



COMMONWEALTH of VIRGINIA

Office of the Governor

Robert F. McDonnell
Governor

March 25, 2013

TO THE HOUSE OF DELEGATES

HOUSE BILL 1500

I approve the general purpose of this bill, but I am returning it without my signature with the request that 52 amendments be adopted. I am grateful to all members of the House of Delegates and the Senate for the excellent work you did during the session through your amendments to House Bill 1500, and your timely passage of the budget.

Specifically, the House and Senate are to be commended for placing a priority on financial liquidity, cash reserves, and the future financial health of the Commonwealth. This is demonstrated in several ways, but most notably in the dedication of \$95 million toward future required deposits to the revenue stabilization fund. Together, we will have appropriated sufficient funding in the biennium to increase the Rainy Day Fund from \$295 million to nearly \$800 million. Nothing could be more important in these uncertain economic times.

From the outset, we set clear budgetary objectives for this short session. These objectives called for new investments in transportation, public education, and water quality. I also asked you to support continued investment in higher education and job creation, which you did. Finally, I asked you to eliminate the \$45 million across-the-board budget cuts to our local governments, and to continue to work toward the full elimination of the accelerated sales tax, which is now eliminated for 98 percent of the retailers.

Throughout the 2013 General Assembly Session, you worked with each other and with me to address these challenges. Due to your cooperation, we made significant progress on all of these fronts. I know that the citizens of Virginia are most appreciative of your effort, and we are in a better place now than when we started. We jointly have had a successful session.

I think you will find a number of my amendments are either language clarifications or technical adjustments. Some of the amendments were made at the request of a legislative member or committee staff to address various issues.

Although the enrolled bill achieves most of the major objectives I requested in my introduced budget, I am returning it to you with amendments to address five overarching themes. These are: 1) continued efforts to address judicial workload and fill vacant judgeships, 2) provide general fund appropriations for select items that were funded by earmarks against dedicated funding streams, 3) a small restoration of reductions, 4) needed language changes, and 5) funding for new issues that have surfaced since you passed the budget bill in February. My spending amendments total just \$14.1 million, the smallest adjustment of my administration.

Judges

As our economy continues to recover, it is time that we move forward with filling more of the judicial vacancies that we have previously held as a means of generating savings. You approved funding for 20 vacancies in the budget. I am providing funding for those vacant positions that are 40 percent or more above the state average workload, and for those circuits and districts that have or soon will have two vacancies. My amendments propose to provide \$1.8 million to fill 11 judicial vacancies, and another \$359,170 to create a new Circuit Judge in the 15th Circuit. Together, we will have provided funding for 31 of the 49 current vacancies, meaning the faster disposition of justice.

Backfill of Supplants or Earmarks Against Dedicated Funds

In the enrolled budget, you earmarked several spending items against dedicated funding streams. While the nexus was appropriate, I am requesting that funding be provided directly from the General Fund, thus eliminating the earmark against the dedicated funding stream. An example is replacing the earmark of \$1 million against the Governor's Development Opportunity Fund for Port of Virginia Economic & Infrastructure Development Zone Grants.

I also propose providing an additional \$2 million for the Economic Contingency Fund to make up for the reductions to the Workforce Transition Act (WTA) funding that was included in my introduced budget. If the approved WTA funding falls short of the actual amount needed, the balance of the costs will have to come from Economic Contingency which is already at a very low level. This amendment simply ensures that the Economic Contingency account has sufficient balances to address that need and not endanger other unanticipated needs that it may face. If it is not needed for the specific purposes of economic contingency, the end result will be that it will not be spent.

Restoring Small Cuts

I propose restoration of \$520,000 for modeling and simulation that had been transferred to fund Cyber security. The potential for jobs and revenue growth from modeling and simulation

holds great promise for the economic future of the Commonwealth, especially as we face the potential negative aspects of reductions in federal spending in Virginia from direct cuts or through sequestration. I also propose restoration of \$481,500 for VEDP's defense industry trade initiative, which will focus on bolstering the business environment for our Virginia companies that also will be adversely affected by sequestration. This program is modeled after VEDP's successful "VALET" program. We cannot go wrong with resources that create jobs for Virginians.

Additionally, I proposed funding to reinstate an additional \$870,000 in funding of the original \$3 million that I had requested for the Center for Health Innovation Grants. These funds have already been encumbered and committed as part of our very important Medicaid reform efforts.

I also ask that you restore four law enforcement and fisheries management positions in the Virginia Marine Resources Commission at a cost of approximately \$221,500, and that you provide \$220,000 for a federal Office of Economic Adjustment matching grant for the Office of the Secretary of Veterans Affairs and Homeland Security. For the latter, we get a 10-to-1 match of federal funds for our small state match.

I also believe that we need to restore \$2 million in funding to the plan for Strategic Compensation for Teachers to ensure that we have enough funding to make this effort viable across the entire state for any school division that opts to participate. Even with this adjustment, the program will be just one-half of what I originally requested. This is the year that we are finally addressing teacher compensation with a two percent raise, and strategic compensation helps even more with locally prescribed goals for excellence.

Finally, from the beginning of our administration, I have focused on improving prisoner re-entry, and I ask you to restore an additional \$440,000 to establish a Portal for Prisoner Re-entry by creating an interface between the Department of Corrections inmate management system and the Department of Social Services.

