

Veterans and Defense Affairs

Adopted Adjustments				
(\$ in millions)				
	FY 2017 Adopted		FY 2018 Adopted	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2016-18 Base Budget, Ch. 665	\$14.8	\$49.8	\$14.8	\$49.8
Increases	4.0	13.6	5.9	13.6
Decreases	<u>(0.0)</u>	<u>(2.4)</u>	<u>(0.0)</u>	<u>(2.4)</u>
\$ Net Change	4.0	11.2	5.9	11.3
Chapter 780 (HB 30, as Adopted)	\$18.8	\$61.0	\$20.7	\$61.1
% Change	27.3%	22.6%	39.7%	22.6%
FTEs	166.00	602.00	172.00	602.00
# Change	36.00	36.00	42.00	36.00

- **Secretary of Veterans and Defense Affairs**

- *Governor’s Commission Recommendations.* Adds \$600,000 GF each year to support the recommendations of the Governor’s Commission on Military Installations and Defense Activities. The recommendations were developed to support four goals, including protecting federal facilities and areas for growth in the Commonwealth; promoting business, education and other efforts to support, attract, and retain existing military installations and defense activities in the Commonwealth; supporting the Commonwealth’s role in research and development related to military missions, contracting and defense activities; and, expanding collaborative activities related to aerospace, cyber-security, modeling and simulation, energy, and unmanned systems. A companion amendment in Chapter 732 (HB 29) includes \$250,000 in FY 2016 for this purpose.
- *MEI Commission.* Provides authority for the Secretary of Veterans and Defense Affairs to submit project requests that improve, expand, develop or redevelop a federal or state military installation to the Major Employer Initiative (MEI) Project Approval Commission, and requires that the MEI Commission recommend approval or denial of such proposals.

- *Encroachment Mitigation.* Includes language to ensure that the recurring, dedicated special revenue component of the U.S. Navy Master Jet Base and Auxiliary Landing Field encroachment mitigation program is continued through June 30, 2018. The language also provides that any excess dedicated special fund revenue up to \$2.5 million is appropriated to provide additional assistance to purchase property or development rights under this program.
 - *Reorganization of VVFS.* Includes \$393,494 GF the first year for the reorganization of the Virginia Veteran and Family Services (VVFS) program, subject to the unanimous approval of a working group consisting of the Secretary of Veterans and Defense Affairs, the Secretary of Health and Human Resources, and the Director of JLARC. The reorganization is described in greater detail under the Department of Veterans Services.
- **Department of Veterans Services**
 - *Professional Development.* Includes \$100,000 GF each year for training, education, conferences, and other professional development activities for agency personnel.
 - *Suffolk Veterans Cemetery.* Adds 2 positions for operational support, to be funded from existing nongeneral funds.
 - *Virginia War Memorial – Security.* Adds \$35,000 GF each year to cover increased security contract costs.
 - *Virginia War Memorial – Position Costs.* Includes \$107,333 GF each year to annualize 2 positions (an Assistant Director and an Education Director), which were added by the 2015 General Assembly.
 - *Virginia War Memorial – New Addition.* Adds \$309,553 GF and 3 positions the second year to staff the new 26,000 square foot addition, which is expected to open in October 2017. This also includes funds for two wage positions.
 - *Office Consolidation and Relocation.* Provides \$177,906 GF each year for office consolidation and relocation expenses related to the opening of the new addition in October 2017.
 - *Communications and Outreach.* Provides \$145,574 GF the first year, \$159,689 GF the second year, and 1 position to inform Virginia veterans and their families of the services and programs provided by the department and the Commonwealth.

