



Report of the Subcommittee on
Economic Development and
Natural Resources

Senate Finance Committee
Virginia General Assembly

February 8, 2015



SENATE OF VIRGINIA

Senate Finance Committee

**2015 Report of the Economic Development and
Natural Resources Subcommittee
The Honorable John C. Watkins, Chairman
February 8, 2015**

Chairman Colgan, Chairman Stosch and Members of the Committee:

Your subcommittee has carefully reviewed the Governor's introduced amendments for the Secretaries of Agriculture & Forestry, Commerce & Trade, and Natural Resources. I am pleased to report that the subcommittee has made every effort to continue making sound investments that diversify Virginia's economy, eliminate unnecessary fee increases on Virginia businesses and residents, and maintain our commitment to environmental stewardship.

In the Department of Agriculture and Consumer Services, we are recommending eliminating proposed fee increases for both the weights and measures and food inspection programs. More importantly, we are reversing a misguided decision to charge service fees on commodities funds that are paid by farmers in direct support of marketing Virginia products. Where it is possible, we propose restoring funds that support farm safety as well as those that promote environmental education.

In terms of Economic Development, we have devoted substantial resources in recent years to help create jobs and keep our economy moving forward. The budget we recommend to you contains over \$137.7 million for economic development incentive payments for the biennium. However, realizing that the Finance Committee is facing many substantial challenges in other areas, our subcommittee will help address other pressing needs. To that end, we have prudently reviewed balances in several of these programs to provide modest savings that will be put to good use in other areas of the budget.

In the Department of Housing and Community Development, we recommend a \$500,000 increase for rapid re-housing assistance, as well as funding to continue operations of the Southwest Virginia Cultural Heritage Foundation. In order to address the economic diversification needs of our urban regions, we are recommending restoring \$650,000 to the Enterprise Zone Program as well as providing a \$1.0 million deposit to the Brownfields Restoration Fund to continue efforts to remediate existing industrial sites so that they may be put back into positive economic use.

In the area of Natural Resources, your subcommittee has continued to focus on the significant needs we face in meeting our obligations to improve the quality of waters in the Chesapeake Bay and the Southern Rivers. Therefore, we are recommending a deposit of \$6.0 million for Agricultural Best Management Practices as well as \$2.7 million to capitalize the Nutrient Offset Fund used to purchase credits against our overall nutrient reduction goals. In addition we are recommending \$10.0 million in bonds for the Stormwater Local Assistance Fund in FY 2016 to help our local governments move forward with the daunting challenge of meeting stormwater management requirements.

Our award-winning State Parks continue to set record visitation levels, generating revenue for our parks and positive economic activity in the surrounding communities. However, many of our facilities are beginning to show signs of wear and tear from record use and growth in visitation. We recommend almost \$1.0 million in replacement of furnishings in many of our oldest cabins.

As the green-shoots of economic recovery are slowly beginning to emerge, the subcommittee felt that it was important to address several additional fee proposals that, while intended to reduce the strain on state agencies, shifted unnecessary costs to homeowners and consumers. To that end, we also recommend eliminating the proposed increases in deductibles for petroleum tank remediation, proposed increases in saltwater fishing licenses, and proposed

increases in the fees assessed on the transfer of land preservation tax credits.

In closing, we believe our recommendations provide a balanced approach to move our economy forward while meeting our constitutional obligation to protect our vital natural resources.

This completes the report of your subcommittee and we hope it will be the pleasure of the Senate Finance Committee to adopt our amendments.

Respectfully Submitted,

The Honorable John C. Watkins, Chairman

The Honorable Janet D. Howell

The Honorable Emmett W. Hanger, Jr.

The Honorable L. Louise Lucas

The Honorable Frank M. Ruff, Jr.

The Honorable Frank W. Wagner

The Honorable Kenneth C. Alexander

Report of the Subcommittee on Economic Development and Natural Resources
 (Recommended Amendments to SB 800, As Introduced)

Amendment		General Funds		
		FY 2015	FY 2016	Biennium
1	LEGISLATIVE			
2	Division of Legislative Services			
3	Chesapeake Bay Restoration Fund Advisory Committee	NGF		
4	AGRICULTURE & FORESTRY			
5	Secretary Of Agriculture And Forestry			
6	Lyme Disease: Reporting Requirements	<i>Language</i>		
7	Department Of Agriculture And Consumer Services			
8	Partial Restoration of Funding for USDA Cooperative Coyote Control Program (471.10)	\$ -	\$ 100,000	\$ 100,000
9	Partial Restoration of Funding for 4-H and Future Farmers of America (471.10)	\$ 25,000	\$ 25,000	\$ 50,000
10	Eliminate Proposed Weights & Measures Fee (471.10)	\$ -	\$ 500,000	\$ 500,000
11	Eliminate Proposed Changes to Food Inspection Fees (471.10)	\$ -	\$ 400,000	\$ 400,000
12	Department Of Forestry			
13	Retirement Credits for Forest Wardens; Assessment	<i>Language</i>		
14	Reforestation Programs; Technical Correction	<i>Language</i>		
15	Virginia Racing Commission			
16	General Fund Transfer Language; Technical Correction	<i>Language</i>		
17	COMMERCE & TRADE			
18	Secretary of Commerce and Trade			
19	Eliminate \$5 Million Flexibility Language (471.40)	<i>Language</i>		
20	Economic Development Incentive Payments			
21	Governor's Development Opportunity Fund	\$ (4,419,600)	\$ -	\$ (4,419,600)
22	Biofuels Production Fund; Technical Correction	<i>Language</i>		
23	Tourism Growth Incentive Fund	\$ -	\$ (250,000)	\$ (250,000)
24	Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund	\$ -	\$ 1,000,000	\$ 1,000,000
25	Shipbuilding Training Grant Program		\$ 250,000	\$ 250,000