Major Language Items

Among my language amendments, there are six language items that I want to call to your attention:

1. You have authored a plan to ensure that the Medicaid program is dramatically reformed before it can be considered for expansion. To address these policy concerns, I have proposed more specific and thorough reforms, to ensure that Virginia will have sustainable, cost saving changes in the existing program as well as more effective fraud and error detection. These amendments also provide for greater clarity of the specific intent of the General Assembly as to when approval of expansion would be appropriate.
2. As communicated on the floor during the discussion of the Budget Conference Committee report, and to me by Delegate Chris Jones, I understand that it was an error to

maintain the language that prohibits the sale, lease, or operation of our Port Terminals; therefore, I have stricken that language.

3. I also understand that your intent was to provide our Constitutional Officers with a real pay increase that is not counted toward the retirement "5-for-5" swap. With that in mind, I have modified the language to clarify that objective.
4. I have made revisions to increase the upper pay range in our state employee compensation ranges to accommodate our planned pay raise. The range needs to be moved up so that employees at the top of each pay band can receive the pay increase you intended.
5. I also have included some technical administrative language requested by our bond counsel regarding the significant capital projects pool you included in the budget. There are no changes to the projects or the amounts appropriated.
6. I have included some minor edits to the FACT Fund language, which will afford us more flexibility. The changes by the House and the Senate essentially leave the remaining \$13.3 million balance in the FACT Fund as a mini revenue reserve to offset direct or indirect losses of revenue due to federal actions. While I agree with this purpose, I also believe we may need to respond promptly to certain federal actions that relocate or realign major facilities before we actually lose revenues associated with them. Additionally, there may be some need to help mitigate the negative impacts on certain regions of the state after these actions occur. For that reason, I am recommending that \$5 million of the remaining \$13.3 million in the FACT Fund be made available to address these issues. Approximately \$8.3 million will still remain in the fund to be used solely as a revenue reserve as specified in the enrolled budget bill.

New Items

I have included funding for very few new items that have arisen since Sine Die on February 23, 2013. Among these is a proposal to provide \$1.5 million for a Centralized Call Center for Medicaid that is intended to provide additional access to the eligibility determination process, as required by federal law. As much as I disapprove of this new unfunded federal mandate, we must move forward with a centralized call center to meet the mandates for accessibility as stated in the Affordable Care Act. This requirement is not subject to waiver, and this approach appears to be our least expensive option.

I have proposed \$500,000 in new funding for Tourism to ease the burden of new demands that have been placed on them and to help them promote Virginia. As the economy continues to improve and families begin to travel again, it will be important that we have the resources dedicated to capturing the resurgence of the tourism market.

I also have proposed \$75,000 in FY 2013 for the Military Survivors and Dependents program operated by the State Council of Higher Education for Virginia. This program provides funding that helps offset the cost of college room, board, and books for the survivors and dependents of those killed or permanently disabled while in military service. There has been increased participation in this program due to the large military population in Virginia and the

ongoing conflicts in which the United States has been engaged, resulting in increased program costs.

I have proposed an additional \$1.0 million in FY 2014 for the Hampton Roads Proton Beam Therapy Institute at Hampton University, LLC. The additional funding will support the institute in its efforts to treat cancerous tumors with fewer side effects through proton beam therapy. This will provide an improvement to the quality of health for some of our citizens and it also will support economic development in the Hampton area.

Finally, beyond these five categories, I am submitting two amendments to address language that unnecessarily curtails executive authority or inhibits the executive branch's ability to conduct business efficiently. First, I have stricken the new language that changes the long standing manner in which the Governor is to submit budget amendments to an existing budget.

This change requires that such amendments be submitted using the "half-sheets" format, giving the Governor's amendments the same status as member amendments. It stops the current and long standing practice that permits the Governor to submit a revised budget bill that contains all of his amendments to the existing budget. While this seems harmless at first review, it carries with it a number of issues. Not only does it limit the power of the Executive to introduce a budget bill detailing all of the Governor's recommendations, it means that many members will never get a chance to see and vote on the Governor's recommended budget amendments. The process as outlined in this enrolled amendment sets up the potential that the Governor's recommended amendments to the budget would be sent directly to the respective budget writing committee where they may be altered or deleted in subcommittee or committee. Currently, all of the Governor's amendments are sent to the floor with a committee recommendation where all members may see the Governor's recommendations, the proposed action on them, and actually vote for each of the proposed amendments. Consequently, I have stricken this proposed language.

Similarly, I have concerns about the language that requires the Executive Branch to give 30 days prior notice before taking action to appropriate cash balances that existed at the end of the prior fiscal year. While I understand and support providing notice of such action to the General Assembly, I am opposed to providing it in advance of taking such action.

Many times, these transactions must be conducted in a timely fashion in order to meet the "prompt payment" requirements that you have set out for state agencies to pay private vendors. If such funds are needed to make such a payment, the 30-day advance notice requirement, by its own restrictions, likely will cause the state agency to miss the deadline for prompt payment. Otherwise, the transaction will hit the accounting error file for insufficient funds and not be processed. Further, the 30-day notice requirement would essentially prohibit any such transactions during the month of June, which is when agencies may need these funds to close out the fiscal year and pay bills. I believe that this is an unintended consequence of this budget amendment; therefore, I am recommending changes to still provide you with notice of the transaction but not as requirement prior to the transaction.

