	364,368	546,552	0	0	0	0.00	0.00	0.00
Restore Federal Inmate Cost Recoveries	2,564,403	0	2,564,403	0	0	0	0.00	0.00	0.00
Deputy Circuit Court Clerk Positions (12)	149,310	298,620	447,930	0	0	0	0.00	0.00	0.00
SAVIN Victim Notification System	760,000	760,000	1,520,000	0	0	0	0.00	0.00	0.00
Restore Operating Funds	93,051	344,121	437,172	0	0	0	3.00	0.00	3.00
Jail Mental Health Report on an Annual Basis	Language	0	0	0	0	0	0.00	0.00	0.00
Jail Capacity Study	Language	0	0	0	0	0	0.00	0.00	0.00
Total: Compensation Board	724,896	(1,832,796)	(1,107,900)	0	0	0	3.00	0.00	3.00
Department Of General Services									
Reverse Transfer of IT Procurement Authority from VITA to DGS	0	0	0	(1,871,285)	(1,824,620)	(3,695,905)	0.00	(16.00)	(16.00)
Housekeeping and maintenance for the State Capitol (14 FTE)	0	0	0	0	0	0	14.00	14.00	14.00
LEED Rating System	Language	0	0	0	0	0	0.00	0.00	0.00
Total: Department Of General Services	0	0	0	(1,871,285)	(1,824,620)	(3,695,905)	14.00	(2.00)	(2.00)
Administration Of Health Insurance									
Local Choice Health Insurance	Language	0	0	0	0	0	0.00	0.00	0.00
Total: Administration Of Health Insurance	0	0	0	0	0	0	0.00	0.00	0.00
TOTAL: OFFICE OF ADMINISTRATION	743,896	(1,813,796)	(1,069,900)	(1,871,285)	(1,824,620)	(3,695,905)	17.00	(2.00)	1.00
FINANCE									
Department Of Accounts Transfer Payments									
Revenue Stabilization Fund (adjust withdrawal per revised GF revenue)	Language	0	0	0	0	0	0.00	0.00	0.00
Line of Duty Act Funding (SB 329)	(10,523,276)	(11,823,276)	(22,346,552)	17,000,000	17,000,000	34,000,000	0.00	0.00	0.00
Total: Department Of Accounts Transfer Payments	(10,523,276)	(11,823,276)	(22,346,552)	17,000,000	17,000,000	34,000,000	0.00	0.00	0.00
Treasury Board									
Capture Debt Service Savings	0	(2,891,555)	(2,891,555)	0	0	0	0.00	0.00	0.00
Debt Service on Capital Program in Budget, as Introduced	0	(50,470,375)	(50,470,375)	0	0	0	0.00	0.00	0.00
Debt Service on SB 795 (Substitute)	4,610,899	48,287,332	52,898,231	0	0	0	0.00	0.00	0.00
Debt Service on Project "Cash Out"	8,000,000	23,700,000	31,700,000	0	0	0	0.00	0.00	0.00
Prince William-Manassas Regional Adult Detention Center Reimbursement	Language	0	0	0	0	0	0.00	0.00	0.00
Total: Treasury Board	12,610,899	18,625,402	31,236,301	0	0	0	0.00	0.00	0.00
TOTAL: OFFICE OF FINANCE	2,087,623	6,802,126	8,889,749	17,000,000	17,000,000	34,000,000	0.00	0.00	0.00
TECHNOLOGY									
Virginia Information Technologies Agency									
Restore E-911 Program to VITA	0	0	0	49,818,979	48,113,801	97,932,780	0.00	10.00	10.00
Restore IT Procurement Authority	0	0	0	2,013,717	2,030,415	4,044,132	0.00	17.00	17.00
Eliminate VITA Rebate Language	Language	0	0	0	0	0	0.00	0.00	0.00
Total: Virginia Information Technologies Agency	0	0	0	51,832,696	50,144,216	101,976,912	0.00	27.00	27.00
TRANSPORTATION									