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26	Department Of Housing And Community Development			
27	Homelessness Rapid Rehousing	\$ -	\$ (500,000)	\$ (500,000)
28	Southwest Virginia Cultural Heritage Foundation		\$ 350,000	\$ 350,000
29	Partial restoration of funding to Enterprise Zone Grant Funding (471.10)	\$ 250,000	\$ 400,000	\$ 650,000
30	Enterprise Zone Outcomes Assessment	<i>Language</i>		
31	Fort Monroe Authority			
32	Payments In Lieu of Taxes	\$ (345,663)	\$ (345,663)	\$ (691,326)
33	Department Of Small Business And Supplier Diversity			
34	ESO within SWAM policy	<i>Language</i>		
35	Virginia Economic Development Partnership			
36	National Security R&D Entrepreneurs	\$ -	\$ 350,000	\$ 350,000
37	Direct GF support for Virginia Coalfield Economic Development Authority	\$ -	\$ (1,200,000)	\$ (1,200,000)
38	Virginia Tourism Authority			
39	Partial restoration of funding for "See Virginia First" (471.10)	\$ -	\$ 313,778	\$ 313,778
40	NATURAL RESOURCES			
41	Department Of Conservation And Recreation			
42	Natural Area Preserve Funding	\$ -	\$ 500,000	\$ 500,000
43	Shoreline Erosion Advisory Service (SEAS)	\$ -	\$ 100,000	\$ 100,000
44	SWCD Small Dam Repairs	<i>Language</i>		
45	Agricultural Best Management Practices	\$ 6,000,000	\$ -	\$ 6,000,000
46	Natural Bridge: Transition Costs	\$ -	\$ 60,000	\$ 60,000
47	State Park Furnishings	\$ 752,870	\$ 151,328	\$ 904,198
48	Department Of Environmental Quality			
49	Capitalize Nutrient Offset Fund	\$ 2,700,000	\$ -	\$ 2,700,000
50	HRSD Water Quality Assessment	\$ 100,000	\$ -	\$ 100,000
51	Clean Power Plan; SJ 273	\$ -	\$ 200,000	\$ 200,000
52	Petroleum Storage Tank Fund	<i>Language</i>		
53	Department Of Historic Resources			
54	Partial restoration of funding to Civil War Historic Site Preservation Fund (471.10)	\$ -	\$ 100,000	\$ 100,000
55	Marine Resources Commission			
56	Eliminate Saltwater Fishing License Fee Increase (471.10)	\$ -	\$ 550,000	\$ 550,000

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57	Virginia Museum Of Natural History			
58	Museum of Natural History Satellite Campus	<i>Language</i>		
59	PART 3 - Transfers			
60	Restore Indirect Cost Transfers (VDACS)	\$ 75,637	\$ 65,234	\$ 140,871
61	Petroleum Storage Tank Fund	\$ -	\$ 2,367,213	\$ 2,367,213
62	Capital Access Fund Balances (SB 854)	\$ -	\$ (253,000)	\$ (253,000)
63	Land Preservation Tax Credit Transfer Fee	\$ -	\$ 1,350,000	\$ 1,350,000

Economic Development - Natural Resources
Subcommittee

Item 6 #1s

Legislative Department

Division Of Legislative Services

FY 14-15

\$264,462

FY 15-16

\$0 NGF

Language:

Page 12, line 11, strike "\$6,186,998" and insert "\$6,451,460".

Page 12, following line 28, insert:

"E. Included in these amounts is \$264,462 the first year from dedicated special revenue to implement the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee."

Explanation:

(This amendment provides \$264,462 in nongeneral fund revenues the first year to the Division of Legislative Services from the sale of "Friend of the Chesapeake" license plates to provide grant payments to recipients based on the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee.)

Economic Development - Natural Resources
Subcommittee

Item 85 #1s

Agriculture and Forestry

Secretary Of Agriculture And
Forestry

Language

Language:

Page 75, following line 10, insert:

"A. That the Secretary of Agriculture and Forestry, with the Secretary of Health and Human Resources, shall convene all relevant state and local agency representatives, including the Department of Health, Department of Health Professions, Department of Agriculture and Consumer Services, Department of Game and Inland Fisheries, Department of Forestry, medical professionals and representatives of organizations for affected citizens to:

1. Identify those areas of the Commonwealth with a high prevalence of Lyme disease as the first sites for the implementation of "point of disease" prevention strategies, including USDA-approved vaccines;
2. Determine the estimated costs of implementing such a program in the identified areas of the Commonwealth; and
3. Identify sources of revenue to pay for the cost, including but not limited to federal

grants, local match, private foundations and state funds.