Other notice requirements in law do not specify that the notice must be in advance. For example, the Department of Planning and Budget must notify you by the tenth day of each month of the appropriation transfers that were processed in the prior month. Similarly, the Department of Planning and Budget must provide a quarterly report of the disbursements and commitments made from economic contingency in the previous quarter. I only ask that you allow similar flexibility for reporting the appropriation of cash balances.

Recommended Resources

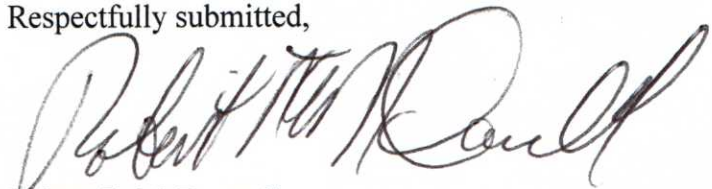
I am not recommending any changes to the base revenue forecast that we have adopted throughout this General Assembly Session. My requested spending is offset by two amendments that add \$14.1 million in additional resources over the biennium. One amendment simply captures additional revenue received by the Commonwealth from prior year recovery of expenses associated with Social Services Block Grants. The second adds resources by capturing debt service savings from bond refundings of previously issued debt. These savings reduce the appropriations required for debt service payments thus making the appropriations available for reprogramming. It is important to note that none of my amendments changes any of the spending you recommended in the budget that you presented to me.

The budget you presented me left an unappropriated balance of \$10.0 million. I am returning amendments to you, which if enacted, will leave the total uncommitted, unappropriated balance essentially unchanged at approximately \$10.0 million. I was pleased to see such a relatively large balance in the budget presented to me, and I believe that it is prudent to leave sufficient resources for unforeseen circumstances that may surface in the future.

Attached to this letter are the details of my proposed amendments. In your review of these proposals, I think you will find they are relatively minor and consistent with the objectives that we both have strived to accomplish.

I respectfully request your adoption of these amendments so that they may be incorporated into the Appropriation Act for the 2012-2014 biennium. Thank you for your consideration of my requests and for your service to the Commonwealth.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Robert F. McDonnell", written in a cursive style.

Robert F. McDonnell

Attachments

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 1: Amend the title of the budget bill

Item 0

Revenues

Revenues

Language

Language:

Page 1, line 5, strike "2.2-1508, 2.2-1509" and insert "17.1-507".

Page 1, line 10, after "72," insert "73,".

Page 1, line 19, after "439," insert "440,".

Explanation:

(This amendment modifies the title of the budget bill to reflect proposed changes to items changed in proposed executive amendments.)

Amendment 2: Adjust general fund resources on the front page of the budget bill

Item 0

Revenues

Revenues

Language

Language:

Page 1, Line 46, strike "\$5,380,764" and insert "\$3,602,508".

Page 1, Line 46, strike "(\$171,626,902)" and insert "(\$173,405,158)".

Page 1, Line 48, strike "\$16,416,624,248" and insert "\$16,418,624,248".

Page 1, Line 48, strike "\$33,473,582,854" and insert "\$33,475,582,854".

Page 2, Line 4, strike "\$17,639,560,518" and insert "\$17,641,560,518".

Page 2, Line 4, strike "\$17,493,984,736" and insert "\$17,492,206,480".

Page 2, Line 4, strike "\$35,133,545,254" and insert "\$35,133,766,998".

Page 2, Line 22, strike "\$48,181,336,236" and insert "\$48,183,336,236".

Page 2, Line 22, strike "\$43,819,927,076" and insert "\$43,818,148,820".

Page 2, Line 22, strike "\$92,001,263,312" and insert "\$92,001,485,056".

Explanation:

(This amendment reflects changes to general fund resources contained in proposed executive amendments. Specifically, this amendment reflects an increase in revenue of \$2 million in the first year from prior year recoveries in the Department of Social Services and a decrease in additions to balance of \$1.8 million from the filling of vacant judgeships. Companion amendments to Items 53 and 345 also reflect these changes.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 3: Create a new circuit court judgeship

Item 42

Judicial Department	FY 12-13	FY 13-14
Circuit Courts	\$0	\$265,927 GF
	0.00	1.00 FTE

Language:

Page 25, line 29, strike the second "\$103,430,987" and insert "\$103,696,914"

Explanation:

(This amendment provides appropriation for a new circuit court judgeship in the Fifteenth Circuit.)

Amendment 4: Funding to fill judgeship vacancies

Item 53

Judicial Department

Judicial Department Reversion Clearing
Account

Language

Language:

Page 36, line 47, strike "\$5,680,764" and insert "\$3,902,508"

Page 38, after line 12 insert:

"68. Effective January 1, 2014, the provisions of this item shall not apply to any authorized circuit court judgeship in the Third Circuit in which the retiring incumbent judge retired prior to January 1, 2013.

69. Effective July 1, 2013, the provisions of this item shall not apply to any authorized circuit court judgeship in the Fourth Circuit in which the retiring incumbent judge retired prior to May 1, 2012.

70. Effective July 1, 2013, the provisions of this item shall not apply to any authorized circuit court judgeship in the Twenty-Third Circuit in which the retiring incumbent judge retired prior to March 1, 2013.

71. Effective July 1, 2013, the provisions of this item shall not apply to any authorized circuit court judgeship in the Twenty-Eighth Circuit in which the retiring incumbent judge retired prior to July 1, 2013.

