



## Resources

(Amendments to SB 850,  
as Introduced)

Senate Finance Committee  
Virginia General Assembly

February 8, 2009

**Senate Bill 850**  
**Summary of General Fund Resources**  
**Proposed by Senate Finance Committee**

| <b>RECOMMENDED ADJUSTMENTS</b>                 | <u><b>FY 2009</b></u> | <u><b>FY 2010</b></u> | <u><b>Total</b></u> |
|--|-----------------------|-----------------------|---------------------|
| SB 850 Fiscal Year Ending Balance              | 183,102,276           | (172,029,628)         | 11,072,648          |
| <b>ADDITIONS TO BALANCES</b>                   |                       |                       |                     |
| Legislative Agency Reversions                  | 3,420,231             | 1,427,486             | 4,847,717           |
| Health Department Balance                      | 616,000               | 0                     | 616,000             |
|  | -----                 | -----                 | -----               |
| Subtotal-Balances                              | 4,036,231             | 1,427,486             | 5,463,717           |
| <b>CHANGES TO REVENUES</b>                     |                       |                       |                     |
| GOV: Sales Tax Distribution to Localities      | 403,143               | 404,651               | 807,794             |
| GOV: Late-breaking Fed Tax Conformity          | 1,460,000             | (10,530,000)          | (9,070,000)         |
| GOV: DOH Transfer Bedding Fee                  | 0                     | 60,000                | 60,000              |
| Reverse Proposed Clerks' Fee Action            | 0                     | (6,000,000)           | (6,000,000)         |
|  | -----                 | -----                 | -----               |
| Subtotal-Revenues                              | 1,863,143             | (16,065,349)          | (14,202,206)        |
| <b>LEGISLATION</b>                             |                       |                       |                     |
| Reverse Dealer Discount (SB 987)               | 0                     | (64,300,000)          | (64,300,000)        |
| Accelerated Sales Tax (SB 987 Sub)             | 0                     | 100,000,000           | 100,000,000         |
| Renewable Energy Tax Credit (SB 1141 Sub)      | 0                     | 2,000,000             | 2,000,000           |
| Sales Tax from Cigarette Tax (SB 947 Failed)   | 0                     | (2,000,000)           | (2,000,000)         |
| Tax Amnesty (SB 1120)                          | 0                     | 36,980,407            | 36,980,407          |
| Marriage License Fee Increase (SB 1429)        | 0                     | 890,000               | 890,000             |
| Digital Media Fee (SB 1421)                    | 0                     | 250,000               | 250,000             |
| Chesterfield Charter Clerks (SB 942)           | 0                     | (1,900,000)           | (1,900,000)         |
|  | -----                 | -----                 | -----               |
| Subtotal-Legislation                           | 0                     | 71,920,407            | 71,920,407          |
| <b>TRANSFERS</b>                               |                       |                       |                     |
| VASAP Balance to Substance Abuse               | 500,000               | 0                     | 500,000             |
| Fire Programs: Increase Reduction              | 0                     | 440,000               | 440,000             |
| \$1.50 of \$4 for Life to Support HHR Programs | 0                     | 9,450,000             | 9,450,000           |
|  | -----                 | -----                 | -----               |
| Subtotal-Transfers                             | 500,000               | 9,890,000             | 10,390,000          |
|  | -----                 | -----                 | -----               |
| <b>COMMITTEE TOTAL</b>                         | <b>189,501,650</b>    | <b>(104,857,084)</b>  | <b>84,644,566</b>   |
|  | -----                 | -----                 | -----               |
| <b>Total, Proposed Spending</b>                | <b>6,840,404</b>      | <b>33,874,246</b>     | <b>40,714,650</b>   |
|  | -----                 | -----                 | -----               |
| <b>UNAPPROPRIATED BALANCE</b>                  |                       |                       | <b>43,929,916</b>   |

Health and Human Resources Subcommittee

Item 3-1.01 #2s

**Transfers**

Interfund Transfers

Language

**Language:**

Page 609, line 47, strike "\$63,525,964" and insert "\$63,585,964".

Page 611, line 4, strike "\$0" and insert "\$60,000".

**Explanation:**

(This amendment accounts for the transfer of bedding fee revenues from the Department of Health's Bedding and Upholstery Sanitation Fund to the general fund in fiscal year 2010. The strategy to transfer bedding fee revenues to the general fund was erroneously reflected as an appropriation reduction instead of a cash transfer. A companion amendment to Item 301.05 restores the equivalent general fund appropriation amount to the Department of Health.)

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Public Safety Subcommittee

Item 3-1.01 #3s

**Transfers**

Interfund Transfers

Language

**Language:**

Page 612, line 5, strike "1,097,500" and insert "1,537,500"

**Explanation:**

(This amendment increases the transfer from the Fire Programs Fund to the general fund by \$440,000 in the second year, thereby increasing the reduction to the fund from five to seven percent. This budget adjustment is necessary because of the reduction in general fund revenues.)

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Health and Human Resources Subcommittee

Item 3-1.01 #4s

**Transfers**

Interfund Transfers

Language

**Language:**

Page 611, after line 265, insert:

"Capture excess nongeneral fund balances 0200 \$0 \$616,000".

**Explanation:**

(This amendment reverts \$616,000 in nongeneral fund balances from special revenue (200) funds in the Virginia Department of Health to the general fund in the second year.)

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Health and Human Resources Subcommittee

Item 3-1.01 #5s

**Transfers**

Interfund Transfers

Language

**Language:**

Page 612, after line 26, insert:

"F. On or before June 30, 2010, the State Comptroller shall transfer \$9,450,000 from the special emergency medical services fund to the general fund."