The Secretary of Agriculture and Forestry shall report on the recommendations of the stakeholder group to the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance by October 1, 2015."

Explanation:

(This amendment requires the creation of a Lyme disease task force and reporting of its recommended prevention strategies by October 1, 2015.)

Economic Development - Natural Resources
Subcommittee

Item 93 #1s

Agriculture and Forestry

Department Of Agriculture And
Consumer Services

Language

Language:

Page 78, strike line 35 through line 36.

Explanation:

(This amendment eliminates the Governor's proposed \$10 per device Weights and Measures registration fee. A companion amendment in Item 471.10 restores \$500,000 in proposed general fund reductions in support of the program.)

Economic Development - Natural Resources
Subcommittee

Item 88 #1s

Agriculture and Forestry

Department Of Agriculture And
Consumer Services

Language

Language:

Page 77, unstrike line 3 through line 6.

Page 77, strike each "\$32,900" and insert "\$25,000".

Explanation:

(This amendment partially restores the Governor's proposed elimination of funding in support of 4-H and Future Farmers of America participation at the State Fair of Virginia. Funding specifically cannot be used for administrative costs. A companion amendment to Item 471.10 restores funding of \$25,000 in each year.)

Economic Development - Natural Resources
Subcommittee

Item 94 #1s

Agriculture and Forestry

Department Of Agriculture And
Consumer Services

Language

Language:

Page 78, line 49, unstrike "not to exceed \$40,".

Page 78, line 50, strike "All establishments subject to this".

Page 79, strike line 1 through line 3.

Page 79, line 4, strike "operations shall be subject to the \$40 fee."

Page 79, unstrike line 4 through line 8.

Explanation:

(This amendment restores existing language capping non-restaurant Food Inspection Fees at \$40. A companion amendment is included in Item 471.10 to restore \$400,000 in an offsetting cut to the program.)

Economic Development - Natural Resources
Subcommittee

Item 98 #1s

Agriculture and Forestry

Department Of Forestry

Language

Language:

Page 81, following line 38, insert:

"K. The Department of Forestry shall evaluate the cost and feasibility of providing retirement credits for special forest wardens who participate directly in extinguishing forest fires. As part of this evaluation, the Department shall consider a methodology for the calculation of creditable hours for direct participation in extinguishing a forest fire. In determining cost, retirement credits can be used to offset not more than five years of service for participation in an unreduced service retirement allowance. Each month of service would be eliminated at the rate of one month for each 173 hours of retirement credit. In no case should creditable service or compensation be allowed for the retirement credits.

In conducting the evaluation, the Department of Human Resources Management and Virginia Retirement System shall provide all required technical assistance. The Department of Forestry shall provide this report to the Governor and the chairmen of the House Committee on Appropriations and the Senate Committee on Finance not

later than October 1, 2015."

Explanation:

(This amendment directs the Department of Forestry to evaluate both the potential costs and funding options for providing up to five years of creditable service for individuals directly engaged in forest fire suppression efforts.)

Economic Development - Natural Resources
Subcommittee

Item 98 #2s

Agriculture and Forestry

Department Of Forestry

Language

Language:

Page 80, line 17, strike "\$2,398,431" and insert "\$2,554,502".

Page 80, line 17, strike "\$2,728,142" and insert "\$2,884,213".

Page 80, line 19, strike "\$22,443,854" and insert "\$22,287,783".

Page 80, line 20, strike "\$22,652,134" and insert "\$22,496,063".

Explanation:

(This amendment is a technical correction to adjust funds within service areas.)

Economic Development - Natural Resources
Subcommittee

Item 99.20 #1s

Agriculture and Forestry

Virginia Racing Commission

Language

Language:

Page 82, line 41, following "breeding." strike "In no event, however, shall any funds be expended for that purpose that would".

Page 82, strike line 42 through line 43.

Explanation:

(This technical amendment recognizes that no transfers from excess revenues will occur as there was no horse racing in the current year.)

Economic Development - Natural Resources
Subcommittee

Item 101 #2s

Commerce and Trade

FY 14-15

FY 15-16

Economic Development Incentive Payments \$0 \$1,000,000 GF

Language:

Page 84, line 24, strike "\$79,113,444" and insert "\$80,113,444".

Page 88, following line 11, insert:

"P. Out of this appropriation, \$1,000,000 in the second year from the general fund shall be deposited to the Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund administered by the Virginia Resources Authority for the purposes set forth in § 10.1-1237, Code of Virginia."

Explanation:

(This amendment provides an additional \$1.0 million GF in the second year to the Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund to provide grants or loans for site remediation in support of economic development projects.)

Economic Development - Natural Resources Subcommittee Item 101 #4s

Commerce and Trade	FY 14-15	FY 15-16	
Economic Development Incentive Payments	(\$4,419,600)	\$0	GF

Language:

Page 84, line 24, strike "\$62,076,436" and insert "\$57,656,836".

Page 84, line 32, strike "\$19,916,000" and insert "\$15,000,000".

Explanation:

(This amendment reduces the first year funding to the Governor's Development Opportunity Fund by \$4.4 million GF in the first year.)

