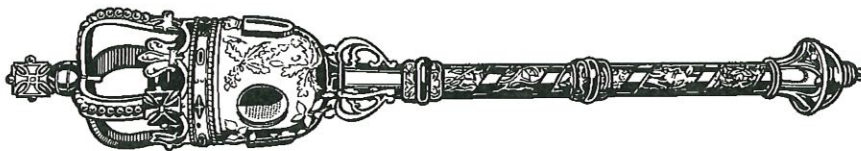


*Report of the  
House Appropriations  
Subcommittee*

*on*

*Commerce, Agriculture,  
Natural Resources, &  
Technology*



*House Bill 1700*

February 3, 2019



**REPORT OF THE SUBCOMMITTEE**  
**on**  
**COMMERCE, AGRICULTURE, NATURAL**  
**RESOURCES, AND TECHNOLOGY**

Mr. Chairman and Members of the Committee:

The scope of this Subcommittee is broad, but I will try to make my remarks brief. It is a difficult charge to balance requests when a Subcommittee tasked with funding 4 Secretarial areas. I am very pleased to report that the Subcommittee was able to address a few key priorities in each of the areas.

In the areas of Natural Resources, the Subcommittee recommends appropriating a total of \$93.8 million for the Water Quality Improvement Fund. This includes the mandatory deposit of \$73.8 million in FY 2020 based on the FY 2018 revenue surplus, as well as a supplemental appropriation of \$20.0 million in FY 2019. These will result in the largest ever biennial appropriation of non-point source pollution projects.

Mr. Chairman, next I will touch briefly on the Subcommittee's modest efforts in the area of Agriculture and Forestry. Virginia's largest industry benefits from even small increases in support. I am pleased to report that the subcommittee funds additional broadband access at five Forestry Office and makes the first payment for VDACS to purchase additional lab equipment through the Master Equipment Lease Program.


Moving next to Commerce and Trade – the Subcommittee recommends making an early down payment of \$34.0 million for the Major Headquarters Workforce Grant Fund established for Amazon as well as appropriating \$50.0 million for Micron in FY 2020. Both of these economic development projects are “game-changers” for the Commonwealth, and their impact will be felt all across Virginia. We should all be proud of our Economic Development Team, led by Stephen Moret.

The Subcommittee also recommends an additional \$20.0 million to help localities get access to broadband technology. When combined with the increases we suggest for business-ready sites development and new initiatives at the Center for

Advanced Manufacturing, we continue to lay the groundwork for economic success in Virginia.

Mr. Chairman, I want to thank you and the members of this Committee for supporting our efforts. Now, I will ask staff to take you through our detailed recommendations, and then I hope it will be your pleasure to adopt our Subcommittee report.

Respectfully Submitted by the House Appropriations Subcommittee on Commerce,  
Agriculture, Natural Resources & Technology:




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Riley E. Ingram, Chairman




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R. Steven Landes



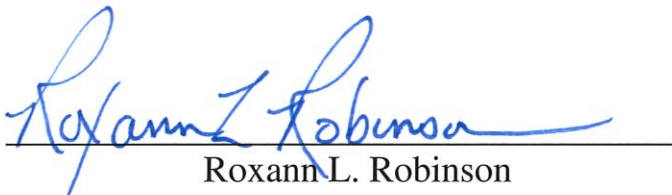
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Charles D. Poindexter



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Barry D. Knight



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Roxann L. Robinson



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Mark D. Sickles



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Matthew James



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John J. Bell



## Budget Amendment Recommendations

**HB 1700**  
**Amendment**

<b>2018-20 BIENNIAL TOTAL</b>	
<b>General</b>	<b>Nongeneral</b>
<b><u>Fund</u></b>	<b><u>Fund</u></b>

**AGRICULTURE AND NATURAL RESOURCES**

**Legislature**

Chesapeake Bay Restoration Fund	\$	263,642
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**Department Of Agriculture And Consumer Services**

Remove Animal Care Coordinator Funding	\$	(138,237)
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**Department of Forestry**

Remove Forestry New Initiatives	\$	(718,529)
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Fund Broadband for 5 Forestry Offices	\$	200,000
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**Department of Conservation and Recreation**

Appropriate Supplemental WQIF Funds in FY 2019	\$	(15,031,151)
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Soil and Water Conservation District Dam Monitoring Equipment	\$	400,000
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Lynchburg Sediment Removal and Dam Repair Assistance	\$	1,500,000
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Pittsylvania Dams Study	\$	100,000
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Remove Increase in VLCF Funding	\$	(11,000,000)
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Remove New Initiative - Lewis and Clark Trail Funding	\$	(125,000)
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Mendota Trail Project	\$	50,000
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**Department of Environmental Quality**

Extend Timeline for HB 1475 Report		Language
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Remove New Funding for DEQ Water Permitting	\$	(892,115)
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Remove New Funding for DEQ Air Permitting	\$	(886,856)
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Remove New Funding for DEQ Web Site Enhancements	\$	(734,160)
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Remove Proposed Increase for Stormwater Local Assistance Fund	\$	(50,000,000)
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NPDES Discharge Permit Date		Language
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**Department of Historic Resources**

HB 1973 - Pulaski Cemeteries	\$	385
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HB 2311 - Suffolk Cemeteries	\$	6,575
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HB 2681 - Hampton Cemeteries	\$	3,710
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HB 2406 - Martinsville Cemeteries	\$	4,415
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HB 2739 - Alexandria Cemeteries	\$	9,715
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Historic African-American School - Greensville	\$	70,000
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Weston Plantation Restoration	\$	100,000
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DHR Natural Heritage Data Explorer GIS Project	\$	200,000
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**Virginia Museum of Natural History**

Remove New Funding - Phone System	\$	(45,671)
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**Part 4/Additional Enactments**

RGGI and TCI Funds Deposited to General Fund		Language
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Use of RGGI Proceeds		Language
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Commerce, Trade and Technology Amendments for House Budget