**Explanation:**

(This amendment transfers \$1.50 from "\$4.25 for Life" to the general fund in fiscal year 2010. The introduced budget directs \$0.25 to the state police for operations of med-flight. This amendment diverts \$1.50 of each registration fee to the general fund in FY 2010 only. The remaining fee of \$2.50 will be used for recruitment, retention, training and equipment for volunteer rescue squads.)

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General Government Subcommittee

Item 3-1.01 #6s

**Transfers**

Interfund Transfers

Language

**Language:**

Page 604, following line 36, insert:

"7. For expenses incurred by the Department of Corrections for substance abuse treatment for offenders incarcerated state facilities and for probationers under the supervision of district probation and offices, from balances of the Virginia Alcohol Safety Action Program (Section 18.2-271.1 of the Code of Virginia)

\$500,000 \$0

**Explanation:**

(This amendment transfers \$500,000 from nongeneral fund balances as of June 30, 2009, under the Virginia Alcohol Safety Action Program (VASAP) central office, to the general fund, to support substance abuse treatment for offenders in state correctional facilities and for probationers under the supervision of district probation offices. A companion amendment to Item 387 restores \$400,000 to the Department of Corrections for this purpose in the second year.)

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Health and Human Resources Subcommittee

Item 3-1.02 #1s

**Transfers**

Interagency Transfers

Language

**Language:**

Page 612, line 28, before "The" insert "A."

Page 612, after line 29, insert:

"B. The State Comptroller shall transfer on or before June 30, 2010, \$7,309,000 to the Virginia Health Care Fund for the state share of Medicaid spending."

**Explanation:**

(This amendment diverts \$7.3 million in FY 2010 from the Virginia Tobacco Settlement Fund (VTSF) to the Virginia Health Care Fund (VHCF) to pay for the state share of Medicaid costs. Funding for marketing, community-based providers, research grants and operations will be reduced by one-half as a result of this amendment. The VTSF receives 10 percent of the Master Settlement Agreement, while 50 percent goes to the Tobacco Indemnification and Community Revitalization Commission and 40 percent is deposited to the VHCF.)

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Item 3-5.07 #1s

**Adjustments and Modifications to Tax Collections**

Renewable Energy Income Tax Credits

Language

**Language:**

Page 618, strike lines 1 through 48.

Page 619, strike lines 1 through 4.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.08 #1s

**Adjustments and Modifications to Tax Collections**

Captive Real Estate Investment Trust

Language

**Language:**

Page 619, strike lines 5 through 44.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.09 #1s

**Adjustments and Modifications to Tax Collections**

Energy Efficient Systems Sales and Use Tax  
Exemption

Language

**Language:**

Page 620, strike lines 1 through 20.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.10 #1s

**Adjustments and Modifications to Tax Collections**

Conformity to Internal Revenue Code

Language

**Language:**

Page 620, strike lines 21 through 26.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.11 #1s

**Adjustments and Modifications to Tax Collections**

Sales and Use Tax Dealer Discount

Language

**Language:**

Page 620, strike lines 27 through 29.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.12 #1s

**Adjustments and Modifications to Tax Collections**

Land Preservation Income Tax Credit

Language

**Language:**

Page 620, strike lines 30 through 36.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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General Government Subcommittee

Item 3-5.13 #1s

**Adjustments and Modifications to Tax Collections**

Disposition of Excess Fees Collected by Clerks of  
the Circuit Courts

Language

**Language:**

Page 620, strike lines 37 to 40.

**Explanation:**

(This amendment eliminates language that would increase the Commonwealth's share of Clerks' excess fees from one-third to two-thirds. A companion amendment to Item 475.20 reduces aid to local governments by \$6.0 million GF the second year to offset the effect of this amendment.)

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Item 3-5.14 #1s

**Adjustments and Modifications to Tax Collections**

Cigarette and Tobacco Products Taxes

Language

**Language:**

Page 620, strike lines 41 through 51.

Page 621, strike lines 1 through 4.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.15 #1s

**Adjustments and Modifications to Tax Collections**

Tire Recycling Fee Discount

Language

**Language:**

Page 621, strike lines 5 through 7.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.16 #1s

**Adjustments and Modifications to Tax Collections**

Communications Sales and Use Tax Dealer Discount

Language



**Language:**

Page 621, strike lines 8 through 10.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.17 #1s

**Adjustments and Modifications to Tax Collections**

Tax for Enhanced 911 Services Discount

Language

**Language:**

Page 621, strike lines 11 through 13.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 3-5.18 #2s

**Adjustments and Modifications to Tax Collections**

Fuels Tax Discounts

Language

**Language:**

Page 621, strike lines 14 through 17.

**Explanation:**

(This amendment eliminates language in the introduced budget that has been addressed by a separate bill.)

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Item 5-0.00 #1s

Additional Enactments

Language

**Language:**

Page 692, after line 1, insert:

"4. That payments made pursuant to the provisions of Senate Bill 987 shall be made in accordance with procedures established by the Tax Commissioner and shall be considered general fund revenue, except with respect to those revenues required to be distributed under the provisions of §§ 58.1-605 and 58.1-606.

5. That the State Comptroller shall make no distribution of the collections made pursuant to Senate Bill 987 in accordance with §§ 58.1-638 and 58.1-638.1 until the Governor determines each year that funds are available to transfer such collections. If the Governor determines that funds are available to transfer such collections in accordance with §§ 58.1-638 and 58.1-638.1 he shall direct the State Comptroller to make such distribution. The Governor will report such determination to the Chairmen of the Senate Finance, House Finance and House Appropriations Committees in August of each year."

Page 692, line 2, strike "4" and insert "6".

**Explanation:**

(This amendment provides direction to the Tax Commissioner and State Comptroller for the disposition of revenue related to the accelerated sales and use tax payment due on June 30, 2010 pursuant to Senate Bill 987, which passed the Senate.)

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