Economic Development - Natural Resources Subcommittee Item 101 #5s

Commerce and Trade	FY 14-15	FY 15-16	
Economic Development Incentive Payments	\$0	(\$250,000)	GF

Language:

Page 84, line 24, strike "\$79,113,444" and insert "\$78,863,444".

Page 88, line 8, strike "\$500,000" and insert "\$250,000".

Explanation:

(This amendment reduces the deposit for initial capitalization of the Tourism Growth Incentive Fund by \$250,000 GF in the second year to implement the provisions of SB 991.)

Economic Development - Natural Resources
Subcommittee

Item 101 #6s

Commerce and Trade

Economic Development Incentive
Payments

Language

Language:

Page 87, strike lines 37 through 53 and insert:

"M.1. Out of this appropriation, \$1,500,000 the first year and \$1,500,000 the second year from the general fund shall be deposited into the Biofuels Production Fund established pursuant to § 45.1-393, Code of Virginia, to be used solely for the purposes of providing grants to a producer of neat biofuels commencing qualifying sales on or after January 1, 2014, but before June 30, 2014. With the exception of the provisions of subparagraphs N.2. and N.4. of this item, grant payments from the Fund shall be made in accordance with the provisions of § 45.1-394, Code of Virginia.

2. A producer shall be eligible for a grant from the Biofuels Production Fund established under § 45.1-393, Code of Virginia, only for each gallon of neat biofuels that it produces in the Commonwealth on or after January 1, 2014, which gallon has also been sold by the producer to customers.

3. The Secretary of Agriculture and Forestry shall assist any producer that commences qualifying sales of neat biofuels within the period specified in subparagraph N.1. of this item in identifying potential producers of agricultural feedstock sources within 100 miles of the primary biofuels production site and shall examine the feasibility of establishing a cooperative association to meet the feedstock requirements of any such producer. The Secretary of Agriculture and Forestry and the Secretary of Natural Resources shall work within the structure of existing funding for agricultural best management practices from the Water Quality Improvement Fund to develop additional incentives to encourage farmers to produce winter cover crops utilized in biofuels production.

4. As part of the certification process required pursuant to § 45.1-394 D, Code of Virginia, to be eligible for a grant pursuant to this appropriation, the producer shall also provide evidence that feedstock used in the production of the qualifying neat

biofuels was derived from Virginia-grown agricultural products to the greatest extent such feedstock materials are available from Virginia sources.

5. To be eligible for a grant under this section for 2015 production of neat advanced biofuels or neat biofuels, a producer must show he has made a good faith effort to produce the same using feedstock that is not derived from corn or the corn kernel, stalk, or any other part of the plant. Further, no grant shall be awarded for neat advanced biofuels or neat biofuels produced in 2016 or thereafter using feedstock derived from corn or the corn kernel, stalk, or any other part of the plant."

Page 88, strike lines 1 through 3.

Explanation:

(This amendment corrects an error contained in Chapter 3, 2015 Special Session 1, whereby the incorrect language relating to the Biofuels Investment Fund was included in the budget instead of the language agreed to by the Conference Committee. The corrected language does not impact the funding levels or the program parameters agreed to pursuant to stand alone legislation passed by the 2014 Session which established the program.)

Economic Development - Natural Resources
Subcommittee

Item 101 #7s

Commerce and Trade	FY 14-15	FY 15-16	
Economic Development Incentive Payments	\$0	\$250,000	GF

Language:

Page 84, line 24, strike "\$79,113,444" and insert "\$79,363,444".

Page 86, line 8, after "H." insert "1."

Page 86, after line 10, insert:

"2. In addition to the amounts provided above, out of the appropriation in this Item, \$250,000 from the general fund the second year is provided as a grant for one-time seed funding for expansion of the Pre-Hire Immersion Training Program for ship repair skilled workers. This program will be conducted in collaboration with the Virginia Ship Repair Association.

3. The Virginia Ship Repair Association will report on the success of this program regarding the number of skilled workers trained and hired and the ability of the program to be self-funded through employer pay-back provisions for the training once a worker has been successfully hired.

4. This report shall be provided to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2016."

Explanation:

(This amendment provides \$250,000 GF in the second year for seed funding for a training program to be provided in collaboration with the Virginia Ship Repair Association.)

Economic Development - Natural Resources
Subcommittee

Item 103 #1s

Commerce and Trade

FY 14-15

FY 15-16

Department Of Housing And
Community Development

\$0

(\$500,000) GF

Language:

Page 88, line 35, strike "\$214,026,376" and insert "\$213,526,376".

Page 89, line 44, strike "\$1,000,000" and insert \$500,000".

Explanation:

(This amendment reduces proposed additional funding to the homeless rapid re-housing program by \$500,000.)

Economic Development - Natural Resources
Subcommittee

Item 104 #4s

Commerce and Trade

FY 14-15

FY 15-16

Department Of Housing And
Community Development

\$0

\$350,000 GF

Language:

Page 89, line 47, strike "\$40,425,438" and insert "\$40,775,438".

Page 91, following line 46, insert:

"K. Out of the amounts in this Item, \$350,000 in the second year from the general fund shall be provided in support of operations the Southwest Virginia Cultural Heritage Foundation."

Explanation:

(This amendment provides discrete appropriations to the Southwest Virginia Cultural Heritage Foundation.)