72. Effective July 1, 2013, the provisions of this item shall not apply to any authorized general district court judgeship in the Thirteenth Judicial District in which the retiring incumbent judge retired prior to January 1, 2010.

73. Effective July 1, 2013, the provisions of this item shall not apply to any authorized general district court judgeship in the Fifteenth Judicial District in which the retiring incumbent judge retired prior to February 1, 2013.

74. Effective July 1, 2013, the provisions of this item shall not apply to any authorized general district court judgeship in the Sixteenth Judicial District in which the retiring incumbent judge retired prior to February 1, 2013.

75. Effective July 1, 2013, the provisions of this item shall not apply to any authorized general district court judgeship in the Nineteenth Judicial District in which the retiring incumbent judge retired prior to February 1, 2011.

76. Effective July 1, 2013, the provisions of this item shall not apply to any authorized general district court judgeship in the Twenty-Seventh Judicial District in which the retiring incumbent judge retired prior to January 1, 2011.

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

77. Effective July 1, 2013, the provisions of this item shall not apply to any authorized juvenile and domestic relations district court judgeship in the Fifteenth Judicial District in which the retiring incumbent judge retired prior to May 1, 2013.

78. Effective July 1, 2013, the provisions of this item shall not apply to any authorized juvenile and domestic relations district court judgeship in the Twenty-Third Judicial District in which the retiring incumbent judge retired prior to July 1, 2013."

Explanation:

(This amendment provides funding to fill eleven judgeships.)

Amendment 5: Provide court security for new circuit judgeship

Item 68

Administration	FY 12-13	FY 13-14
Compensation Board	\$0	\$62,148 GF

Language:

Page 46, line 39, strike "\$419,327,886" and insert "\$419,390,034".

Page 46, line 44, strike the second "\$51,573,495" and insert "\$51,635,643".

Explanation:

(This amendment provides two deputies for court security for a new circuit court judgeship.)

Amendment 6: Provide deputy clerk for the new circuit court judgeship

Item 73

Administration	FY 12-13	FY 13-14
Compensation Board	\$0	\$31,095 GF

Language:

Page 56, line 42, strike the second "\$49,483,802" and insert "\$49,514,897".

Page 56, line 45, strike the second "\$20,430,451" and insert "\$20,461,546".

Explanation:

(This amendment provides a deputy clerk position for the new circuit court judgeship.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 7: Update the position chart

Item 75

Administration

Compensation Board

Language

Language:

Page 60, line 40, strike "11,051" and insert "11,053".

Page 60, line 48, strike the second "1,144" and insert "1,145".

Page 60, line 50, strike "16,304" and insert "16,307".

Explanation:

(This amendment updates the position chart to reflect the additional positions provided for the new circuit court judgeship (Caroline/Hanover/Spotsylvania).)

Amendment 8: Clarify language regarding constitutional offices pay adjustments

Item 75

Administration

Compensation Board

Language

Language:

Page 63, after line 31, insert:

"S. Localities shall not utilize Compensation Board funding to supplant local funds provided for the salaries of constitutional officers and their employees under the provisions of Chapter 822, 2012 Acts of Assembly, who were affected members in service on June 30, 2012."

Explanation:

(This amendment ensures state funding for salary increases of constitutional officers and staff are used for salary increases.)

Amendment 9: Provide for planning to construct medical college

Item 109

Commerce and Trade

Department of Housing and Community
Development

FY 12-13

\$0

FY 13-14

\$250,000 GF

Language:

Page 94, line 2, strike "\$45,540,328" and insert "\$45,790,328".

Page 94, line 4, strike "\$12,846,678" and insert "\$13,096,678".

Page 96, after line 37, insert:

"M. Out of the amounts in this item, \$250,000 the second year from the general fund shall be provided to the Town of Abingdon to support detailed planning of construction of an academic medical facility."

Explanation:

(This amendment provides general fund appropriation in the second year to the Town of Abingdon to assist in detailed planning of construction of a proposed medicine and health science center in Abingdon, Virginia.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 10: Restore funding to promote international trade among defense companies

Item 123

Commerce and Trade	FY 12-13	FY 13-14
Virginia Economic Development Partnership	\$0	\$481,500 GF

Language:

Page 101, line 25, strike "\$17,343,246" and insert "\$17,824,746".

Page 103, after line 13, insert:

"P. Out of this appropriation, \$481,500 the second year from the general fund shall be provided to promote international trade among defense companies located in the Commonwealth."

Explanation:

(This amendment restores \$481,500 in general fund support in FY 2014 for the Governor's initiative to promote international trade among defense companies in the Commonwealth. This funding is critical to support statewide industries that have been, or may be, impacted by the defense cuts relating to federal sequestration as they secure alternative markets for their goods and services. Using Virginia Leaders in Export Trade (VALET), Virginia's successful trade assistance program as a model, the Virginia Economic Development Partnership can assist those companies throughout the defense industry supply chain to meet the challenges of shrinking defense spending.)

Amendment 11: Increase support for Virginia tourism promotion activity

Item 129

Commerce and Trade	FY 12-13	FY 13-14
Virginia Tourism Authority	\$0	\$500,000 GF

Language:

Page 105, line 10, strike "\$19,363,612" and insert "\$19,863,612".

Page 105, line 13, strike "\$19,363,612" and insert "\$19,863,612".

Page 105, line 46, strike "\$1,700,000" and insert "\$2,200,000".