General Government Subcommittee Recommendations

	General Fund			Non-General Fund			FTE POSITIONS		
	FY 2009	FY 2010	Total	FY 2009	FY 2010	Total	FY 2009	FY 2010	Total
Virginia Department of Transportation									
VDOT Financial Management System Enterprise Architecture Requirements Language									
Total: Virginia Department of Transportation	0	0	0	0	0	0	0.00	0.00	0.00
TOTAL: LEGISLATIVE DEPARTMENT	0	0	0	51,832,696	50,144,216	101,976,912	0.00	27.00	27.00
CENTRAL ACCOUNTS									
Compensation and Benefit Supplements									
Health Insurance Reversions - OPEB	(11,680,611)	(7,003,078)	(18,683,689)	0	0	0	0.00	0.00	0.00
Health Insurance Rate Reduction - HIF	(33,865,415)	(30,152,420)	(64,017,835)	0	0	0	0.00	0.00	0.00
FY 2010 Salary Increase	0	(122,085,348)	(122,085,348)	0	0	0	0.00	0.00	0.00
FY 2010 Salary Increase Reserve	0	56,137,827	56,137,827	0	0	0	0.00	0.00	0.00
Productivity Incentive Fund	0	(1,500,000)	(1,500,000)	0	0	0	0.00	0.00	0.00
VRS Amortization at 30 Years	(27,282,670)	(27,910,083)	(55,192,753)	0	0	0	0.00	0.00	0.00
Total: Compensation and Benefit Supplements	(72,828,696)	(132,513,102)	(205,341,798)	0	0	0	0.00	0.00	0.00
Payments for Special or Unanticipated Expenditures									
Eliminate VITA Rebate Language Language	0	0	0	0	0	0	0.00	0.00	0.00
Total: Payments for Special or Unanticipated Expenditures	0	0	0	0	0	0	0.00	0.00	0.00
TOTAL: CENTRAL ACCOUNTS	(72,828,696)	(132,513,102)	(205,341,798)	0	0	0	0.00	0.00	0.00
TOTAL: EXECUTIVE DEPARTMENT	(69,997,177)	(127,524,772)	(197,521,949)	66,961,411	65,319,596	132,281,007	19.00	25.00	30.00
TRANSFERS									
Increase embedded number for wine liter tax transfer amount to towns Language	0	0	0	0	0	0	0.00	0.00	0.00
GENERAL PROVISIONS									
Delete obsolete language in § 4-1.05a.4. Language	0	0	0	0	0	0	0.00	0.00	0.00
Energy Efficient Appliances and Equipment Language	0	0	0	0	0	0	0.00	0.00	0.00
Alternative Dispute Resolution Public-Private Partnership Language	0	0	0	0	0	0	0.00	0.00	0.00
Correct Level II agency head salary heading Language	0	0	0	0	0	0	0.00	0.00	0.00
TOTAL: GENERAL GOVERNMENT	(65,591,793)	(122,674,268)	(188,266,061)	72,211,411	70,569,596	142,781,007	55.00	25.00	66.00

Judicial Department

Supreme Court

Language

Language:

Page 21, line 2, strike "E." and insert "E.1."

Page 9, following line 13, insert:

"2. The Executive Secretary of the Supreme Court and the Auditor of Public Accounts shall review the design, operation and maintenance of the statewide case management system and financial management system for the administration of the circuit court system, and make recommendations for ensuring compatibility of the statewide system with any separate systems which are maintained by individual circuit courts. The Compensation Board shall provide such assistance in preparing this study as may be deemed necessary by the Executive Secretary and the Auditor. Copies of the report shall be provided to the Chairmen of the Senate Finance and House Appropriations Committees prior to the 2009 General Assembly."

Explanation:

(This amendment directs the Executive Secretary of the Supreme Court and the Auditor of Public Accounts to make recommendations to ensure the compatibility of local circuit court data systems with the statewide case management and financial management systems maintained by the Supreme Court.)

Executive Offices

Attorney General And Department
Of Law

Language

Language:

Page 33, following line 37, insert:

"Beginning January 15, 2009, and on or before January 15 of each year thereafter, the Attorney General shall provide to the Chairmen of the Senate Committee on Finance and the House Committee on Appropriations an annual summary financial report of all monies greater than \$100,000 received from settlements, in both civil and criminal matters, in which the Attorney General or any of his assistants provided representation involving the Commonwealth's interest that provide for the payment,

conveyance, grant, forfeiture, assignment, or other receipt of monies or of any property, real, tangible or intangible. The report shall include an accounting of any such assets ordered to be paid to or received by the Commonwealth or any department, agency, institution, division, commission, board, authority or bureau thereof, except where any confidentiality agreement is imposed by a court of law or the disclosure of which is otherwise prohibited by court order, court rule or law."