Agency Sec Admin	Subset	Base	FY19 (\$1,352,541)	FY20 \$0	Biennium Increase/Decrease	Language Amend/Explanation
Secretary of C&T	VITA	N/A				Removes GF funds for Chief Data Officer project
	VITA					Directs VITA to develop rate for work of Chief Data Officer
	VITA					Makes \$15m line of credit to E-911 systems for upgrade; pay back
	VITA					Technical amendment requested by VITA and DPB
	VITA					Directs VITA and DHRM to issue RFP designed to replace HR personnel system (PIMIS)
Economic Development Incentives	Micron	N/A	\$0	\$50.0 m	\$50.0m	Directs the Sec C&T to form a workgroup to address Del Stolle emergency loans to small business
	Amazon	N/A	\$0	\$34.0m	\$34.0m	MEI Project
	VJIP	\$2.7 m	\$5.7 m	\$3.7 m	\$1.0 m	MEI Project
	Housing Trust Fund	\$5.5m	\$5.5m	\$5.5m		Increases VJIP funding
	Housing Services	\$34.8m	\$34.8m	\$34.9m	(\$20,000,000)	This removes the "limited time" funds from Gov's introduced budget (\$14.5m/\$5.5m)
	VATI	\$4m	\$4m	\$50.0m	\$104,050	Establishes Eviction Diversion Program and one FTE for study
	VATI	\$4m	\$4m	\$20.0m	(\$46,000,000)	This removes the "limited time" funds from Gov's introduced budget in FY20
	VATI				\$16.0m	Increases funding for Broadband communications in localities
	Crooked Road	\$71,250	\$0	\$171,250	\$100,000	Removes exclusivity for private-sector eligibility
	GO VA					Increases funding for the Crooked Road Heritage Music Trail
DHCD	Enterprise Zone	\$13.5m	\$13.5m	\$15.0m	\$1.5m	Makes eligibility for GO VA regions to qualify for regioal co-op funds if project has regional impact; MOU
	Enterprise Zone					Increase funds for Enterprise Zone grants to alleviate proration
						Installation of solar panels is eligible expense w/ \$50,000 minimum
						Increases the Industrial Revitalization Fund (VA Removal or Rehabilitation of Derelict Structures Fund)
						Removes increase from Introduced budget; level funds program
DOLI	VOSHA	\$1.5m	\$1.5m	\$2.5m	\$1.0m	This removes new funding and FTE for Office of Offshore Wind
	Alt. Energy	\$3.0m	\$3.0m	\$3.0m	(\$250,000)	This removes new funding and FTE for Office of Renewable Procurement
	Alt. Energy	\$3.0m	\$3.0m	\$3.0m	(\$137,000)	This removes the "limited time" funds from Gov's introduced budget
DMIME	Alt. Energy	\$3.0m	\$3.0m	\$3.0m	(\$10,000,000)	Increases NGF to reflet increase revenue from changein license fee
	License Fee Increase			\$90,000 NGF		Secures any surplus funds and directs DPOR to assess staffing, structural and IT needs; utilize funds to correct
DPOR	Multiple Funds					Authorizes DPOR to begin electronic credentialing program
	Licensing					Increases funding for Monument in FY19
	Commemoration	N/A	\$500,000.00	\$0	\$500,000	Increases operations funding for additoinal workload; FY20
	Operations	\$5.9m	\$5.9m	\$6.08m	\$156,922	Lowers threshold from 100 acres and up to 25 acres and up; FY20
Fort Monroe	Business-Ready Sites	\$1.1m	\$1.1m	\$6.1m	\$5.0m	Increases funds for CCAM for Center turnaround plan; FY20 base back dwn to \$925k plus the \$6.1m increase
	CCAM	\$925,000	\$1,425m	\$7,025,000	\$6.1m	Removes new spending for Workforce Dashboard; and 9 FTE's total for biennium
VEDP	WF Dashboard	N/A	(\$124,635)	(\$1,884,070)	(\$2,008,705)	Increases spending for Spearhead Trails
	Spearhead Trails	\$550,000	\$550,000	\$850,000	\$300,000	Increases spending for Coalfield Regional Tourism Authority
	Coalfield Regional Tou	\$100,000	\$100,000	\$200,000	\$100,000	Increases Carver Price Museum funding in FY20
	Carver Price Museum	\$25,000	\$25,000	\$25,000	\$25,000	Directs Tourism to Collaborate with Opening Doors for Virginians with Disabilities
VEC	Interfund Transfers		\$2.0m	\$2.0m	\$2.0m*	Directs revenues from Communications Sales & Use Tax to GF to be used for Broadband access for localities
	VATI					

These numbers do not add up to the official numbers for budget. They merely express numerous, significant changes in the budget for C&T and Technology.

\* Funding included in \$16.0m for VATI

All second year spending (FY20) save the Ft Monroe Monument



*Committee Approved Amendments to House Bill 1700, as Introduced*

Item 6 #1h

<b>Legislative Department</b>	<b>FY18-19</b>	<b>FY19-20</b>
Division of Legislative Services	\$263,642	\$0 NGF

**Language:**

Page 16, line 42, strike "\$6,884,115" and insert "\$7,147,757".

Page 17, after line 20, insert:

"E. Included in this item is \$263,642 in the first year from dedicated special revenue to implement the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee."

**Explanation:**

(This amendment appropriates the fiscal year 2018 dedicated special revenue generated from sales of the "Friends of the Chesapeake Bay" license plate to the Chesapeake Bay Restoration Fund for the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee, and appropriates the estimated amount for fiscal year 2019.)

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Item 91 #1h

<b>Agriculture and Forestry</b>	<b>FY18-19</b>	<b>FY19-20</b>
Department of Agriculture and Consumer Services	\$0	(\$138,237) GF

**Language:**

Page 93, line 37, strike "\$315,171" and insert "\$176,934".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced to support VDACS emergency responsiveness efforts as it relates to animal care. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

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Item 98 #1h

<b>Agriculture and Forestry</b>	<b>FY18-19</b>	<b>FY19-20</b>
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*Committee Approved Amendments to House Bill 1700, as Introduced*

Department of Forestry \$0 (\$718,529) GF

**Language:**

Page 96, line 17, strike "\$34,664,547" and insert "\$33,946,018".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced to support new initiatives at Forestry, including funding for new positions and to support an agency apprenticeship program. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

Item 98 #2h

<b>Agriculture and Forestry</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Forestry	\$0	\$200,000	GF

**Language:**

Page 96, line 17, strike "\$34,664,547" and insert "\$34,864,547".

Page 97, after line 28, insert:

"K. Out of this appropriation, \$200,000 the second year from the general fund to increase bandwidth capacity at the agency's offices in Abingdon, Appomattox-Buckingham State Forest, New Kent, Salem, and Tappahannock."

**Explanation:**

(This amendment provides \$200,000 from the general fund in fiscal year 2020 to improve broadband capacity at five of Forestry's offices to better support the agency's ability to dispatch and track personnel and assets assigned to wildfires.)

Item 362 #1h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Conservation and Recreation	\$0	(\$15,031,151)	GF

**Language:**

Page 396, line 45, strike "\$127,331,015" and insert "\$112,299,864".

*Committee Approved Amendments to House Bill 1700, as Introduced*

Page 400, strike lines 36 through 57, and insert:

"R.1. Notwithstanding § 10.1-2129 A., Code of Virginia, \$20,000,000 the first year from the general fund shall be deposited to the Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997. Of the amount in the first year, \$8,500,000 shall be appropriated to the department for the following specified statewide uses: \$500,000 shall be used for the Commonwealth's match for participation in the Federal Conservation Reserve Enhancement Program (CREP) on lands in the Commonwealth exclusively or partly within the Chesapeake Bay watershed; \$1,000,000 shall be used for the Commonwealth's match for participation in CREP on lands exclusively outside the Chesapeake Bay watershed; and \$7,000,000 shall be appropriated for the implementation of previously approved livestock stream exclusion practices. Of the amount for livestock stream exclusion practices, \$6,300,000 shall be used for practices on land in the Commonwealth exclusively or partly outside the Chesapeake Bay watershed and \$700,000 shall be used for practices on lands in the Commonwealth exclusively inside the Chesapeake Bay watershed.

2. Of the remaining amounts, \$11,500,000 in the first year is authorized for transfer to the Virginia Natural Resources Commitment Fund, a subfund of the Water Quality Improvement Fund. Notwithstanding any other provision of law, the funds transferred to the Virginia Natural Resources Commitment Fund shall be distributed by the department upon approval of the Virginia Soil and Water Conservation Board in accordance with the board's development policies. Of these amounts, in the first year, \$7,000,000 shall be used for matching grants for Agricultural Best Management Practices on lands in the Commonwealth exclusively or partly within the Chesapeake Bay watershed, \$3,000,000 shall be used for matching grants for Agricultural Best Management Practices on lands in the Commonwealth outside the Chesapeake Bay watershed, and \$1,500,000 shall be appropriated for Technical Assistance for Virginia Soil and Water Conservation Districts."

Page 401, strike lines 1 through 14.

**Explanation:**

(This amendment removes \$15.0 million the second year from the general fund that had been proposed in House Bill 1700 as introduced as supplemental funding for the WQIF. This does not impact the fiscal year 2019 appropriation made in Chapter for the WQIF or the mandatory fiscal year 2020 deposit of \$73.8 million being made based on the fiscal year 2018 revenue surplus and year-end agency balances. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

*Committee Approved Amendments to House Bill 1700, as Introduced*

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Conservation and Recreation	\$0	\$400,000	GF

**Language:**

Page 396, line 45, strike "\$127,331,015" and insert "\$127,731,015".

Page 397, line 17, strike the second "\$7,191,091" and insert "\$7,881,091".