Explanation:

(This amendment provides an additional \$500,000 from the general fund to support Virginia tourism promotion grants. The Governor's introduced budget provided \$1.7 million general fund in FY 2014 for undesignated grants to regional and local tourism authorities. The General Assembly committed up to \$500,000 of that funding. This amendment will provide flexibility in the implementation of tourism grants consistent with the Governor's introduced budget bill.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 12: Fund establishment of the Opportunity Educational Institution

Item 134

Education: Elementary and Secondary	FY 12-13	FY 13-14
Department of Education, Central Office Operations	\$0	\$450,000 GF

Language:

Page 112, line 11, delete "\$3,005,392" and insert "\$3,455,392".

Page 112, line 41, delete "\$150,000" and insert "\$600,000".

Page 113, line 1, after "Institution." insert "Supervision of any school that has been accredited with warning for three consecutive years may be

transferred to the Opportunity Educational Institution following a majority vote by the Board to transfer."

Page 113, after line 15, insert:

"7. State, federal, and required local matching funds provided to school divisions pursuant to this act shall be transferred to the Institution as prescribed in this Item if students in a school under the supervision of the Institution would otherwise be eligible for the funding if they remained in a school under the supervision of the local school division of residence."

Page 113, line 16, delete "7." and insert "8."

Page 113, line 19, after "any" insert "state-funded".

Page 113, line 21, after "of" insert "any".

Page 113, line 22, after "Institution" insert ", but shall not be limited to,".

Page 113, line 29, before "school" insert "local".

Page 113, line 29, after "division" insert "of residence".

Page 113, line 32, after "board." insert:

"Except for a reasonable portion that may be necessary for the administration of the Institution, subject to the limits contained in this paragraph, local funds specified in subparts (iv) through (vi) shall only be used for schools under the supervision of the Institution that were formerly under the supervision of the local school division from which such funds were derived or expended by the Institution in a manner that such schools receive a proportional benefit when such local funds are expended to benefit multiple schools under the supervision of the Institution. The annual operating budget for the Institution shall be proportioned in a manner that dedicates no less than 65 percent of total funding for instructional costs and no more than 35 percent for non-instructional costs, including administration of the Institution. The methodology for allocating each school division's expenditures to instructional and non-instructional costs shall be consistent with the funding of the Standards of Quality as approved by the General Assembly. If, for any reason, the Institution desires to exceed 35 percent of funding for non-instructional costs, it must be granted approval by the Board. The Governor and the Chairmen of the House Appropriations and Senate Finance Committees shall be notified immediately of such approval by the Board."

Page 113, after line 32, insert:

"9. In addition to the funds authorized in paragraph C.8 and any funds otherwise appropriated in this act for the operation of the Institution or the schools under its supervision, the Institution is authorized to receive and expend any gifts, grants, bequests, or donations, including interest thereon, from private sources solely for the purpose of operating the Institution or the schools under its supervision."

Page 113, line 33, delete "8." and insert "10."

Page 113, line 34, delete "subsection A" and insert "paragraphs C.7. and C.8".

Page 113, line 40, delete "9." and insert "11."

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Explanation:

(This amendment adds \$450,000 to the \$150,000 already provided for the establishment of the Opportunity Educational Institution (OEI), as authorized by the 2013 General Assembly. This will help ensure the OEI is ready for operation upon its implementation for the 2014-15 school year. In addition, clarifying language is provided to ensure funds follow those students whose schools come under the purview of the OEI, as well as noting that funds provided by a local school division to the OEI will be used to support its students and not other school divisions' students. Language is also included to limit total administrative costs for the OEI operations to no more than 35 percent. Finally, to ensure consistency with the legislation passed by the General Assembly, the Board of the OEI is authorized to include schools with three consecutive years of accreditation warnings to be transferred to the OEI.)

Amendment 13: Add funding for Strategic Compensation Grant Initiative

Item 139

Education: Elementary and Secondary	FY 12-13	FY 13-14
Direct Aid to Public Education	\$0	\$2,000,000 GF

Language:

Page 119, line 50, strike "\$5,931,901,606" and insert "5,933,901,606".

Page 121, line 21, strike "\$5,500,000" and insert "\$7,500,000".

Page 121, line 23, strike "\$148,861,609" and insert "\$150,861,609".

Page 153, line 5, strike "\$5,500,000" and insert "\$7,500,000".

Page 153, line 9, after "objectives." insert "School divisions may expend up to five percent of the awarded grant funds for the design and implementation of compensation systems or for the administration of the program.".

Explanation:

(This amendment adds \$2 million to bring the total amount of funding provided for the Strategic Compensation Grant initiative to \$7.5 million. This will allow more school divisions to participate in this program, which rewards effective teaching. In addition, language is provided to allow school divisions to utilize no more than five percent of the grant funding they receive to design and implement, as well as administer, this compensation program.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 14: Reprogram technology supplemental grants to support tablet initiative

Item 139

Education: Elementary and Secondary

Direct Aid to Public Education

Language

Language:

Page 139, line 11, strike "years 2013, 2014," and insert "year 2013."

Page 139, strike lines 12-14.

Page 139, line 15, strike "these three-year supplemental grants shall only receive them one time."

Page 139, line 17, strike "Schools that qualify for three-year supplemental".

Page 139, strike line 18.

