



Report of the Subcommittee on
Economic Development and
Natural Resources

(Amendments to SB 29
And SB 30 as Introduced)

Senate Finance Committee
Virginia General Assembly

February 17, 2008



SENATE OF VIRGINIA

Senate Finance Committee

**2008 Report of the Economic Development and
Natural Resources Subcommittee
The Honorable Mary Margaret Whipple, Chairman
February 17, 2008**

Mr. Chairman and Members of the Committee:

I am pleased to report the recommendations of the Economic Development and Natural Resources Subcommittee.

As you hear each Subcommittee report today, the central theme is Virginia's struggling economy and the effect of this downturn on state revenues. This is a time where it is critical that we continue to do the best we can to help stimulate economic growth in the Commonwealth. Our recommended amendments focus on strengthening Virginia's competitiveness in advanced manufacturing, research and development. I believe that the amendments before you continue to honor the Commonwealth's commitment to business partners in a fiscally responsible and prudent manner while recognizing our current fiscal constraints.

The Subcommittee endorses the Governor's actions to accelerate incentive payments for semiconductor manufacturing and to provide significant resources for an aerospace engine manufacturing facility, including a partnership with Virginia's universities to further boost our research capabilities. While we have made significant reductions to the introduced budget, the Subcommittee recommends an infusion of \$9.2 million for the Governor's Opportunity Fund that is necessary to continue to provide opportunities for new business to flourish in the Commonwealth.

Article XI of the Constitution of Virginia requires us to ensure that the people have clean air and pure water, and compels us to conserve public lands and historic sites. We have worked with our Capital Outlay Subcommittee to provide \$50.0 million for land conservation; \$25.0 million to repair unsafe state and locally owned dams; and, a six year plan to include development of six new state parks. We are also recommending \$20.0 million for agricultural best management practices to reduce water pollution.

In addition, the Subcommittee supports the Governor's Energy Management Initiative by providing \$800,000 to fund energy saving measures and identifies proposed savings of \$35.0 million in the biennium as a result of this initiative.

Just as all the other Subcommittees have done, we worked hard to identify substantial savings to balance the budget in these difficult economic times. Accordingly, we are recommending amendments that reduce general fund spending by over \$64.0 million for the biennium.

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

Mr. Chairman, this completes the report of your subcommittee.

Respectfully Submitted,

The Honorable Mary Margaret Whipple, Chairman

The Honorable Walter A. Stosch

The Honorable Emmett W. Hanger, Jr.

The Honorable John C. Watkins

The Honorable L. Louise Lucas

The Honorable William Roscoe Reynolds

REPORT OF THE SUBCOMMITTEE ON ECONOMIC DEVELOPMENT AND NATURAL RESOURCES (2008 SESSION)

(Recommended Amendments to SB 29 and SB 30, As Introduced. All General Funds (\$), unless noted.)

Amendment	FY 2008	FY 2009	FY 2010	Biennium
AGRICULTURE AND FORESTRY				
Department of Agriculture and Consumer Services				
Reduce Funding for PDR Programs		(2,500,000)	(1,500,000)	(4,000,000)
Reduce New Funding for Weights and Measures Program		(123,784)	(56,440)	(180,224)
Conform Language for Merger of the Department of Charitable Gaming		Language		
Department of Forestry				
Landscape Friendly Cellphone Towers (NGF)		60,000	60,000	120,000
Forest Warden Retirement Credit		Language		
COMMERCE AND TRADE				
Secretary of Commerce and Trade				
Reduce Governor's Opportunity Fund		(5,900,000)		(5,900,000)
Reduce Virginia Investment Partnership		(800,000)		(800,000)
Department of Housing and Community Development				
Reduce Mortgage Counseling Assistance Program	(250,000)			
Fiscal and Administrative Responsibility for FMFADA	Language	Language		
Remove Funding for T. Nelson Elliot Dam Planning		(150,000)		(150,000)
Department of Labor and Industry				
Eliminate Salary Differential		(61,216)	(128,560)	(189,776)
Department of Mines, Minerals and Energy				
Uranium Mining Regulation	Language	Language		
Virginia Racing Commission				
Regulation of Historical Horse Racing		Language		
Virginia Tourism Authority				
Historical Horse Racing Proceeds		Language		
See Virginia First		Language		

REPORT OF THE SUBCOMMITTEE ON ECONOMIC DEVELOPMENT AND NATURAL RESOURCES (2008 SESSION)

(Recommended Amendments to SB 29 and SB 30, As Introduced. All General Funds (\$), unless noted.)