Page 397, line 30, after "deficiencies;" insert:

"\$400,000 the second year from the general fund for the purchase and installation of remote monitoring equipment for District-owned high and significant hazard dams;"

Page 397, line 33, after "deficiencies" insert:

"and the purchase and installation of remote monitoring equipment".

**Explanation:**

(This amendment provides an additional \$400,000 appropriation in the Soil and Water Conservation District Dam Maintenance, Repair and Rehabilitation Fund to provide for the purchase and installation of remote monitoring equipment for District-owned high and significant hazard dams. Impacts of Hurricane Michael and other significant rainfall events have highlighted the need for remote monitoring of District-owned dams which are typically located in remote locations, making it difficult for District staff to monitor the dams during storms.)

Item 362 #4h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Conservation and Recreation	\$0	\$1,500,000	GF

**Language:**

Page 396, line 45, strike "\$127,331,015" and insert "\$128,831,015".

Page 401, after line 14, insert:

"S. Out of the appropriation in this item, the department shall provide \$1,500,000 to the City of Lynchburg from the general fund for reimbursement for lakebed stabilization, sediment removal, wetland creation, dam safety improvements, stream flow improvements, and other related costs in the College Lake watershed. The amount shall be matched by a local appropriation of at least \$1,500,000 prior to disbursement."

**Explanation:**

(This amendment provides \$1.5 million from the general fund to the City of Lynchburg to assist in sediment removal and other improvements to College Lake, a central stormwater basin in the City which suffered significant damage in an approximately six inch rainfall even and ensuing floor. Damage from the August 2018 rainfall event cost the City of Lynchburg more than \$30.0

*Committee Approved Amendments to House Bill 1700, as Introduced*

million.)

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Item 362 #5h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Conservation and Recreation	\$0	\$100,000	GF

**Language:**

Page 396, line 45, strike "\$127,331,015" and insert "\$127,431,015".

Page 399, line 45, strike "\$732,147" and insert "\$832,147".

Page 399, at the end of line 50, insert:

"In addition, out of these amounts, \$100,000 in the second year from the general fund shall be used to hire an independent engineering firm to conduct a study to find a less costly solution to rehabilitate the Cherrystone and Roaring Fork Dams. The department shall assist the three project sponsors, the town of Chatham, Pittsylvania County and the Pittsylvania Soil and Water Conservation District in this effort."

**Explanation:**

(This amendment provides \$100,000 the second year to help find alternate solutions for the rehabilitation of the Cherrystone and Roaring Fork dams. The USDA Natural Resources Conservation Service presented a plan to the sponsors for the purpose of rehabilitating the two dams costing \$20.0 million. The sponsors would like to find a less costly solution.)

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Item 363 #1h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Conservation and Recreation	(\$5,500,000)	(\$5,500,000)	GF

**Language:**

Page 401, line 16, strike "\$63,895,919" and insert "\$58,395,919".

Page 401, line 16, strike "\$67,793,291" and insert "\$62,293,291".

Page 401, line 34, strike "\$5,500,000 the first".

Page 401, line 35, strike "year and \$10,000,000".

Page 401, line 35, unstrike "\$4,500,000".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for the Virginia Land Conservation Fund. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified

*Committee Approved Amendments to House Bill 1700, as Introduced*

programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced. Chapter 2, as adopted by the General Assembly in the 2018 Special Session 1 provided no general fund support for the VLCF in fiscal year 2019 in reflection of the fact that the Foundation is receiving \$71.7 million for land purchases from a series of environmental and historic resources settlements. These amounts were deemed sufficient for land and easement purchases in the short term. Second year funding was maintained at the 2018 level of \$4.5 million.)

Item 363 #2h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Conservation and Recreation	\$0 0.00	(\$125,000) -1.00	GF FTE

**Language:**

Page 401, line 16, strike "\$67,793,291" and insert "\$67,668,291".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for the Virginia Great Valley Lewis and Clark Eastern Legacy Trail. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

Item 363 #4h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Conservation and Recreation	\$0	\$50,000	GF

**Language:**

Page 401, line 16, strike "\$67,793,291" and insert "\$67,843,291".

Page 403, after line 5, insert:

"K. Included in the amount for this item is \$50,000 the second year from the general fund for the Mendota Trail Project for the engineering and construction of a prototype for a covered



*Committee Approved Amendments to House Bill 1700, as Introduced*

container bridge."

**Explanation:**

(This amendment provides \$50,000 from the general fund in the second year to help support the Mendota Trail Project and construct a "Container Covered Bridge" across a 200-foot span. The Mendota Trail is a 12.5 mile recreational trail linking Bristol Virginia to Mendota Virginia on a former railroad bed. The City of Bristol acquired the property and has transferred it to Mountain Heritage, Inc. The first mile of the trail opened to the public in October, 2017 and the first of 17 trestles was rehabilitated. In order to open a five mile section of the trail, repairs are needed on a 193 foot long trestle, which is proposed to be uniquely repaired through the construction of bridge made from aluminum shipping containers. The requested funds would cover less than half the cost, with local contributions filling the remaining need.)

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Item 366 #1h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Environmental Quality	(\$150,000) 0.00	(\$742,115) -5.00	GF FTE

**Language:**

Page 404, line 2, strike "\$44,189,387" and insert "\$44,039,387".

Page 404, line 2, strike "\$44,781,502" and insert "\$44,039,387".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced to support additional positions in DEQ's water permitting area to support regulatory review and permit writing and support the Governor's environmental agenda, undertake a communications and outreach needs study, and undertake IT upgrades. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

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Item 366 #2h

<b>Natural Resources</b>		<b>Language</b>
Department of Environmental Quality		

**Language:**

*Committee Approved Amendments to House Bill 1700, as Introduced*

Page 405, after line 22, insert:

"J. Notwithstanding the deadline established in the second enactment of Chapter 510, 2018 Acts of Assembly, the Department of Environmental Quality shall complete its report on how other states that have adopted the U.S. Environmental Protection Agency 2013 Aquatic Life Ambient Water Quality Criteria for Ammonia have implemented such Criteria in ways that both minimize the impact of the Criteria on Virginia sewerage systems or other treatment works and are permissible under the federal Clean Water Act, including consideration of alternative effluent limitations based on a demonstration by the permittee of the lack of appreciable harm from the discharge of ammonia to aquatic life. Such report shall be submitted no later than November 1, 2019 to the Chairmen of the House and Senate Committees on Agriculture, Conservation and Natural Resources, the House Appropriations Committee and the Senate Finance Committees."

**Explanation:**

(This amendment extends the deadline for a report from DEQ required by Chapter 510, 2018 Acts of Assembly 2. That enactment directed DEQ to report to the General Assembly on procedures and practices for ammonia criteria implementation to minimize their impact on Virginia sewerage systems. While DEQ is reasonably implementing other aspects of the legislation, the report required by the second enactment clause was substantially incomplete and fell short of meeting the original requirements, perhaps because DEQ simply needed more time. The report was supposed to address relief allowable under the Clean Water Act to minimize unnecessary impacts on permittees. The most important such procedures and practices relate to how DEQ sets permit limits; however, on this subject DEQ only states that "DEQ has formed an implementation workgroup that is currently evaluating these and other factors." Clearly the work is incomplete, ongoing and therefore not addressed in the report. To allow DEQ the time it needs to finish this important work and comply with the original directive of that legislation, a one-year extension is requested.)

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Item 366 #3h

**Natural Resources**

Department of Environmental Quality

Language

**Language:**

Page 405, after line 22, insert:

"J. The State Water Control Board shall amend its regulation at 9VAC25-31-250.A.3. on the maximum time for a Virginia Pollution Discharge Elimination System permitted discharger to attain compliance with water quality-based limitations so as to be consistent with the time for compliance established by the United States Environmental Protection Agency section 122.47(a)(1) of Title 40, Code of Federal Regulations. The Board shall complete this amendment by October 1, 2019. This action shall be exempt from the procedures and

*Committee Approved Amendments to House Bill 1700, as Introduced*

requirements of Article 2 of Chapter 40 of Title 2.2, Code of Virginia."