Page 139, line 19, strike "supplemental grant funding." and insert "Schools that administer SOL tests in Spring 2013 and that are not fully accredited based on school accreditation ratings in effect for FY 2014 will qualify to participate in the Virginia e-Learning Backpack Initiative in FY 2014 and receive: (1) a supplemental grant of \$400 per student reported in ninth grade fall membership in a qualifying school for the purchase of a tablet computer device for that student and (2) a supplemental grant of \$2,400 per qualifying school to purchase two content creation packages for teachers. Schools eligible to receive this supplemental grant in FY 2014 shall continue to receive the grant for the number of subsequent years equaling the number of grades 9 through 12 in the qualifying school up to a maximum of four years. Schools eligible to receive these grants for a period of up to four years beginning in FY 2014 shall not be eligible to receive a separate award in the future once the original award period has concluded. Schools that are fully accredited or that are new schools with conditional accreditation in their first year shall not be eligible to receive this supplemental grant."

Page 139, line 33, after "grants" insert "in the first year".

Page 139, line 36, after "match." insert "School divisions that receive supplemental grants in the second year pursuant to paragraph g.5) above shall use the funds in qualifying schools to purchase tablet computer devices for ninth grade students reported in fall membership and content creation packages for teachers."

Page 140, line 2, after "school" insert "in the first year".

Page 140, after line 10, insert "e) School divisions shall be eligible to receive supplemental grants in the second year pursuant to paragraph g.5) above. These supplemental grants shall be used in qualifying schools for the purchase of tablet computer devices for ninth grade students reported in fall membership and content creation packages for teachers. Participating school divisions will be required to select a core set of electronic textbooks, applications and online services for productivity, learning management, collaboration, practice, and assessment to be included on all devices. In addition, participating school divisions will assume recurring costs for electronic textbook purchases and maintenance."

Page 140, line 11, strike "e)" and insert "f)".

Explanation:

(This amendment reprograms existing funding for Virginia Public School Authority (VPSA) supplemental grants of \$26,000 each year for three years that are awarded to schools that are not fully accredited. In lieu of these grants, the funding will be used to purchase tablet computers for 9th grade students in eligible schools that are not fully accredited.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 15: Adjust technology grant date for Bedford consolidation

Item 139

Education: Elementary and Secondary

Direct Aid to Public Education

Language

Language:

Page 140, line 15, strike "2000" and insert "2012".

Explanation:

(This amendment modifies the date for consolidated school divisions to receive educational technology grants to ensure the recent school division consolidation of Bedford County and Bedford City is eligible for these grants.)

Amendment 16: Provide funding to cover benefits for military survivors and dependents

Item 144

Education

FY 12-13

FY 13-14

State Council of Higher Education for Virginia

\$75,000

\$0 GF

Language:

Page 156, line 15, strike "\$66,240,632" and insert "\$66,315,632".

Explanation:

(This amendment covers the anticipated shortfall in funding to provide full stipends to individuals who qualify for higher education financial support through the Virginia Military Survivors and Dependents Program for FY 2013.)

Amendment 17: Provide grant to develop apprenticeships and trades academy

Item 215

Education: Higher Education

FY 12-13

FY 13-14

Virginia Community College System

\$0

\$100,000 GF

Language:

Page 201, line 37, strike: "\$72,320,334" and insert "\$72,420,334".

Page 203, after line 17, insert: "K. Out of this appropriation, \$100,000 in the second year from the general fund is provided as a planning grant for development of a Governor's Academy for Student Apprenticeships and Trades."

Explanation:

(This amendment provides funding for the development of a Student Apprenticeships and Trades Academy.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 18: Authorize Sales Tax Retention

Item 265

Finance

Department of Accounts Transfer Payments

Language

Language:

Page 232, after line 50, insert:

"G. 1. Notwithstanding the provisions of § 58.1-608.3C, Code of Virginia, for the public facility certified by the City of Bristol City Council as meeting the requirements for a development of regional impact in the City of Bristol, as required in § 58.1-608.3B, and in the case of any phased construction, renovation or expansion of such public facility, the sales tax revenue generated by any retail business located in any part of the public facility shall be remitted to the municipality by the Comptroller on a quarterly basis.

2. Beginning July 1, 2014, the City of Bristol shall file semiannual written reports to the Department of Taxation and the State Comptroller that identify i) cumulative capital investment; ii) the total amount of sales taxes generated in the facility for the previous six month period; iii) the number of persons visiting the facility in the previous six month period; and iv) the number of permanent jobs created, lost, or sustained during the previous six month period. In addition, such reports shall provide the above required information on the progress of the project to date. The State Comptroller shall review the findings contained in the City of Bristol's semiannual reports, and shall file a written report with the Chairmen of the House Committee on Finance, the House Committee on Appropriations, and the Senate Committee on Finance by December 1 of each year."

Explanation:

(This amendment would authorize the project that was certified by the City of Bristol City Council as meeting the requirements for a development of regional impact in the City of Bristol to receive its portion of sales tax revenues generated by the development of regional impact as soon as any retail business within the facility begins generating revenues, regardless of whether construction, renovation or expansion of the entire facility has been completed. The amendment is necessary in order for bonds to be issued to finance the facility. The amendment would also require the City of Bristol to submit semiannual reports to the Department of Taxation and the Comptroller providing information on the progress of the project, and require the Comptroller to review the findings and report annually to the Chairmen of the House and Senate Finance Committees and the House Appropriations Committee on these findings.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 19: Tax Costs of Implementation

Item 275

Finance

Department of Taxation

Language

Language:

Page 244, line 26, after "modification" strike "." and insert "or other state or local tax imposed pursuant to House Bill 2313 (2013)."