Economic Development - Natural Resources
Subcommittee

Item 105 #1s

Commerce and Trade

Department Of Housing And
Community Development

Language

Language:

Page 92, line 3, strike "\$11,900,000" and unstrike "\$12,150,000".

Page 92, line 4, strike "\$11,750,000" and unstrike "\$12,150,000".

Explanation:

(This amendment restores funding to the Enterprise Zone Grant Program to the funding levels for the program in FY 2014. A companion amendment to Item 471.10 is included to restore funding of \$250,000 GF in the first year and \$400,000 GF in the second year.)

Economic Development - Natural Resources
Subcommittee

Item 105 #2s

Commerce and Trade

Department Of Housing And
Community Development

Language

Language:

Page 92, line 3, insert "A.".

Page 92, following line 12, insert:

"B. Out of the amounts provided in this item for real property improvement grants, up to \$80,000 shall be provided for an assessment of the state Enterprise Zone Program. The objective of the assessment is to find out how well the program works in encouraging business development in the zones over and above any increases that would occur in those areas absent zone designation. In addition, the assessment should assess what characteristics are most commonly associated with zone success. In conducting the assessment, a wide variety of variables should be considered including, but not limited to, geographic location, proximity to markets, infrastructure, zone administration, other non-state state incentives, and the effects of proration of grant benefits. The Secretary of Commerce and Trade, in consultation with the Chairmen of the House Appropriations and Senate Finance Committees, shall approve the final methodology design and selection of the entity chosen to conduct the assessment."

Explanation:

(This amendment directs an assessment of the effectiveness of the Enterprise Zone Grant Program using existing program appropriations.)

Economic Development - Natural Resources
Subcommittee

Item 118 #1s

Commerce and Trade

Department Of Small Business And
Supplier Diversity

Language

Language:

Page 97, following line 30, insert

"F. The Department of Small Business and Supplier Diversity shall include employment services organizations within the development and operation of any state procurement program or program goal and targets for small, women-owned, and minority-owned businesses consistent with requirements in the the Code of Virginia requiring the Department to certify employment service organizations."

Explanation:

(This amendment requires the Department of Small Business and Supplier Diversity to comply with existing statutory provisions and legislative intent by requiring that employment services organizations shall be included in SWAM procurement programs and supplier diversification strategies. As the Department currently supports 5.0 FTE within the Office of the Secretary of Commerce and Trade, it is assumed that resources are available to meet all compliance costs.)

Economic Development - Natural Resources
Subcommittee

Item 119 #1s

Commerce and Trade

Fort Monroe Authority

FY 14-15

(\$345,663)

FY 15-16

(\$345,663) GF

Language:

Page 97, line 47, strike "\$7,063,818" and insert "\$6,718,155".

Page 97, line 47, strike "\$5,834,696" and insert "\$5,489,033".

Page 98, line 22, unstrike both "\$983,960" and strike both "\$1,329,623".

Explanation:

(This amendment rejects a proposed increase in payments in lieu of taxes to the

Economic Development - Natural Resources
Subcommittee

Item 120 #2s

Commerce and Trade	FY 14-15	FY 15-16	
Virginia Economic Development Partnership	\$0	\$350,000	GF

Language:

Page 98, line 29, strike "\$19,376,464" and insert "\$19,726,464".

Page 100, following line 5, insert:

"P. Out of the amounts for Economic Development Services shall be provided \$350,000 in the second year from the general fund to continue investment in a program connecting national security agency research and development program and project managers with entrepreneurs in northern Virginia that received an initial funding disbursement through the Federal Action Contingency Trust Fund."

Explanation:

(This amendment provides second year funding of \$350,000 GF for an initiative initially funded in FY 2014 under the Federal Action Contingency Trust Fund that connects national security research and development entrepreneurs with federal national security professionals in northern Virginia.)

Economic Development - Natural Resources
Subcommittee

Item 120 #3s

Commerce and Trade	FY 14-15	FY 15-16	
Virginia Economic Development Partnership	\$0	(\$1,200,000)	GF

Language:

Page 98, line 29, strike "\$19,376,464" and insert "\$18,176,464".

Page 99, strike line 29 through line 32.

Explanation:

(This amendment eliminates \$1,200,000 the second year from the general fund for the Virginia Coalfield Economic Development Authority, which is contingent upon passage of legislation by the 2015 Virginia General Assembly to limit the amount of the Coalfield Employment Enhancement Tax Credit that can be claimed on any tax return. A companion amendment is included in Section 3-5.16, Coalfield

Employment Enhancement Tax Credit)

Economic Development - Natural Resources
Subcommittee

Item 126 #1s

Commerce and Trade

Virginia Tourism Authority

Language

Language:

Page 102, line 23, strike "\$200,000" and insert "265,006".

Page 102, line 26, following "year" insert "and \$65,006 in the second year".

Page 102, line 29, following "year" insert "and \$195,018 in the".

Page 102, line 30, unstrike "second year.".

Page 102, line 35, following "year" insert "and \$248,772 the second year".

Page 102, line 39, unstrike "\$1,492,632" and strike "\$746,316 the first year".

Explanation:

(This amendment partially restores the Governor's proposed elimination of state funding for the "See Virginia First" marketing partnership with the Virginia Association of Broadcasters. A companion amendment to Item 471.10 is also included.)