**Explanation:**

(This amendment brings the State Water Control Board's VPDES discharge permit compliance schedule regulation into conformity with the comparable federal regulation of the U.S. Environmental Protection Agency most recently revised on May 15, 2000.)

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		Item 367 #1h	
Natural Resources	FY18-19	FY19-20	
Department of Environmental Quality	\$0 0.00	(\$886,856) -6.00	GF FTE

**Language:**

Page 405, line 24, strike "\$19,123,311" and insert "\$18,236,455".

**Explanation:**

This amendment removes funding proposed in House Bill 1700 as introduced to support additional positions at DEQ. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

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		Item 368 #1h	
Natural Resources	FY18-19	FY19-20	
Department of Environmental Quality	\$0	(\$50,000,000)	GF

**Language:**

Page 406, line 8, strike "\$111,313,511" and insert "\$61,313,511".

Page 406, line 42, strike "and \$50,000,000 the second year".

Page 406, line 42, unstrike "for the fiscal year beginning July".

Page 406, line 43, unstrike "1, 2018".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for the Stormwater Local Assistance Fund. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December,

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identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced. This amendment does not impact the \$20.0 million included for grants from that program in Chapter 2.)

Item 369 #1h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Environmental Quality	\$0	(\$734,160)	GF

**Language:**

Page 407, line 45, strike "\$29,504,371" and insert "\$28,770,211".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for web site upgrades at DEQ and other IT enhancements. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

Item 374 #1h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Historic Resources	\$0	\$385	GF

**Language:**

Page 409, line 49, strike "\$6,876,468" and insert "\$6,876,853".

Page 411, line 23, strike the second "\$34,875" and insert "\$35,260".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of § 10.1-2211.2, Code of Virginia, included in this item is \$385 the second year from the general fund to support the preservation and care of historical African American graves at the New River and West Dublin Cemeteries in Pulaski County, Virginia."

**Explanation:**

(This amendment provides \$385 in the second year to implement the provisions of House Bill

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1973, which would recognize 75 historical African American graves at the New River Cemetery and West Dublin Cemetery in Pulaski County. These cemeteries are added to the list of Historical African American cemeteries cared for pursuant to § 10.1-2211.2 of the Code of Virginia.)

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Item 374 #3h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Historic Resources	\$0	\$2,340	GF

**Language:**

Page 409, line 49, strike "\$6,876,468" and insert "\$6,878,808".

Page 411, line 23, strike the second "\$34,875" and insert: "\$37,215".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of §10.1-2211.1, Code of Virginia, included in this item is \$2,340 the second year from the general fund to support the preservation and care of historical African American graves at Oak Lawn Cemetery in Suffolk, Virginia."

**Explanation:**

(This amendment provides \$2,340 from the general fund the second year to support the provisions of House Bill 2311, 2019 Session of the General Assembly, and provide for maintenance of 468 historic African-American graves at Oak Lawn Cemetery in Suffolk, Virginia.)

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Item 374 #4h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Historic Resources	\$0	\$3,710	GF

**Language:**

Page 409, line 49, strike "\$6,876,468" and insert "\$6,880,178".

Page 411, line 23, strike the second "\$34,875" and insert "\$38,585".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of § 10.1-2211.2, Code of Virginia, included in this item is \$3,710 the second year from the general fund to support the preservation and care of historical African American graves at the following cemeteries in Hampton Virginia: 212 graves at Bassonette's Cemetery, 339 graves at Elmerton Cemetery, 14 graves at Queen Street Cemetery, 29 graves at Pleasant Shade Cemetery, 15 graves at the Tucker Family Cemetery, 125 graves at Union Street Cemetery and 37 graves at Good Samaritan Cemetery."

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**Explanation:**

(This amendment provides \$3,710 in the second year to recognize 742 historical African American graves at cemeteries in Hampton Virginia as authorized under the provisions of House Bill 2681, 2019 Session of the General Assembly.)

		Item 374 #5h	
<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Historic Resources	\$0	\$100,000	GF

**Language:**

Page 409, line 49, strike "\$6,876,468" and insert "\$6,976,468".

Page 411, after line 41, insert:

"L. Out of the amounts for Financial Assistance for Historic Preservation shall be paid from the general fund \$100,000 in the second year to the Historic Hopewell Foundation for restoration work at Weston Plantation."

**Explanation:**

(This amendment provides \$100,000 the second year from the general fund to the Department of Historic Resources to assist the Historic Hopewell Foundation and the Weston Plantation with needs for basement wall brickwork, needed kitchen repairs and siding improvements on this historic structure.)

		Item 374 #6h	
<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Historic Resources	\$0	\$975	GF

**Language:**

Page 409, line 49, strike "\$6,876,468" and insert "\$6,877,443".

Page 411, line 23, strike the second "\$34,875" and insert:

"\$35,850".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of §10.1-2211.1, Code of Virginia, included in this item is \$975 the second year from the general fund to support the preservation and care of historical African American graves at Matthews, People's and Smith Street Cemeteries in Martinsville, Virginia."

**Explanation:**

(This amendment provides \$975 from the general fund the second year to support the provisions

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of House Bill 2311, 2019 Session of the General Assembly, and provide for maintenance of 195 historic African-American graves at 3 cemeteries in Martinsville, Virginia.)

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Item 374 #7h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Historic Resources	\$0	\$9,715	GF

**Language:**

Page 409, line 49, strike "\$6,876,468" and insert "\$6,886,183".

Page 411, line 23, strike the second "\$34,875" and insert "\$44,590".

Page 411, after line 37, insert:

"5. Notwithstanding the provisions of § 10.1-2211.2, Code of Virginia, included in this item is \$9,715 the second year from the general fund to support the preservation and care of historical African American graves at six cemeteries in Alexandria, Virginia."

**Explanation:**

(This amendment provides \$9,715 in the second year to implement the provisions of House Bill 2739, which would recognize 1,934 historical African American graves at six cemeteries in Alexandria. These cemeteries are added to the list of Historical African American cemeteries cared for pursuant to § 10.1-2211.2 of the Code of Virginia.)

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Item 375 #1h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Historic Resources	\$0	\$200,000	GF

**Language:**

Page 411, line 42, strike "\$973,912" and insert "\$1,173,912".

Page 411, at the beginning of line 48, insert "A."

Page 411, after line 49, insert:

"B. Included in this item is \$200,000 the second year from the general fund to support the department's continued collaboration with the Department of Conservation and Recreation and allow for shared usage of the DCR Natural Heritage Data Explorer."

**Explanation:**

(This amendment would provide \$200,000 each year to the Department of Historic Resources to create a "one-stop" web-accessible GIS map for project screening and information about the general location of cultural resources as well as natural resources for project proponents to use at the earliest stages of planning. This database will help avoid sensitive resources and thus reduce conflicts and delays that may otherwise arise during the permit review process.)

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Item 380 #1h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Virginia Museum of Natural History	\$0	(\$45,671)	GF

**Language:**

Page 414, line 22, strike "\$3,427,782" and insert "\$3,382,111".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for phone system replacement at the Virginia Museum of Natural History. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

Item 492 #2h

<b>Natural Resources</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Historic Resources	\$0	\$70,000	GF

**Language:**

Page 514, line 4, strike "\$0" and insert "\$70,000".

Page 514, after line 22, insert:

"Citizens United to Preserve Greenville County Training School \$0 \$70,000".

**Explanation:**

(This amendment provides \$70,000 the second year from the general fund to the Citizens United to Preserve Greenville County Training School "Citizens United". Built in 1912, this facility is a small wood frame building that contributed to African-American education in Emporia for more than fifty years. It was added to the National Registry of Historic Places in 2006.)