Page 244, line 28, after "from the" strike "sales and use tax"

Page 244, line 28, after "revenues." insert "The Department shall also retain sufficient revenues to recover its costs incurred administering these taxes."

Explanation:

(This amendment modifies existing language within the Department of Taxation to allow the Department to obtain a treasury loan to ensure they can complete the changes necessary to implement the adjustments to the sales tax rate in the Northern Virginia and Hampton Roads regions and the other regional taxes imposed pursuant to House Bill 2313. The loan would be repaid from the new taxes using the standard cost-recovery the Tax Department applies to all local and other non-general fund tax collection services. This amendment would also allow the Department of Taxation to retain sufficient revenues to recover its direct costs incurred administering these taxes.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 20: Capture Treasury Board Refunding Savings

Item 280

Finance	FY 12-13	FY 13-14
Treasury Board	(\$1,718,267)	(\$10,339,182) GF

Language:

Page 247, line 34, strike "\$656,415,061" and insert "\$654,696,794".
Page 247, line 34, strike "\$673,421,844" and insert "\$663,082,662".
Page 247, line 36, strike "\$107,702,159" and insert "\$105,983,892".
Page 247, line 36, strike "\$105,885,066" and insert "\$98,827,066".
Page 247, line 40, strike "\$286,383,209" and insert "\$283,102,027".
Page 248, after line 29, insert "Refunding Savings - Series 2005A, 2006B, 2007A, 2007B".
Page 248, after line 29, under FY 2013 General Fund column, insert "(\$1,718,267)".
Page 248, after line 29, under FY 2013 Federal Funds column, insert "\$0".
Page 248, after line 29, under FY 2014 General Fund column, insert "(\$7,058,000)".
Page 248, after line 29, under FY 2014 Federal Funds column, insert "\$0".
Page 248, line 31, strike "\$107,139,484" and insert "\$105,421,217".
Page 248, line 31, strike "\$105,340,602" and insert "\$98,282,602".
Page 249, after line 31, insert "Refunding Savings - Series 2006A, 2006B".
Page 249, after line 31, under FY 2013 General Fund column, insert "\$0".
Page 249, after line 31, under FY 2013 Federal Funds column, insert "\$0".
Page 249, after line 31, under FY 2014 General Fund column, insert "(\$3,281,182)".
Page 249, after line 31, under FY 2014 Federal Funds column, insert "\$0".
Page 249, line 32, strike "\$288,072,657" and insert "\$286,636,625".
Page 249, line 33, strike "\$277,862,333" and insert "\$274,581,151".

Explanation:

(This amendment adjusts debt service amounts to capture General Obligation and Virginia Public Building Authority refunding savings and also makes a technical correction to a subtotal in the enrolled budget.)

Amendment 21: Provide additional funding for proton beam therapy

Item 297

Health & Human Resources	FY 12-13	FY 13-14
Department of Health	\$0	\$1,000,000 GF

Language:

Page 270, line 13, strike "\$14,150,518" and insert "\$15,150,518".
Page 273, line 19, strike "\$510,000" and insert "\$1,510,000".

Explanation:

(This amendment provides an additional \$1.0 million general fund appropriation in the second year to the Hampton Roads Proton Beam Therapy Institute at Hampton University, LLC to support its efforts in the treatment of cancerous tumors with fewer side effects.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 22: Increase position level for Medicaid reform efforts

Item 307

Health & Human Resources	FY 12-13	FY 13-14
Department of Medical Assistance Services	0.00	5.00 FTE

Language:

Explanation:

(This amendment increases the maximum employment level of the Department of Medical Assistance Services (DMAS) by five. The agency needs the additional positions to fully comply with new provisions of the Appropriation Act that require the implementation, monitoring, and reporting of health care innovation and reform efforts. No funding is provided as the agency can redirect internal resources to support these positions.)

Amendment 23: Provide necessary funding for health innovation activities

Item 307

Health & Human Resources	FY 12-13	FY 13-14
Department of Medical Assistance Services	\$0	\$870,000 GF

Language:

Page 277, line 11, strike "\$8,060,716,025" and insert "\$8,061,586,025".

Page 294, line 19, after "\$800,000", insert "the first year and \$870,000 the second year from the general fund".

Page 294, line 19, after "general fund" strike "the first year".

Page 294, line 20, strike "the Center for Health Innovation for grants to public and private organizations" and insert "a contract with George Mason University for health innovation efforts as well as grants to public and private organizations".

Explanation:

(This amendment provides \$870,000 from the general fund to be used for health innovation activities. The General Assembly provided \$800,000 general fund for this purpose, however, the Commonwealth has already contractually obligated \$1.67 million for health innovation activities. This amendment is necessary to fully fund the contract. In addition, this amendment clarifies budget language to direct the funding through George Mason University, which will contract with other entities (primarily the Center for Health Innovation) and provide oversight and other assistance related to health innovation efforts.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 24: Further defines Medicaid reform efforts

Item 307

Health & Human Resources

Department of Medical Assistance Services

Language

Language:

Page 295, line 35, after "model" strike "to" and insert "that shall, at a minimum,".

Page 295, line 37, after "demonstration" insert "as evidenced by a Memorandum of Understanding with the Centers for Medicare and Medicaid Services (CMS), signing of a three-way contract with CMS and participating plans, and approval of the necessary amendments to the State Plan for Medical Assistance and any waivers thereof".