- ***Veterans Hotline.*** Adds \$100,000 GF the first year and \$150,000 GF the second year for a contract with the Department of Social Services to expand the existing DSS 2-1-1 hotline to connect veterans with available services.
- ***Administrative Positions.*** Provides \$0.2 million GF each year and 2 positions, including an agency human resources specialist and a policy director.
- ***Veterans Care Center Administrators.*** Includes \$0.2 million GF and 2 positions the second year to hire administrators for the two new veterans care centers to be built in Hampton Roads and Northern Virginia.
- ***Veterans Care Center Operations.*** Includes \$11.2 million NGF each year and 35 positions to reflect projected revenues associated with the new 40-bed addition at the Sitter-Barfoot Veterans Care Center in Richmond, which opened in July 2015.
- ***Benefit Services Field Offices.*** Includes \$0.3 million GF and 6 positions the first year, and \$0.6 million GF and 8 positions the second year for four new field offices (to be located in Prince William County, Loudoun County, Williamsburg and the Pentagon). The agency anticipates three of these offices will open in FY 2017 and the fourth will open in FY 2018. Two positions are provided for each of the four new offices. With these four new offices, the total number of field offices will increase from 26 to 30.
- ***Career Development for Benefit Services Staff.*** Provides \$0.2 million GF the first year and \$0.7 million GF the second year for career development salary adjustments for benefits services field staff.
- ***Virginia Veteran and Family Services (VVFS) Reorganization.*** Provides \$687,684 GF the second year and 14 positions each year for reorganizing this program, which was formerly known as the Virginia Wounded Warrior Program. Funding in the first year (\$393,494) is appropriated to the Secretary of Veterans and Defense Affairs, and is subject to unanimous approval by a working group consisting of the Secretary of Veterans and Defense Affairs, the Secretary of Health and Human Resources, and the Director of JLARC.
 - The working group is to direct agency staff to develop an implementation plan for the reorganization by November 15, 2016, consistent with the findings of the 2015 JLARC report on the Department of Veterans Services. Upon unanimous request of the working group, the FY 2017 funding of \$393,494 is to be transferred from the Secretary of Veterans and Defense Affairs to DVS to initiate the reorganization. It is the intent of this amendment that the findings and recommendations of the JLARC report be addressed before the reorganization is implemented.

- Currently, there are 45 full-time DVS representatives working on this program, but 35 are actually employees of 11 local Community Services Boards (CSBs), physically co-located in 19 CSBs. Five CSBs serve as the regional fiscal agents for this program.
 - The reorganization is intended to phase-in over three years the restructuring of these 35 CSB jobs into a new service delivery model, so that these representatives become full-time employees of the Department of Veterans Services. Subject to approval of the working group, the budget provides funds to transition the first 14 of the 35 CSB local employees to become full-time DVS state employees.
- ***VVFS Regional Manager.*** Adds \$0.1 million GF each year and one position for a Senior Resource Specialist (team leader) in one of the VVFS regions. The actual location for this position has not yet been determined.
 - ***Education, Training and Employment Division.*** Adds \$0.1 million GF the first year and \$0.2 million GF the second year and 2 positions (an assistant director and 1 support position) for the Virginia Education, Training and Employment (VETE) division of the agency. The V3, VTAP, and VMSDEP programs and G.I. Bill activities report to the director of this division.
 - ***Virginia Values Veterans (V3).*** Adds \$0.3 million GF the first year, \$0.4 million GF the second year and 4 positions for the V3 Program. One of these is a new position and the other three are conversions of part-time positions.
 - Included within this amount is \$100,000 GF each year for the U.S. Department of Defense (DoD) SkillBridge program, which is intended to help veterans leverage their skills into civilian jobs. This is a new program for DVS, which will be one of the first state veterans agencies in the nation to implement this program at the state level for DoD.
 - ***Incentives to Hire Veterans (V3).*** Amends language adopted by the 2015 General Assembly, which created a new grant program with \$500,000 to provide incentives for employers to hire veterans. The V3 program provides grants of up to \$1,000 for each veteran hired, on or after July 1, 2014, by qualifying Virginia businesses with 300 or fewer employees, up to a maximum annual grant of \$10,000 for each business. The language amendment was adopted by the 2016 General Assembly and is included in Chapter 732:
 - Extends from one to five years the time following discharge from active military service during which the veteran may be hired; and,

- Strikes the language requiring that each such veteran hired shall be paid at least the prevailing average wage of the jurisdiction in which the job is located.
- ***Virginia Transition Assistance Program (VTAP).*** Adds \$0.2 million GF the first year, \$0.3 million GF the second year and 3 positions for the VTAP program, which provides assistance for veterans leaving military careers and seeking employment in the civilian workforce.
- ***Virginia Military Survivors and Dependents Education Program.*** Adds \$0.1 million GF and 1 position each year for VMSDEP program support. Also includes language clarifying that the benefits are available to the “surviving spouse or child” of qualifying veterans.
- ***Medic Initiative.*** Adds \$0.4 million GF each year and 3 positions for a pilot program to expand health care employment opportunities for military medics who are transitioning to civilian careers in Virginia. Chapters 418 and 212 of the 2016 Acts of Assembly (HB 825/SB 437) authorizes DVS, in collaboration with the Department of Health Professions, to establish a pilot program in which military personnel may practice in Virginia under the supervision of a licensed physician or podiatrist, while obtaining their medical licensure.
- ***GI Bill Contract Increase.*** Includes \$0.1 million NGF each year to support additional G.I. Bill certification requirements. DVS is the State Approving Agency for certification of G.I. Bill funding for public and private institutions of higher education in Virginia.