Economic Development - Natural Resources
Subcommittee

Item 357 #4s

Natural Resources

FY 14-15

FY 15-16

Department Of Conservation And
Recreation

\$0

\$500,000 GF

Language:

Page 319, line 35, strike "\$55,254,708" and insert "\$55,754,708".

Page 322, following line 30, insert:

"N. Out of the amounts in this Item, \$500,000 in the second year from the general fund shall be provided to the Natural Heritage Program in support of active preserve management activities across Virginia's 61 Natural Area Preserves as identified by the Board of Conservation and Recreation in October 2014."

Explanation:

(This amendment provides \$500,000 GF in the second year in support of the Natural Area Preserve program.)

Economic Development - Natural Resources
Subcommittee

Item 357 #5s

Natural Resources

FY 14-15

FY 15-16

Department Of Conservation And
Recreation

\$0

\$100,000 GF

Language:

Page 319, line 35, strike "\$55,254,708" and insert "\$55,354,708".

Page 322, following line 30, insert:

"N. From the amounts in this Item, \$100,000 in the second year is included in support of technical assistance for the Shoreline Erosion Advisory Services program. It is the intent of the General Assembly that this funding shall be used to provide technical resources for shoreline erosion control techniques as required under §10.1-702, Code of Virginia, that aid in meeting the mandatory nutrient and sediment reduction goals."

Explanation:

(This amendment provides \$100,000 in general fund support of dedicated technical staffing of the Shoreline Erosion and Sediment Control program.)

Economic Development - Natural Resources
Subcommittee

Item 357 #7s

Natural Resources

Department Of Conservation And
Recreation

Language

Language:

Page 320, line 21, after "training." insert:

" The amount appropriated for small dam repairs of known or suspected deficiencies the second year, is authorized for transfer to the Soil and Water Conservation District Dam Maintenance, Repair, and Rehabilitation Fund. Carry-forward from the first year is also authorized to be retained and transferred to the Fund."

Explanation:

(This amendment authorizes the deposit of \$150,000 in FY 2016 general funds and FY 2015 carry-forward provided for small dam repairs of known or suspected deficiencies into the Soil and Water Conservation District Dam Maintenance Fund.)

Economic Development - Natural Resources

Item 357 #9s

Subcommittee

Natural Resources	FY 14-15	FY 15-16	
Department Of Conservation And Recreation	\$6,000,000	\$0	GF

Language:

Page 319, line 35, strike "\$55,619,325" and insert "\$61,619,325".

Page 321 following line 19, insert:

"4. From the amounts included in this Item, \$6,000,000 the first year from the general fund shall be transferred to the Virginia Natural Resources Commitment Fund, a subfund of the Water Quality Improvement Fund, to be used solely for Agricultural Best Management Practices Cost-Share Assistance where of this amount \$3,600,000 shall be used for matching grants for agricultural best management practices on lands in the Commonwealth exclusively or partly within the Chesapeake Bay watershed and \$2,400,000 shall be used for matching grants for agricultural best management practices on lands in the Commonwealth exclusively outside of the Chesapeake Bay watershed."

Explanation:

(This amendment provides a one-time additional deposit of \$6.0 million GF in the first year exclusively for agricultural best management practices cost-share assistance.)

Economic Development - Natural Resources
Subcommittee

Item 358 #3s

Natural Resources	FY 14-15	FY 15-16	
Department Of Conservation And Recreation	\$0	\$60,000	GF

Language:

Page 322, line 32, strike "\$59,862,440" and insert "\$59,922,440".

Page 323, following line 35, insert:

"F. Out of the amounts for State Park Management and Operations is provided \$60,000 from the general fund in the second year for costs required for the transition of Natural Bridge to a Virginia State Park on June 15, 2016. Funding appropriated herein is to provide for the training of a Park Manager and Chief Ranger, as well as the development of a master plan for the Natural Bridge State Park prior to it being brought into the state park system."

Explanation:

(This amendment provides funding in support of the transition of Natural Bridge to a Virginia State Park in 2016.)

Economic Development - Natural Resources
Subcommittee

Item 358 #4s

Natural Resources	FY 14-15	FY 15-16	
Department Of Conservation And Recreation	\$752,870	\$151,328	GF

Language:

Page 322, line 32, strike "\$59,920,064" and insert "\$60,672,934".

Page 322, line 32, strike "\$59,862,440" and insert "\$60,013,768".

Page 323, following line 35, insert:

"F. Out of the amounts for State Park Management and Operations is provided \$752,870 in the first year and \$151,328 in the second year from the general fund to begin replacement of furniture and mattresses at existing Virginia State Parks."

Explanation:

(This amendment provides funding for the replacement of furnishings at existing Virginia State Park overnight facilities.)

Economic Development - Natural Resources
Subcommittee

Item 361 #2s

Natural Resources	FY 14-15	FY 15-16	
Department Of Environmental Quality	\$2,700,000	\$0	GF

Language:

Page 324, line 30, strike "\$40,225,873" and insert "\$42,925,873".

Page 325, following line 22, insert:

"F. Out of the amounts in this Item, \$2,700,000 in the first year from the general fund shall be deposited to the Nutrient Offset Fund pursuant to §10.1-2128.2, Code of Virginia, for the purchase of phosphorous credits generated by animal waste gasification projects compliant with NRCS Conservation Practice Code 735."