Item 4-2.02 #1h

**Revenues**

General Fund Revenue

Language



*Committee Approved Amendments to House Bill 1700, as Introduced*

**Language:**

Page 582, after line 11, insert:

"e. REVENUES GENERATED FROM CLIMATE CHANGE COMPACTS

Any revenues generated through participation in any regional climate change compact, including but not limited to the Regional Greenhouse Gas Initiative and the Transportation Climate Initiative, shall be deposited in the general fund and shall not be transferred to any other entity as a condition of such compact nor shall such funds be expended for any projects or programs without the express approval of the General Assembly as evidenced by an appropriation of such funds in a general Appropriation Act."

**Explanation:**

(This amendment provides that any monies derived from projects or programs of regional climate change compacts such as the Regional Greenhouse Gas Initiative (RGGI) or the Transportation Climate Initiative (TCI) shall be deposited to the general fund and not be used for any other purposes without appropriation by the General Assembly.)

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Item 4-5.11 #1h

**Special Conditions and Restrictions on Expenditures**

**FY18-19**

**FY19-20**

Limitations on Use of State Funding

**Language:**

Page 601, after line 45, insert:

"4-5.11 4-5.11: LIMITATIONS ON USE OF STATE FUNDING

\$0

\$0

**LIMITATIONS ON USE OF STATE FUNDING**

"a. Notwithstanding any other provision of the Code of Virginia, no expenditures from the general, special, or other nongeneral fund sources from any appropriation by the General Assembly shall be used to support membership or participation in the Regional Greenhouse Gas Initiative (RGGI) until such time as the General Assembly has approved such membership as evidenced by language authorizing such action in the Appropriation Act nor shall any RGGI auction proceeds be used to supplement any appropriation in this act without express General Assembly approval."

**Explanation:**

(This amendment prohibits the use of any funds appropriated by the General Assembly to support membership or participation in any climate change compacts without express General Assembly approval.)

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Item 65 #1h

<b>Administration</b>	<b>FY18-19</b>	<b>FY19-20</b>
Secretary of Administration	(\$1,352,541)	\$0 GF

**Language:**

Page 51, line 4, strike "\$3,038,191" and insert "\$1,685,650".  
Page 51, strike lines 20 through 26.

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for a proposed statewide data inventory. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

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Item 84.20 #1h

**Administration**

Virginia Information Technologies Agency

Language

**Language:**

Page 84, line 36, after "pursuant to § 56-484.17", insert:

"C.1. Pursuant to § 3-2.03 of this act, a line of credit up to \$15,000,000 shall be provided to the 9-1-1 Services Board as a temporary cash flow advance. Funds received from the line of credit shall be used only to support implementation of next generation 9-1-1 service and shall be distributed in a manner consistent with § 56-484.17 (D). The request for the line of credit shall be prepared in the formats as approved by the Secretary of Finance and Secretary of Commerce and Trade.

2. The Secretary of Finance and Secretary of Commerce and Trade shall approve the draw downs from this line of credit prior to the expenditure of funds.

D. During next generation 9-1-1 service planning and deployment, the 9-1-1 Services Board may reimburse a provider for its wireless E-911 CMRS costs, in lieu of reimbursing the provider's costs to deliver 9-1-1 calls to the ESInet points of interconnection pursuant to § 56-48417(D). The 9-1-1 Services Board may establish the process, criteria, and duration for such reimbursement of CMRS costs but shall continue to ensure that necessary 9-1-1 service and ESInet objectives are achieved."

**Explanation:**

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(This amendment provides the 9-1-1 Services Board a line of credit to accelerate implementation of next generation 9-1-1 service across the Commonwealth. With the amendment, the 9-1-1 Services Board will have sufficient cash flow to fund implementation of next generation 9-1-1 service by the end of fiscal year 2021. In addition, this amendment allows the 9-1-1 Services Board to continue to pay wireless carriers for E9-1-1 until the Commonwealth transitions to next generation 9-1-1 service. When House Bill 1388 and Senate Bill 513 codified next generation 9-1-1 service last year, the 9-1-1 Services Board anticipated that the old funding process would be eliminated sooner. This language allows the Board to deal with this delay and potential future delays.)

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Item 84.30 #1h

**Administration**

Virginia Information Technologies Agency

Language

**Language:**

Page 85, line 36, strike "the" and insert:

"a data center physically located in the Commonwealth of Virginia".

Page 85, line 37, strike "Quality Technology Services data center".

**Explanation:**

(This amendment is a technical change requested by the Department of Planning and Budget and the Virginia Information Technologies Agency.)

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Item 84.30 #2h

**Administration**

Virginia Information Technologies Agency

Language

**Language:**

Page 86, after line 4, insert

"F. The Virginia Information Technologies Agency shall identify the charge-back structure to allocate costs based on agencies' consumption of data storage. The funds from this new, charge-back structure, effective July 1, 2020, shall be used to support the Chief Data Officer's efforts to create a Commonwealth data inventory, and enterprise data dictionary and catalog."

**Explanation:**

(This amendment is self-explanatory.)

**Administration**

Virginia Information Technologies Agency

Language

**Language:**

Page 87, after line 49, insert:

"F.1. The Virginia Information Technologies Agency, in cooperation with the Department of Human Resources and the Department of Accounts, shall conduct an open and competitive procurement for a Software as a Service (SaaS) based Human Capital Management (HCM) system. Such procurement shall not mandate or suggest any requirement for use of a specific vendor or product.

2.The HCM shall replace the existing Commonwealth Integrated Payroll/Personnel System (CIPPS) and the Personnel Management Information System and the Benefits Eligibility System (PMIS & BES).

3. In developing the Request for Proposals, the Department of Human Resource Management and the Department of Accounts shall identify in detail, the specific information needs, work process needs and business rules which the selected SaaS must address. The request for proposals shall require that the selected SaaS: (i) possess the technology and integration capabilities needed to interface with legacy financial systems, including the Commonwealth Enterprise Resource Planning system (Cardinal), or new systems as such legacy systems are phased-out; (ii) meet all Commonwealth security standards for cloud-based services to ensure the security of sensitive personally identifiable information; and (iii) be fully implemented in all user agencies not later than 18 months after contract execution. The request for proposals shall include a requirement for subscription-based pricing to ensure that the Commonwealth is not encumbered by a long-term commitment to a specific provider, technology or service that would prevent a migration to newer technologies as they become available. The cost of such subscriptions shall be borne by the user agencies as an operating expense that is included as part of the biennial budget.

4. Prior to execution of a contract with a SaaS provider, the Department of Human Resource Management and the Department of Accounts shall recommend to the Governor a permanent system of governance for oversight of the HCM system and the associated SaaS contract."

**Explanation:**

(This amendment sets out a process for replacing the existing Commonwealth Integrated Payroll/Personnel System (CIPPS) and the Personnel Management Information System and the Benefits Eligibility System (PMIS & BES) using a best in market approach and an open competitive procurement. A companion amendment in Item 259 delays utilization of a working capital advance of up to \$82,400,000 to the Department of Accounts to replace these systems using a sole source software vendor and systems integrator.)

Item 102 #1h

**Commerce and Trade**

Secretary of Commerce and Trade

Language

**Language:**

Page 99, after line 40 insert

"E.1. The Secretary of Commerce and Trade, or his designee, shall convene a workgroup to address the challenges outlined in House Bill 2153 introduced in the 2019 session of the Virginia General Assembly. The workgroup shall include representatives from, but not be limited to, the following: (i) the Secretary of Commerce and Trade, or his designee; (ii) the Secretary of Finance, or his designee; (iii) the Director of Small Business and Supplier Diversity; (iv) the Director of the Small Business Finance Authority; and, (v) the State Coordinator of Emergency Management.

2. The workgroup shall consider, but not be limited to, the following topics: (i) short-term direct loans to eligible small businesses adversely affected by a disaster for which a state emergency has been declared; (ii) the creation of a small business emergency bridge loan fund and its management and functionality; (iii) federal and state resources available to assist small businesses in the case of an emergency declaration; and, (iv) terms under which small business loans could be made and repaid."