Explanation:

(This amendment requires the Attorney General to provide an annual report on monetary settlements received by the Commonwealth, in which the Office of the Attorney General provided representation.)

Item 63 #1s

Executive Offices

Virginia Enterprise Applications
Program Office

Language

Language:

Page 37, Strike Line 7 through Line 14, and insert:

"3.a. All Executive Department agencies and institutions shall comply with the directives and requirements established by the VEAP Office Director. The Director shall provide written notification of unacceptable agency cooperation to the affected cabinet secretary, the Governor's Chief of Staff, and the Chairmen of the House Appropriations and Senate Finance Committees.

b. In addition to the processes and data standards used to support work performed for the Department of Transportation's system modernization effort, the VEAP Office Director shall identify major Commonwealth financial and information collection processes and establish data standards for each process. On December 1, 2008 and every six months thereafter, the VEAP Office Director shall report and recommend to the Chief information Officer and the Information Technology Investment Board, the processes reviewed and the data standards established, which merit adoption as part of Section 2.2-2458 of the Code of Virginia. The VEAP Office Director shall also develop, along with the Chief Information Officer, a migration strategy to implement the data standards and provide such strategy to the Governor and the Information Technology Investment Board for their review beginning December 1, 2008. As part of the migration strategy and its implementation, the VEAP Office Director shall identify agencies and institutions which have sufficiently modern accounting systems that can adopt and implement these data standards. All agencies and institutions shall

cooperate with the VEAP Office Director in implementing the data standards at those agencies and institutions with sufficiently modern accounting systems and the VEAP Office Director shall report, every six months after submitting the Plan to the Governor and the Information Technology Investment Board, those agencies and institutions having adopted the data standards and any agencies or institutions that have not cooperated with the implementation.

c. For agencies whose enterprise applications management efforts are the responsibility of the VEAP Office, the VEAP Office Director shall have responsibility for operational decisions relative to the enterprise applications efforts."

Explanation:

(This amendment directs the VEAP Program Office Director to develop standards for financial and relevant accounting data, as well as a strategy for implementing these standards. The VEAP Office Director is further required to notify the affected cabinet secretary, the Governor's Chief of Staff, and the Chairmen of the House Appropriations and Senate Finance Committees if agencies are uncooperative in the provision of data or the implementation of the data standards.)

Item 70 #4s

Administration

Compensation Board

Language

Language:

Page 50, following line 44, insert:

"L. The Compensation Board shall provide an annual report on the number and diagnoses of inmates with mental illnesses in local and regional jails, the treatment services provided, and expenditures on jail mental health programs. The report shall be prepared in cooperation with the Virginia Sheriffs Association, the Virginia Association of Regional Jails, the Virginia Association of Community Services Boards, and the Department of Mental Health, Mental Retardation and Substance Abuse Services, and shall be coordinated with the data submissions required for the annual jail cost report. Copies of this report shall be provided by October 1, 2008 and each year thereafter to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees.

M. The Compensation Board shall conduct a feasibility study of developing an annual operating cost report for Commonwealth's Attorneys, Treasurers, and Commissioners of the Revenue, using a reporting format similar to that provided in the annual jail cost report. The feasibility study shall be provided to the Chairmen of

the Senate Finance and House Appropriations Committees by January 1, 2009."

Explanation:

(This amendment requires that the jail mental health survey be conducted on an annual basis, and requires a feasibility study of developing an annual cost report for the other constitutional officers, similar to the annual jail cost report.)

Item 76 #7s

Administration

Compensation Board

Language

Language:

Page 64, line 39, insert:

"T. the Compensation Board, in conjunction with the Office of the Secretary of Public Safety, the Department of Corrections, and the Department of Criminal Justice Services, shall report on the feasibility and resource requirements to review the operational capacity and staffing needs of each local and regional jail facility in the Commonwealth. The report shall include requirements to complete such a review within a two year period, to develop a standard for the establishment of operational capacity based upon facility design standards, and to establish a baseline staffing standard for each facility and a standard to accommodate growth in inmate populations in excess of established capacities. The report shall be provided to the Governor and the Chairmen of the House Appropriations and Senate Finance Committee by October 1, 2008."