Amendment	FY 2008	FY 2009	FY 2010	Biennium
NATURAL RESOURCES				
Chippokes Plantation Farm Foundation				
Recreate Chippokes Plantation Farm Foundation as Separate Agency (\$67,103 NGF in each year)		162,167	162,167	324,334
Department of Conservation and Recreation				
"Friend of the Chesapeake" (NGF)		362,562		362,562
Water Quality Improvement Fund Interest (Replaces GF with NGF)		(6,000,000)		(6,000,000)
Eliminate Increase for Dam Loan Fund		(1,000,000)	(1,000,000)	(2,000,000)
Virginia Outdoors Foundation		(500,000)	(500,000)	(1,000,000)
Restore Chippokes as Separate Agency (Reduces \$67,103 NGF in each year)		(162,167)	(162,167)	(324,334)
Department of Environmental Quality				
Restore Citizen Monitoring Grant Program		108,000	108,000	216,000
Replace CSO Funding with Bond Proceeds		(3,000,000)	(3,000,000)	(6,000,000)
Oil Recycling Awareness Program		Language		
Department of Historic Resources				
Presidential Libraries		Language		
Marine Resources Commission				
Emergency Permit Procedures		Language		
CENTRAL APPROPRIATIONS				
Reduce Governor's Opportunity Fund	(750,000)			
Reduce Accelerated Payments for Research		(3,000,000)		(3,000,000)
Energy Savings Reversion Clearing Account		(15,000,000)	(20,000,000)	(35,000,000)
CAPITAL PROJECT EXPENSES				
9(D) Revenue Bonds				
Lake Manassas T. Nelson Elliott Dam			5,000,000	5,000,000
Combined Sewer Overflow		10,000,000	10,000,000	20,000,000
Sub-Total - Economic Development and Natural Resources	(1,000,000)	(27,504,438)	(11,017,000)	(38,521,438)

Item 101 #1g

Agriculture And Forestry

Department Of Agriculture And
Consumer Services

Language

Language:

Page 83, strike lines 23 through 26.
Page 83, line 27, strike "C" and insert "B".
Page 83, line 32, strike "D" and insert "C".
Page 83, line 37, strike "E" and insert "D".

Explanation:

(This amendment is a technical amendment to delete unnecessary language.)

Item 103 #4s

Agriculture And Forestry

Department Of Forestry

Language

Language:

Page 85, after line 24, insert:
"I. Out of this appropriation, \$61,000 the first year and \$64,000 the second year from special funds is provided for implementation of the provisions of Senate Bill 367 (2008) related to retirement credits for special forest wardens."

Explanation:

(This amendment provides funds from the Department's special funds for the retirement credits for special forest wardens contingent on the final passage of Senate Bill 367.)

Item 110 #1g

Commerce And Trade

Department Of Housing And
Community Development

FY 08-09

4.00

FY 09-10

4.00 FTE

Language:

Page 95, line 43, after “M.”, insert “1.”

Page 95, after line 56, insert:

“2. The Department of Housing and Community Development is authorized to act as fiscal agent for the Fort Monroe Federal Area Development Authority (FMFADA) created pursuant to Section 15.2 – 6304.1, Code of Virginia. As fiscal agent, the Department is authorized to conduct payroll, fiscal, procurement, and any other business activities requested by the Board of Commissioners for the FMFADA that are necessary to support the administration of the FMFADA. When acting in its capacity as fiscal agent for the FMFADA, the department shall have discretion regarding the transactions it performs on behalf of the FMFADA. Further, the department may employ staff on behalf of the FMFADA as requested by the Board of Commissioners for the FMFADA. Any such employees shall be placed in restricted positions and shall serve at the pleasure of the Board of Commissioners for the FMFADA.”

Explanation:

(This amendment provides positions to the Department for staffing the Fort Monroe Federal Area Development Authority. The Department will also serve as fiscal and administrative agent for the authority.)

Item 120 #1s

Commerce And Trade

Department Of Mines, Minerals
And Energy

Language

Language:

Page 98, line 47, insert:

"D. The Department shall provide a report to the Chairmen of the Senate Agriculture, Conservation and Natural Resources and the House Agriculture, Chesapeake and Natural Resources Committees and to the Governor by December 15, 2009, assessing the feasibility of establishing, implementing, and overseeing a state program for the regulation of uranium mining. In preparing its report, the Department shall review the 1985 Report of the Coal and Energy Commission and related studies and documents. The Department shall identify in its report information and resources that may be required for the executive and legislative branches to make a determination as to the advisability of establishing a permitting and regulatory program and to develop legislation and regulation for its implementation. In preparing its report, the Department shall consult with the

Department of Environmental Quality and the Department of Health and may request information and advice from any other state agency, from any government or private entities including federal agencies, local and state governments, nongovernmental organizations and industry."