**Explanation:**

(This amendment directs the Secretary of Commerce and Trade to establish a workgroup to address the challenges faced by small businesses that are impacted by emergency declarations as a result of natural disasters and other similar situations whereby state and federal assistance is forthcoming but not timely.)

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Item 103 #1h

**Commerce and Trade**

**FY18-19**

**FY19-20**

Economic Development Incentive  
Payments

\$0

\$1,000,000 GF

**Language:**

Page 99, line 47, strike "\$43,823,498" and insert "\$44,823,498".

Page 102, line 33, strike "\$2,669, 833" and insert "\$3,669,833".

**Explanation:**

(This amendment increases funding \$1,000,000 from the general fund in the second year for the

*Committee Approved Amendments to House Bill 1700, as Introduced*

Virginia Jobs Investment Program.)

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Item 103 #2h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Economic Development Incentive Payments	\$0	\$50,000,000	GF

**Language:**

Page 99, line 47, strike "\$43,823,498" and insert "\$93,823,498".

Page 102, after line 43, insert:

"J. Out of the amounts in this Item, \$50,000,000 the second year from the general fund shall be deposited to the Semiconductor Manufacturing Grant Fund for the award of grants to a qualified semiconductor manufacturing company in a qualified locality in accordance with legislation enacted by the 2019 General Assembly and subject to performance metrics agreed to in a memorandum of understanding with the Commonwealth."

**Explanation:**

(This amendment appropriates \$50.0 million from the general fund the second year to the Semiconductor Manufacturing Grant Fund pursuant to House Bill 2180 and subject to the terms agreed to in a memorandum of understanding between a qualified manufacturing company and the Commonwealth.)

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Item 103 #3h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Economic Development Incentive Payments	\$0	\$34,000,000	GF

**Language:**

Page 99, line 47, strike "\$43,823,498" and insert "\$77,823,498".

Page 102, after line 43, insert:

"J. Out of the amounts in this Item, \$34,000,000 the second year from the general fund shall be deposited to the Major Headquarters Workforce Grant Fund for the award of grants to a qualified e-commerce company in a qualified locality in accordance with legislation enacted by the 2019 General Assembly and subject to performance metrics agreed to in a memorandum of understanding with the Commonwealth."

**Explanation:**

(This amendment appropriates \$34.0 million from the general fund the second year to the Major Headquarters Workforce Grant Fund pursuant to House Bill 2356 and subject to the terms

*Committee Approved Amendments to House Bill 1700, as Introduced*

agreed to in a memorandum of understanding between a qualified e-commerce company and the Commonwealth.)

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Item 105 #1h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Housing and Community Development	(\$14,500,000)	(\$4,500,000)	GF

**Language:**

Page 103, line 17, strike "\$80,902,939" and insert "\$66,402,939".

Page 103, line 17, strike "\$72,673,655" and insert "\$68,173,655".

Page 104, line 11, strike "\$20,000,000" and insert "\$5,500,000"

Page 104, line 12, strike "\$10,000,000" and insert "\$5,500,000"

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for the Virginia Housing Trust Fund. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.

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Item 106 #1h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Housing and Community Development	\$0	(\$46,000,000)	GF

**Language:**

Page 104, line 43, strike "\$120,855,721" and insert "\$74,855,721".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for the Virginia Telecommunications Initiative. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item

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475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

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Item 106 #2h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Housing and Community Development	\$0	\$100,000	GF

**Language:**

Page 104, line 43, strike "\$120,855,721" and insert "\$120,955,721".

Page 106, line 28, strike "\$71,250 in the second year" and insert: "\$171,250 in the second year".

**Explanation:**

(This amendment provides funding increase of \$100,000 the second year from the general fund to the Virginia's Heritage Music Trail: The Crooked Road, to serve its expanded region (nine additional counties and one city), to build sustainability through leveraging of the requested funding, and to increase the economic impact beyond current \$9.1 million per year.)

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Item 106 #3h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Housing and Community Development	\$0	\$16,000,000	GF

**Language:**

Page 104, line 43, strike "\$120,855,721" and insert "\$136,855,721".

Page 106, line 47, strike "\$50,000,000" and insert "\$20,000,000".

**Explanation:**

(This amendment increases funding \$16,000,000 from the general fund in the second year for the Virginia Telecommunications Initiative for a total of \$24,000,000 for the biennium to assist localities with acquiring access to broadband telecommunications.)

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Item 106 #4h

<b>Commerce and Trade</b>	
Department of Housing and Community Development	Language



*Committee Approved Amendments to House Bill 1700, as Introduced*

**Language:**

Page 108, after line 21, insert

"6. For the purpose of awards in accordance with § 2.2-2487, Code of Virginia, related to site development, that site development will be deemed to meet requirements of clause (iii) of the definition of regional activity in § 2.2-2484, Code of Virginia, if carried out, performed on behalf of, or contracted for by a single locality, political subdivision or public body corporate and politic once the interested local governments within the region have entered into some kind of revenue-sharing agreement."

**Explanation:**

(This amendment facilitates the the eligibility of the regional Virginia Growth and Opportunity Boards to develop business-ready sites through access to state funds once the participating local governments within the region have entered into a revenue-sharing agreement.)

---

Item 106 #5h

**Commerce and Trade**

Department of Housing and Community Development

Language

**Language:**

Page 106, line 50, strike "private sector".  
Page 107, line 6, strike "private sector".  
Page 107, line 24, strike "private sector".

**Explanation:**

(This language amendment removes the exclusivity for private sector broadband providers from the program.)

---

Item 106 #6h

**Commerce and Trade**

**FY18-19**

**FY19-20**

Department of Housing and  
Community Development

\$0

\$1,000,000 GF

**Language:**

Page 104, line 43, strike "\$120,855,721" and insert "\$121,855,721".  
Page 106, line 31, strike the second "\$1,500,000" and insert "\$2,500,000".

**Explanation:**

(This amendment increases funding \$1,000,000 from the general fund in the second year for the

*Committee Approved Amendments to House Bill 1700, as Introduced*

Virginia Removal or Rehabilitation of Derelict Structures Fund.)

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Item 107 #1h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Housing and Community Development	\$0	\$1,500,000	GF

**Language:**

Page 108, line 22, strike "\$13,773,354" and insert "\$15,273,354".

Page 108, line 27, strike the second "\$13,500,000" and insert "\$15,000,000".

**Explanation:**

(This amendment increases funding for Enterprise Zone Grant Fund by \$1.5 million from the general fund in the second year to reduce pro-ration of the Real Property Improvement Grant.)

---

Item 107 #2h

**Commerce and Trade**

Department of Housing and Community Development

Language

**Language:**

Page 108, at the end of line 35, insert:

"Consistent with the provisions of § 59.1-548, Code of Virginia, the installation of solar panels shall be considered eligible investments for the purposes of the real property improvement grants, provided that such solar installation investment is in an amount of at least \$50,000."

**Explanation:**

(This amendment clarifies that the installation of solar panels is an eligible expense for the Enterprise Zone Real Property Grant Program provided the investment is at least \$50,000.)

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Item 112 #1h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Labor and Industry	\$0	(\$1,429,000)	GF

**Language:**

Page 109, line 20, strike "\$919,006" and insert "(\$509,994)".

**Explanation:**

*Committee Approved Amendments to House Bill 1700, as Introduced*

(This amendment eliminates new spending increases \$1,429,000 from the general fund in the second year for additional positions in the office of Virginia Occupational Safety and Health.)

Item 116 #1h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Mines, Minerals and Energy	\$0	\$90,000	NGF

**Language:**

Page 110, line 15, strike "\$29,917,215" and insert "\$30,007,215".