Explanation:

(This amendment Compensation Board to assess the feasibility of conducting and to identify the resources needed to conduct a two-year study of local and regional jail capacity and staffing requirements.)

Item 86 #1s

Administration

Administration Of Health Insurance

Language

Language:

Page 72, following line 37, insert:

"D. Any member of a local school board who retires directly from service on such board may continue participation in the Local Choice health benefits program."

Explanation:

(This amendment is self-explanatory.)

Item 280 #1g

Finance	FY 08-09	FY 09-10	
Treasury Board	\$0	(\$2,891,555)	GF

Language:

Page 242, line 44, strike "\$553,268,952" and insert "\$550,377,397".

Explanation:

(This amendment captures debt service savings by adjusting the appropriation for debt service payments for the 2002 General Obligation Bonds. The introduced budget includes funding for debt service that is no longer needed based on Treasury's latest estimates of debt service requirements for the 2002 General Obligation Bonds.)

Item 460 #1s

Transportation

Department Of Transportation

Language

Language:

Page 410, Line 47, after "modernization", insert:

"The Department of General Services, the Department of the Treasury, the Department of Human Resource Management, the Department of Planning and Budget, and the Department of Accounts shall support the system modernization effort of the Department of Transportation through the adoption of statewide data standards. These data standards shall include, but not be limited to, vendor tables, agency identification information, state employee identification information, charts of accounts, receiving information, invoice information, purchase information including commodity codes, and any other essential data standards necessary to conduct business. The Departments of General Services, Treasury, Human Resource Management, Planning and Budget, and Accounts shall provide the Virginia

Enterprise Applications Program Director and the Department of Transportation with such data standards by October 1, 2008, and the Virginia Enterprise Applications Program Director shall adopt these data standards as the Commonwealth's standards for future enterprise applications. Within sixty (60) days of their adoption, the Virginia Enterprise Applications Program Director shall present such data standards to the Information Technology Investment Board for their approval as provided in section 2.2-2458 of the Code of Virginia. Upon approval by the Information Technology Investment Board, the Commonwealth shall use such data standards for all new Commonwealth system implementation projects including, but not limited to, Commonwealth enterprise system initiatives."

Explanation:

(This amendment directs certain designated state agencies to support the VDOT accounting system modernization effort through the development of statewide data standards.)

Item 4-1.05 #1g

Appropriations

Reversion of Appropriations and Reappropriations

Language

Language:

Page 501, delete lines 32 through 35.

Page 501, line 36, strike "5." and insert "4."

Explanation:

(This technical amendment deletes unneeded language that addresses reversions of unexpended balances in fiscal year 2005.)

Item 4-5.04 #1s

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 521, following line 16, insert:

"i. PURCHASES OF APPLIANCES AND EQUIPMENT: State agencies and institutions shall purchase Energy Star rated appliances and equipment in all cases

here such appliances and equipment are available."

Explanation:

(This amendment state agencies and institutions to purchase Energy Star rated appliances and equipment.)

Item 4-5.04 #1g

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 521, line 15, after "efficiency" insert:

", including methods of resolving disputes by means other than litigation,".

Explanation:

(This amendment allows the Commonwealth to utilize Public-Private Partnership procurement to acquire services aimed at resolving disputes using methods other than litigation.)

Item 4-5.04 #2s

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 519, line 29, before "Longwood" insert "University of Mary Washington,"

Explanation:

(This amendment includes the University of Mary Washington as an eligible institution for decentralized procurement of information technology and telecommunications goods and services.)

Item 4-6.01 #1g

Positions and Employment
Employee Compensation

Language

Language:

Page 526, line 5, strike "November 25, 2009" and insert "July 1, 2009".

Page 526, line 7, strike "July 1, 2009" and insert "July 1, 2010".

Explanation:

(This amendment makes a technical change to correct the effective dates as listed in the introduced bill for Level II agency head salaries.)