Explanation:

(This amendment requires the agency to report by December 15, 2009 on the feasibility of regulating uranium mining in Virginia .)

Item 129 #1s

Commerce And Trade

Virginia Racing Commission

Language

Language:

Page 104, line 43, insert

"F. The Virginia Racing Commission is hereby directed to develop and approve regulations governing historical horse racing in Virginia within 180 days of enactment of this Act."

Explanation:

(This amendment adds language directing the Virginia Racing Commission to develop and approve regulations governing historical horse racing in Virginia contingent on the passage of Senate Bill 597.)

Item 130 #5s

Commerce And Trade

Virginia Tourism Authority

Language

Language:

Page 106, line 10, insert:

"J. Included in this Item are amounts equal to one-half of one percent of revenues generated from Historical Horse Racing proceeds after payment of all prizes and winning wagers. These funds are directed to be used for Tourism Promotion through cooperative advertising grants."

Explanation:

(This amendment authorizes the Virginia Tourism Authority to receive one-half of one percent of the proceeds from historical horse racing authorized through a companion amendment to Item 129. The Virginia Tourism Authority is directed to use these funds for Tourism Promotion through cooperative advertising grants. This amendment is contingent on final passage of Senate Bill 597.)

Item 130 #10s

Commerce And Trade

Virginia Tourism Authority

Language

Language:

Page 106, line 10, insert:

"J. Out of the amounts for Tourist Promotion shall be provided \$350,000 the first year and \$350,000 the second year from the general fund for the "See Virginia First" public-private partnership project. Of these amounts, up to \$250,000 in first year and \$250,000 in the second year shall be provided for television advertising in partnership with the Virginia Association of Broadcasters provided that match of 4 to 1 is provided in advance of any state contribution. In addition, up to \$100,000 the first year and \$100,000 the second year shall be provided for billboard advertising in partnership with the Virginia Outdoor Advertising Association provided that a match of 4 to 1 is provided in advance of any state contribution."

Explanation:

(This amendment directs that funding from the funds allocated for Tourist Promotion be used for the "See Virginia First" public-private partnership.)

Item 368 #7s

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 341, after line 27, insert:

"C. Out of the amounts for Environmental Financial Assistance, the Department of Environmental Quality shall provide \$10,000 each year from Dedicated Special Revenue for the implementation of a toll free number and an annual survey of

practices of individuals who change their own motor oil, oil filters or antifreeze as authorized by Senate Bill 648."

Explanation:

(This amendment provides funding for implementation of SB 648.)

Item 374 #2s

Natural Resources

Department Of Historic Resources

Language

Language:

Page 345, after line 51, insert:

"J. The Department of Historic Resources shall follow and provide input on federal legislation designed to establish a new national system of recognizing and funding Presidential Libraries for those entities that are not included in the 1955 Presidential Library Act."

Explanation:

(This amendment is self explanatory.)

Item 376 #1s

Natural Resources

Marine Resources Commission

Language

Language:

Page 347, after line 27, insert:

"I. By June 30, 2009, or as soon thereafter as practicable, the Commission shall promulgate a general permit to facilitate emergency response activities related to public utility infrastructure located in or near subaqueous beds and wetlands. The general permit shall enable immediate emergency response activities and include appropriate conditions for resource protection."

Explanation:

(This amendment requires the Commission to develop a general permit procedure for public utilities to allow immediate response in the event of an emergency.)

Central Appropriations

9(D) Revenue Bonds

Language

Language:

Page 483, line 31, after "district" insert "and locally owned".

Page 483, line 31, strike "\$20,000,000 and insert "\$25,000,000".

Explanation:

(This amendment is a companion amendment to Item C-107 to add to VPBA bond authorization for dam repairs to include the Lake Manassas T. Nelson Elliot Dam.)

Central Appropriations

9(D) Revenue Bonds

Language

Language:

Page 483, after line 39, insert:

"Department of Environmental Quality

Combined Sewer Overflow Projects C-110.10 XXXX \$40,000,000

This Item authorizes the Virginia Public Building Authority to issue up to \$40,000,000 of revenue bonds, in an amount not to exceed \$10,000,000 each year for the four years beginning with FY 2009, to be deposited into the Combined Sewer Overflow Matching Fund established pursuant to § 62.1-241.12 of the Code of Virginia for grants to the Cities of Lynchburg and Richmond to pay up to 50% of the capital costs of the completion of their combined sewer overflow (CSO) projects."

Explanation:

(This amendment is self-explanatory.)