**Explanation:**

(This amendment increases new mineral mine permit fees and renewal or transfer fees resulting in an increase of \$90,000 from the nongeneral fund in the second year. The fee increase is intended to offset the actual cost of processing permit applications which has risen since the last time fees were increased 15 years ago.)

Item 117 #1h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Mines, Minerals and Energy	\$0	(\$250,000)	GF

**Language:**

Page 111, line 3, strike "\$3,503,931" and insert "\$3,253,931".

**Explanation:**

(This amendment eliminates new spending increases \$250,000 from the general fund in the second year to establish the Office of Offshore Wind.)

Item 117 #2h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Department of Mines, Minerals and Energy	\$0	(\$137,000)	GF

**Language:**

Page 111, line 3, strike "\$3,503,931" and insert "\$3,366,931".

*Committee Approved Amendments to House Bill 1700, as Introduced*

**Explanation:**

(This amendment eliminates new spending increases \$137,000 from the general fund in the second year for a new position directing renewable energy procurement.)

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Item 117 #3h

**Commerce and Trade**

**FY18-19**

**FY19-20**

Department of Mines, Minerals and  
Energy

(\$10,000,000)

\$0 GF

**Language:**

Page 111, line 3, strike "\$13,116,931" and insert "\$3,116,931".

Page 111, strike lines 31 through 36.

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for the development of a revolving loan fund and loan-loss reserve fund intended to incentivize private investments in energy efficiency, renewable energy, alternative fuels, and similar conservation-related projects in the public and private sectors. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

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Item 119 #1h

**Commerce and Trade**

Department of Professional and Occupational Regulation

Language

**Language:**

Page 112, after line 16, insert

"A.1. Any fund balances currently held in the Dedicated Special Revenue Fund (0900), the Common Interest Community Management Information Fund (0259) and the Special Revenue Fund (0200) shall be held in reserve and may not be dispersed by the Department of Professional and Occupational Regulation, but shall be applied to offset the anticipated, future costs of restructuring its organization, including additional staffing needs and the replacement or upgrade of the Department's information technology systems requirements as listed in (B) and (C) of this Item. Such reserve funds shall be dispersed only to cover expenses of the

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Department or its regulatory boards as provided in § 54.1-308.

B.1. The Department of Professional and Occupational Regulation (DPOR) shall conduct a comprehensive assessment of its staffing needs and organizational structure to improve its performance, increase efficiency and effectively conduct its responsibilities and obligations.

2. The purpose of the assessment is to ensure that DPOR has sufficient staffing resources to (i) meet performance goals for processing transactions and handling customer inquiries and (ii) perform employment verifications and on-site audits recommended by JLARC. If the assessment finds additional positions are needed, DPOR should evaluate whether existing part-time positions should be converted to full-time positions and if existing positions elsewhere in DPOR can be reallocated.

3. During its comprehensive assessment the Department shall: (i) consider establishing one or more positions vested with the following agency-wide duties: (a) coordinate and assist in the development of agency regulations; (b) coordinate agency legislative efforts; (c) lead agency communications with external parties; and (d) serve as staff to the Board for Professional and Occupational Regulation (BPOR); (ii) rank all vacant positions based on how critical they are to DPOR's ability to fulfill its responsibilities in order to enable its human resources staff to use the rankings to prioritize the advertising and filling of positions, using hiring processes that reflect best practices; and, (iii) consider reassignment to other divisions the following functions that are currently assigned to the licensing division: (a) handling Freedom of Information Act requests; (b) scanning documents; (c) managing policies and procedures; (d) evaluating business processes; and (e) agency-wide training.

4. The assessment should be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations Committee and Senate Finance Committee along with the agency's estimated funding needs by November 1, 2019.

C.1. In consultation and cooperation with the Virginia Information Technologies Agency (VITA) and the Commonwealth's Chief Data Officer, the Department of Professional and Occupational Regulation (DPOR) shall develop a plan to replace or upgrade the current information technology system, including the licensing system, utilized by the Department. At a minimum, the new or improved information technology system should have the capacity to do the following: (i) accept and process applications and payments online; (ii) improve the ease of online renewals; and (iii) integrate licensing data with enforcement case management data. The plan should identify the expected staffing needs during and after the system upgrade or replacement project, how staffing needs will be met, and the cost of the proposed upgrade or project.

2. When developing the plan to replace or upgrade the current information technology system, including the licensing system, the Department of Professional and Occupational Regulation (DPOR) shall consider the transfer of information technology-related responsibilities for its licensing system and technical aspects of website management, records management, and electronic forms, from the licensing division to the Information Technology division.

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3. The plan should be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations Committee and Senate Finance Committee along with the agency's estimated funding needs by November 1, 2019."

**Explanation:**

(This amendment secures the surplus nongeneral funds collected by the Department of Professional and Occupational Regulation, while the Department conducts assessments of its structure, staffing needs and potential replacement or upgrade of its information technology systems. The Department is to issue a report by November 1, 2019 with any recommendations for changes that may be necessary along with cost estimates to implement those changes, and the funds will be available to help offset any potential costs that may be incurred to bring the agency into the 21st century to better serve its constituency.)

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Item 119 #2h

**Commerce and Trade**

Department of Professional and Occupational Regulation

Language

**Language:**

Page 112, line 15, before "Costs" insert "A."

Page 112, after line 16, insert

"B. The Department of Professional and Occupational Regulation is authorized to provide electronic credentials to individuals and organizations regulated by the Department or its regulatory boards. An electronic credential means an electronic method by which a person may display or transmit to another person information that verifies information about a person such as their certification, licensure, registration, or permit. Any statutory or regulatory requirement to display, post or produce a credential issued by a Department regulatory board or the Department may be satisfied by the proffer of an electronic credential. The Department may use a third-party electronic credential system that is not maintained by the agency. Such electronic credential system shall include a verification system that is operated by the agency or its agent on its behalf for the purpose verifying the authenticity and validity of electronic credential issued by the Department.

**Explanation:**

(This amendment authorizes the Department of Professional and Occupational Regulation to implement an electronic credentialing system.)

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Item 121 #2h

**Commerce and Trade**

**FY18-19**

**FY19-20**

*Committee Approved Amendments to House Bill 1700, as Introduced*

Fort Monroe Authority	(\$156,922)	\$0	GF
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**Language:**

Page 114, line 23, strike "\$6,472,528" and insert "\$6,315,606".

**Explanation:**

(This amendment eliminates new spending \$156,922 from the general fund in the first year for Fort Monroe Authority.)

Item 122 #1h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Virginia Economic Development Partnership	(\$20,000,000)	\$0	GF

**Language:**

Page 115, line 16, strike "\$51,597,198" and insert "\$31,597,198".

**Explanation:**

(This amendment removes funding proposed in House Bill 1700 as introduced for the Virginia Economic Development Partnership for its Business-Ready Sites program. The Committee budget funding levels were limited to the additional dollars available pursuant to the economic reforecast presented in December, identified programmatic savings, and revenues generated by legislation expanding the collection of sales tax attributable to internet sales. All revenues attributable to the Tax Cuts and Jobs Act (TCJA) are captured in the Taxpayer Relief Fund and the Revenue Reserve Fund in Item 475.10. This required removing approximately \$1.2 billion in spending compared to House Bill 1700 as introduced.)

Item 122 #2h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Virginia Economic Development Partnership	\$5,000,000	\$0	GF

**Language:**

Page 115, line 16, strike "\$51,597,198" and insert "\$56,597,198".

Page 117, after line 12, insert

"S. Out of the amounts in this item, \$5,000,000 the first year from the general fund is provided for the development of a site and building assessment program to identify and assess the Commonwealth's industrial sites. Notwithstanding § 2.2-2238, the Virginia Economic Development Partnership may include sites of at least 25 acres in developing such a program

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and shall establish assessment guidelines and procedures for identification of industrial sites, resource requirements, and development oversight. The Authority shall invite participation by regional and industry stakeholders to assess potential sites, identify product shortfalls, and make recommendations to the Governor and General Assembly for marketing such sites, in alignment with the goals outlined in the Governor's economic development plan and other economic development initiatives. No public funds associated with this program may be utilized to characterize or develop any sites owned exclusively by private interests."