Explanation:

(This amendment provides \$2.7 million GF in support of the Nutrient Offset Fund

to be used for purchase of phosphorus credit from animal waste gasification and electricity cogeneration practices.)

Economic Development - Natural Resources
Subcommittee

Item 363 #1s

Natural Resources

FY 14-15

FY 15-16

Department Of Environmental
Quality

\$100,000

\$0 GF

Language:

Page 326, line 4, strike "\$69,796,177" and insert "\$69,896,177".

Page 328, following line 3, insert:

"J. Out of the amount appropriated in this Item, \$100,000 in the first year from the general fund is provided for an assessment by the Hampton Roads Sanitation District of the feasibility of providing production quality treated waste water to the RockTenn paper mill in West Point."

Explanation:

(This amendment provides funding for an assessment of the feasibility of the use of treated waste water by the RockTenn paper mill in West Point as an alternative to the mill's current use of groundwater.)

Economic Development - Natural Resources
Subcommittee

Item 363 #2s

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 327, strike line 41 through line 54.

Page 328, strike line 1 through line 3.

Page 327, following line 40, insert:

"I. The Department shall form a stakeholder working group including, but not limited to, representatives from industries providing services and remediation work to owners of leaking petroleum storage tanks as well as environmental communities to advise the Department regarding current guidance and policy governing the cleanup of petroleum releases. The review shall determine: a) if the Department's present guidance is being applied uniformly across regional offices, b) the adequacy of the

Department's guidance with respect to the Commonwealth's groundwater protection regulations and the Department's technical regulations regarding petroleum spill remediation; and c) the appropriate deductibles for homeowners.

Not later than November 30, 2015, the Department shall submit a report, including any recommendations of the working group, to the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance."

Explanation:

(This amendment eliminates the Governor's proposed increase in the deductible paid by home and business owners for eligibility from the Underground Storage Tank Fund and requires the Department of Environmental Quality to form a stakeholder group to advise the Department on agency guidance governing the cleanup of petroleum releases. A companion amendment to Part 3-1.01 eliminates the proposed transfer of \$2.4 million in program balances to the general fund.)

Economic Development - Natural Resources
Subcommittee

Item 364 #1s

Natural Resources

FY 14-15

FY 15-16

Department Of Environmental
Quality

\$0

\$200,000 GF

Language:

Page 328, line 4, strike "\$25,568,005" and insert "\$25,768,005".

Page 328, following line 24, insert:

"D. Included in the amounts in this Item is \$200,000 in the second year for any contractual costs incurred in the implementation of an assessment of any potential double-counting of air quality benefits in the Environmental Protection Agency's Clean Power Plan pursuant to SJ 273 of the 2015 General Assembly,"

Explanation:

(This amendment provides the funding required to implement the provisions of SJ 273 that passed the Senate with an appropriations clause.)

Economic Development - Natural Resources
Subcommittee

Item 369 #1s

Natural Resources

Department Of Historic Resources

Language

Language:

Page 331, line 15, following "and", strike "\$750,000" and insert "\$850,000".

Explanation:

(This amendment restores a portion of the Governor's proposed reduction to the Civil War Historic Site Preservation Fund. A companion amendment to eliminate the proposed reduction in Item 471.10 is also included.)

Economic Development - Natural Resources
Subcommittee

Item 375 #1s

Natural Resources

Virginia Museum Of Natural
History

Language

Language:

Page 333, following line 39, insert:

"A. The Virginia Museum of Natural History shall conduct an assessment of the costs and feasibility of establishing a satellite location in Waynesboro, Virginia and provide this assessment to the chairmen of the House Committee on Appropriations and Senate Committee on Finance prior to October 1, 2015. In conducting the assessment, the Museum shall identify all operational costs and potential revenue sources in support of this project."

Explanation:

(This amendment directs the Museum of Natural History to conduct a feasibility assessment of the potential for opening a satellite location in Waynesboro.)

Economic Development - Natural Resources
Subcommittee

Item 471.10 #2s

Central Appropriations

FY 14-15

FY 15-16

Central Appropriations

\$0

\$500,000 GF

Language:

Page 441, line 19, strike "\$90,459,489" and insert "\$89,959,489".

Page 442, strike line 22.

Explanation:

(This amendment restores a proposed reduction to the Department of Agriculture and Consumer Services from the implementation of a Weights and Measure

registration fee. A companion amendment is included in Item 91.)

Economic Development - Natural Resources
Subcommittee

Item 471.10 #3s

Central Appropriations	FY 14-15	FY 15-16	
Central Appropriations	\$0	\$400,000	GF

Language:

Page 441, line 19, strike "\$90,459,489" and insert "\$90,059,489".

Page 442, strike line 28 through line 29.

Explanation:

(This amendment is a companion amendment to Item 94 which eliminates a proposed fee increase for non-restaurant food inspection.)

Economic Development - Natural Resources
Subcommittee

Item 471.10 #4s

Central Appropriations	FY 14-15	FY 15-16	
Central Appropriations	\$250,000	\$400,000	GF

Language:

Page 441, line 19, strike "\$60,072,307" and insert "\$59,822,307".

