

Central Appropriations

Governor's Proposed Amendments				
(\$ in millions)				
	FY 2019 Proposed		FY 2020 Proposed	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2018-20 Current Budget (Ch. 2, 2018 Special Session I)	\$81.3	\$121.3	\$288.8	\$121.3
Proposed Increases	17.6	1.6	89.2	1.6
Proposed Decreases	<u>(2.3)</u>	<u>(0.0)</u>	<u>(60.3)</u>	<u>(0.0)</u>
\$ Net Change	15.3	1.6	28.9	1.6
HB 1700/SB 1100, as Introduced	\$96.6	\$122.9	\$317.6	\$122.9
% Change	18.9	1.3%	10.0%	1.3%
FTEs	0.00	0.00	0.00	0.00
# Change	0.00	0.00	0.00	0.00

- **Compensation Supplements**

- *Provide Funding for Presidential Primary Expenses.* Proposes \$5.9 million GF the second year for the reimbursement to the Department of Elections and localities for presidential primary expenses. Of the amount included, \$5.8 million is for the reimbursement of costs incurred by localities, and \$147,038 would be used to cover costs incurred by the Department of Elections.
- *Adjust Funding for Health Insurance Premium Costs.* Recommends reducing by \$51.3 million GF in the second year the state's share of employee health plan premiums, based on the most recent estimates of cost. Chapter 2 of the 2018 Acts of Assembly, Special Session I, included funding based on an expected increase of approximately 8.5 percent in FY 2020. The introduced budget assumes the premiums will remain unchanged in FY 2020.
- *Adjust Funding for Workers' Compensation Premiums.* Proposes a reduction of \$145,641 GF the second year to reflect the adjustment in workers' compensation premiums, based on the most recent actuarial report.

- ***Adjust Funding for Cardinal Payroll Implementation Delay.*** Recommends a reduction of \$2.3 million GF the first year and \$8.9 million GF the second year to reflect the removal of funding for internal service fund charges associated with the Cardinal Payroll project’s implementation delay. There is a corresponding amendment within the Department of Accounts to reflect the removal of the NGF portion of the agency’s internal service fund appropriation.
- ***Adjust Funding for Cardinal Financials System Charges.*** Recommends \$1.9 million GF the second year to adjust funding for internal service fund charges for the Cardinal Financials System due to the delay in the implementation of the Cardinal Payroll module. There are separate, corresponding amendments removing the GF and NGF internal service fund appropriations related to the Cardinal Payroll system, due to the delay in its implementation.
- ***Provide Funding for Premium Increases for State Employees in UVA’s Health Insurance Plan.*** Proposes \$808,692 from the general fund each year to fund the state’s share of employee premium increases for state employees who participate in the University of Virginia’s Health Insurance Program.
- ***Adjust Funding for Line of Duty Act Premiums.*** Recommends \$98,981 GF each year to reflect the adjustment in Line of Duty Act (LODA) premiums charged in the first year, and the estimated premium charged in the second year for LODA.
- ***Adjust Line of Duty Act Premiums to Include Eligible Part-Time State Employees.*** Proposes \$60,811 GF the second year to reflect Line of Duty Act (LODA) premiums for eligible part-time state employees who are eligible for full LODA benefits. The Virginia Retirement System has determined that certain part-time employees are eligible for LODA benefits, but previously hadn’t included eligible part-time employees in the LODA premium invoices distributed to state agencies.
- ***Adjust Funding for Agency Information Technology Costs.*** Recommends \$8.0 million GF the first year and \$20.1 million GF the second year to reflect information technology and telecommunications usage by state agencies, based on utilization estimates provided by the Virginia Information Technologies Agency (VITA), and assumes repayment of costs associated with replacing information technology services provided by the former statewide vendor.
- ***Provide One Percent Bonus to State Employees and State-Supported Local Employees.*** Proposes \$40.2 million GF the second year to provide a one percent bonus to state employees and state-supported local employees, effective December 1, 2019. Of the amount provided for the one percent bonus, \$30.4 million GF is for state employees, and \$9.8 million GF is for state-supported local employees.

- *Adjust Retiree Health Insurance Credit for Public Safety Employees.* Recommends \$8.1 million GF the second year to increase the retiree health insurance credit for public safety personnel. Specifically, the proposed action would increase the credit by \$2.00 per year (from \$4.00 to \$6.00) for each creditable year of service for members of the State Police Officers' Retirement System (SPORS), and the Virginia Law Officers' Retirement System (VaLORS), and would increase the retiree health insurance credit for sheriffs and deputies by \$3.50 (from \$1.50 to \$5.00) per year for each creditable year of service. Language also increases the maximum monthly credit for sheriffs and deputies who retire under disability retirement to the greater of \$150 or \$5 per year of creditable service at the time of disability retirement.
- *Study Paid Parental Leave in the Commonwealth.* Proposes \$250,000 GF the second year for a committee to study paid parental leave for workers in the Commonwealth. Language would direct the Secretary of Administration to establish a Committee on Paid Family Leave Policy, which would study and report on its findings and recommendations regarding the need for, and impact of statewide paid family leave policies in the Commonwealth to the Governor by October 30, 2019. Committee members would not receive compensation, but would be eligible for reimbursement of expenses incurred in the performance of their duties.
- *Provide Education Funding for Workforce Development Initiatives.* Proposes \$11.0 million GF the second year to support an increase in the number of bachelor's and master's degrees in computer science and closely related fields, and to improve the readiness of graduates from Virginia's public colleges and universities to be employed in technology-related occupations through internships. In addition, funding would be used to support the advancement of computer science education, and the implementation of the Commonwealth's new computer science standards across the public education continuum. Specifically, funding of \$8.3 million is proposed for the higher-education component, and \$2.7 million is proposed for the public education (K-12) component.
- *Develop Integrated Workforce Case Management System.* Recommends \$8.0 million GF the first year to fund the integration of case management systems across state agencies, which is proposed to enable interagency communication sharing, improve efficiency, and provide customers with a single entry point into the workforce development system.
- *Provide Higher Education's Share of Interest Earnings.* Proposes an additional \$687,601 GF and \$1.6 million NGF in each year to reflect the adjustment in higher education institutions' share of tuition and fee interest earnings and small credit card purchase rebates.