**Explanation:**

(This amendment increases funds \$5,000,000 from the general fund in the first year for the Virginia Economic Development Partnership business-ready sites program in order to assess, characterize and develop potential industry sites owned partially or entirely by the Commonwealth, its political subdivisions, or public bodies corporate and politic or its local governments.)

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	Item 122 #3h	
<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>
Virginia Economic Development Partnership	\$0	\$6,100,000 GF

**Language:**

Page 115, line 15, strike "\$35,107,392" and insert "\$41,207,392".

Page 116, line 46, strike lines 46 through 48, and insert:

P.1. Out of the amounts in this Item, the Virginia Economic Development Partnership (VEDP) shall provide \$1,925,000 in the second year from the general fund to the Commonwealth Center for Advanced Manufacturing for rent, operating support and maintenance. The Board of Directors of VEDP shall approve any and all disbursements of these funds to the Center for Advanced Manufacturing before any are distributed. These funds shall not revert back to the general fund at the end of the fiscal year.

2. The Center for Advanced Manufacturing (CCAM) must submit a detailed operating plan to the Board of Directors of VEDP by October 1, 2019 that shall include, but not be limited to, the following: (i) a schedule for annual and quarterly reporting of financial performance, research activity, and industry membership, and is based upon the Commonwealth's fiscal year; (ii) updated management and organization structure that specifies and defines all full-time positions; (iii) specific commitments from each university partner to hire, fund and place faculty and graduate students at the CCAM facility, as well as any collaborative efforts between CCAM industry members and university partners taking place outside the CCAM facility; (iv) a financial plan that includes specific budget estimates for operations at CCAM for fiscal year 2020 to fiscal year 2025, as well as estimates for a potential lease agreement between the Commonwealth of Virginia and CCAM; (v) specific details in regards to any outstanding loans



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or other outstanding debt, cash or in-kind, to public and private institutions and organizations and a financial plan for their satisfactory settlement; (vi) expansion of the membership of the Board of Directors for CCAM to include a university chief financial officer and a schedule for rotation of this Board seat among its university partner institutions; (vi) specific guidelines to implement the grant programs listed in (Q); and, (vii) any other additional information that may be requested by the Board of Directors of VEDP.

Q.1. Out of the amounts in this Item, the Virginia Economic Development Partnership (VEDP) shall provide \$3,400,000 in the second year from the general fund to the Commonwealth Center for Advanced Manufacturing (CCAM) for private sector incentive grants as follows: (i) \$675,000 for incentive grants for new industry members with no prior membership at CCAM; and, (ii) \$825,000 for incentive grants to small manufacturing members who locate their primary job center in the Commonwealth, as determined by VEDP, in order to mitigate inaugural, industry membership costs associated with joining CCAM; and (iii) \$1,900,000 for grants dedicated to CCAM industry members to be used exclusively for research project costs and require a minimum one-to-one match in funds to conduct additional directed research at the CCAM facility after their base amount of directed research is exhausted.

2. Out of the amounts in the Item, the Virginia Economic Development Partnership (VEDP) shall provide \$1,700,000 in the second year from the general fund for university research grants requiring a minimum one-to-one match in funds that bring in external research funds from federal and private organizations for research to be conducted at the CCAM facility and meet the following conditions: (i) project approvals are contingent upon each university partner entering into a memorandum of understanding with CCAM that includes specific details about the university's anticipated commitment of financial and human resources, as well as programming and academic credentialing plans to the CCAM facility; and, (ii) all project proposals are reviewed by the Virginia Research Investment Committee with a recommendation to the Board of Directors for VEDP prior to Board consideration. No grant funds shall be disbursed until the conditions of part (P.2) of this Item have been met, and without approval from the Board of Directors for VEDP."

Page 116, line 49, strike "Q." and insert "R."

Page 117, line 8, strike "R." and insert "S."

**Explanation:**

(This amendment increases funds \$6,100,000 from the general fund in the second year for the Commonwealth Center for Advanced Manufacturing for rent, operations and maintenance. It also establishes membership and research grant incentives for current and potential private sector, industry partners, as well as research grant incentives for university research to be conducted at the CCAM facility in an effort to increase access to federal resources.)

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Item 123 #1h

**Commerce and Trade**

**FY18-19**

**FY19-20**

*Committee Approved Amendments to House Bill 1700, as Introduced*

Virginia Employment Commission	(\$124,635)	(\$1,884,070)	GF
	-3.00	-6.00	FTE

**Language:**

Page 117, line 20, strike "\$557,705,646" and insert "\$557,581,011".  
 Page 117, line 20, strike "\$554,265,081" and insert "\$552,381,011".  
 Page 118, strike lines 9 through 14.

**Explanation:**

(This amendment eliminates new spending \$124,635 from the general fund in the first year and \$1,884,070 from the general fund in the second year and nine new FTE's for a new workforce dashboard to be managed by the Virginia Employment Commission. This amendment also reverses a new policy of providing general fund revenue to the Commission.)

Item 126 #1h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Virginia Tourism Authority	(\$550,000)	\$400,000	GF

**Language:**

Page 118, line 37, strike "\$21,585,424" and insert "\$21,035,424".  
 Page 118, line 36, strike "\$20,810,424" and insert "\$21,210,424".  
 Page 119, line 16, strike "\$3,025,000" and insert "\$2,475,000".  
 Page 119, line 16, strike "\$2,475,000" and insert "\$2,925,000".  
 Page 119, line 20, strike "\$350,000" and unstrike "\$100,000".  
 Page 119, line 21, strike "\$100,000" and insert "\$200,000".  
 Page 119, line 23, strike "\$850,000" and unstrike "\$550,000".  
 Page 119, line 23, strike "\$550,000" and insert "\$850,000".

**Explanation:**

(This amendment increases funding \$100,000 from the general fund in the second year for the Coalfield Regional Tourism Authority and \$300,000 from the general fund in the second year for the Southwest Virginia Regional Recreation Authority's Spearhead Trails project.)

Item 126 #2h

<b>Commerce and Trade</b>		
Virginia Tourism Authority		Language

**Language:**

Page 120, after line 14, insert

*Committee Approved Amendments to House Bill 1700, as Introduced*

"N. With such funds as are available, the Virginia Tourism Authority shall collaborate with "Opening Doors for Virginians with Disabilities" to maintain and update the Opening Doors for Virginians with Disabilities travel guide and establish a more user-friendly link to this information on the Virginia Tourism Corporation website home page".

**Explanation:**

(This amendment is self-explanatory.)

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Item 126 #3h

<b>Commerce and Trade</b>	<b>FY18-19</b>	<b>FY19-20</b>	
Virginia Tourism Authority	\$0	\$25,000	GF

**Language:**

Page 118, line 36, strike "\$20,810,424" and insert "\$20,835,424".

Page 120, line 13 after "year" insert:

"and \$25,000 the second year".

**Explanation:**

(This amendment provides level funding \$25,000 from the general fund in the second year for the Carver Price Legacy Museum.)

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Item 3-1.01 #6h

**Transfers**

Interfund Transfers

Language

**Language:**

Page 560, line 9, after "\$2,000,000" strike the remainder of line and insert:

"each year is allocated to the general fund. The State Comptroller shall deposit to the general fund \$2,000,000 on or before June 30, 2019 and an additional \$2,000,000 on or before June 30, 2020 from the revenues received from the Communications Sales and Use Tax."

Page 560, strike line 10 through 11.

**Explanation:**

(This amendment restores language that directs revenue collected from the Communications Sales and Use Tax be transferred to the general fund in order to provide increased resources for the Virginia Telecommunications Initiative, a program that assists localities with acquiring access to broadband telecommunications.)