Page 441, line 19, strike "\$90,459,489" and insert "\$90,059,489".

Page 442, strike line 44.

Explanation:

(This amendment restores a proposed cut to the Enterprise Zone Grant Program at the Department of Housing and Community Development. A companion amendment is included in Item 105.)

Economic Development - Natural Resources
Subcommittee

Item 471.10 #5s

Central Appropriations	FY 14-15	FY 15-16	
Central Appropriations	\$0	\$100,000	GF

Language:

Page 441, line 19, strike "\$90,459,489" and insert "\$90,359,489".

Page 450, line 15, strike "\$250,000" and insert "\$150,000".

Explanation:

(This amendment is a companion to Item 369 and partially restores the Governor's proposed reduction to the Civil War Historic Site Preservation Fund.)

Economic Development - Natural Resources
Subcommittee

Item 471.10 #14s

Central Appropriations

FY 14-15

FY 15-16

Central Appropriations

\$25,000

\$25,000 GF

Language:

Page 441, line 19, strike "\$60,072,307" and insert "\$60,047,307".

Page 441, line 19, strike "\$90,459,489" and insert "\$90,434,489".

Page 442, line 20, strike each "\$32,900" and insert "\$7,900".

Explanation:

(This amendment restores \$25,000 GF in each year in funding support for the participation of 4H and Future Farmers of America in the Virginia State Fair.)

Economic Development - Natural Resources
Subcommittee

Item 471.10 #15s

Central Appropriations

FY 14-15

FY 15-16

Central Appropriations

\$0

\$100,000 GF

Language:

Page 441, line 19, strike "\$90,459,489" and insert "\$90,359,489".

Page 442, line 21, strike "\$190,000" and insert "\$100,000".

Explanation:

(This amendment partially restores a proposed reduction in funding for the Cooperative Coyote Control program.)

Economic Development - Natural Resources
Subcommittee

Item 471.10 #17s

Central Appropriations

FY 14-15

FY 15-16

Central Appropriations

\$0

\$313,778 GF

Language:

Page 441, line 19, strike "\$90,459,489" and insert "\$90,145,711".

Page 443, line 30, strike "\$627,556" and insert "\$313,778".

Explanation:

(This amendment is a companion to Item 126 and partially restores the Governor's proposed elimination of state funding for the "See Virginia First" marketing partnership with the Virginia Association of Broadcasters.)

Economic Development - Natural Resources
Subcommittee

Item 471.10 #18s

Central Appropriations

FY 14-15

FY 15-16

Central Appropriations

\$0

\$550,000 GF

Language:

Page 441, line 19, strike "\$90,459,489" and insert "\$89,909,489".

Page 450, strike line 19 through line 20.

Explanation:

(This amendment eliminates a proposed increase in Saltwater Recreational Fishing Licenses and restores a reversion from the Marine Resources Commission.)

Economic Development - Natural Resources
Subcommittee

Item 471.40 #1s

Central Appropriations

Central Appropriations

Language

Language:

Page 457, strike line 41 through line 51.

Explanation:

(This amendment eliminates language that was included in Chapter 3 to temporarily provide the Secretary of Commerce and Trade the discretion to reallocate up to \$5.0 million among economic development programs.)

Economic Development - Natural Resources
Subcommittee

Item 3-1.01 #2s

Transfers

Interfund Transfers

Language

Language:

Page 503, strike line 15 through line 16.

Explanation:

(This amendment eliminates the Governor's proposed transfer to the general fund of \$2.4 million in balances from the Underground Petroleum Storage Tank Fund at the Department of Environmental Quality.)

Economic Development - Natural Resources
Subcommittee

Item 3-1.01 #3s

Transfers

Interfund Transfers

Language

Language:

Page 499, line 16, strike "\$6,309,188" and insert "\$6,233,821".

Page 499, line 16, strike "6,182,100" and insert "6,116,866".

Page 499, strike line 20 through line 21.

Explanation:

(This amendment restores proposed cost recovery transfers to the general fund from special funds of the Department of Agriculture and Consumer Service included in Part 3. Revenue reductions of \$75,637 GF in the first year and \$65,234 GF in the second year are reflected in the front page revenue resources amendment.)

Economic Development - Natural Resources
Subcommittee

Item 3-1.01 #9s

Transfers

Interfund Transfers

Language

Language:

Page 506, following line 39, insert:

Virginia Small Business Financing Authority

Capture Capital Access Fund for Disadvantaged Businesses Balances \$253,000

Line 40, strike "\$1,475,000" and insert "\$1,728,000".

Explanation:

(This amendment captures balances that will be stranded in the Capital Access

Fund pursuant to the provisions of SB 854 of the 2015 General Assembly.)

Economic Development - Natural Resources
Subcommittee

Item 3-6.06 #1s

Adjustments and Modifications to Fees

Transfer of Land Preservation Tax Credits

Language

Language:

Page 518, strike lines 38 through 43.

Explanation:

(This amendment eliminates § 3-6.06 in its entirety, which increases the fee imposed upon any transfer of Land Preservation tax credits from two percent of the donated value to three percent of the donated value. A companion amendment to the revenue page reduces FY 2016 GF revenues by \$1,350,000.)