Page 295, line 37, after "prevention efforts" insert "to include at a minimum: recovery audit contracting (RAC), data mining, service authorization, enhanced coordination with the Medicaid Fraud Control Unit (MFCU), and Payment Error Rate Measurement (PERM)".

Page 295, line 38, after "managed care;" strike "and".

Page 295, line 39, after "social services" insert "; v) improved access to Veterans services through creation of the Veterans Benefit Enhancement Program; and (vi) expedite the tightening of standards, services limits, provider qualifications, and licensure requirements for community behavioral health services".

Page 295, line 41, after "implement" insert "value-based purchasing".

Page 295, line 43, after "shall" insert ", at a minimum,".

Page 295, line 44, after "provided are" strike "similar to the" and insert "the types of".

Page 295, line 44, after "insurers" insert "and may include appropriate and reasonable limits on services such as occupational, physical, and speech therapy, and home care".

Page 295, line 48, after "active" strike "engagement" and insert "patient participation".

Page 295, line 54, after "government" insert "and shall, at a minimum, include (i) limited high-performing provider networks and medical/health homes; (ii) financial incentives for high quality outcomes and alternative payment methods; (iii) improvements to encounter data submission, reporting, and oversight; (iv) standardization of administrative and other processes for providers; and (v) support of the health information exchange".

Page 296, line 7, after "services" strike "in cost-effective, managed" and insert "including long-term care and home- and community-based waiver services into cost-effective, managed and coordinated delivery systems.

The department shall begin designing the process and obtaining federal authority to transition all remaining Medicaid beneficiaries into a coordinated delivery system. A report shall be provided to the 2014 General Assembly regarding the progress of designing and implementing such reforms."

Page 296, strike lines 8 through 10.

Page 297, line 17, strike "September 1" insert "November 15".

Explanation:

(This amendment modifies language requiring various Medicaid reforms. These changes provide greater specificity related to the dual eligible demonstration, program integrity efforts, service limits and service delivery reforms.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 25: Create a Medicaid customer call center

Item 310

Health & Human Resources

	FY 12-13	FY 13-14
Department of Medical Assistance Services	\$0	\$1,500,000 GF
	\$0	\$1,500,000 NGF

Language:

Page 298, line 7, strike "\$120,141,276" and insert "\$123,141,276".

Page 299, after line 30, insert:

"J. The Department of Medical Assistance Services shall be authorized to issue a Request for Proposals (RFP) in order to contract with a single vendor to provide a centralized customer service call center for applicants/recipients of programs administered by the department under Titles XIX and XXI of the Social Security Act for application assistance functions necessary under provisions of the Patient Protection and Affordable Care Act (PPACA), and other related functions necessary for the efficient and effective implementation of Medicaid and CHIP eligibility determinations and enrollment. The RFP shall include a provision for a cost structure with tiered levels of service based on workload. The procurement of this contract is deemed an emergency and the provisions of §2.2-4303 F., Code of Virginia, shall apply in order for the department to comply with federal law and initiate the contract by October 1, 2013, or as soon as practicable thereafter. The department shall have authority to amend the State Plans for Medical Assistance under Titles XIX and XXI, and any waivers thereof, and shall have authority to implement this contract upon federal approval, and prior to the completion of any regulatory process undertaken to effect such change."

Explanation:

(This amendment authorizes the Department of Medical Assistance Services (DMAS) to contract with a vendor to create a Medicaid call center. Federal regulations related to health care reform provide that most individuals must be allowed to apply for Medicaid by telephonic means, including recorded signatures. Since this method of application is currently not available in Virginia, the most cost-effective and timely method is development of a centralized customer service center. Telephonic application is required to be available by October 1, 2013. Funding of \$3.0 million (\$1.5 million general fund) is provided to initiate the call center, however, the costs could be higher depending on the final contract with a vendor and the actual workload of the call center. If additional funding is necessary then it would be considered in next year's budget.)

Amendment 26: Adjust language for community crisis stabilization services

Item 315

Health & Human Resources

Grants to Localities

Language

Language:

Page 305, line 53, after "intellectual" insert "or developmental".

Explanation:

(This amendment clarifies that crisis stabilization funds appropriated to meet the terms of the settlement agreement with the U.S. Department of Justice may be used for individuals with developmental disabilities.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 27: Account for prior year general fund refund

Item 345

Health & Human Resources

Department of Social Services

Language

Language:

Page 330, line 53, strike "\$2,371,057" and insert "\$4,371,057".

Explanation:

(This amendment accounts for an anticipated deposit of \$4.4 million to the general fund which reflects higher than expected prior year recoveries.)

Amendment 28: Fund current positions in marine life management

Item 374

Natural Resources

FY 12-13

FY 13-14

Marine Resources Commission

\$0

\$221,572 GF

Language:

Page 351, line 3, strike "\$18,812,570" and insert "\$19,034,142".

Page 351, line 4, strike the second "\$741,577" and insert "\$840,369".

Page 351, line 6, strike "\$7,884,592" and insert "\$8,007,372".

Explanation:

(This amendment provides general fund appropriation to support four positions. Previously, two fisheries management technicians and two law enforcement officers were fully funded through federal grants which are expected to be eliminated in June 2013 due to federal budget reductions. The positions are crucial to support core functions of the agency.)

Amendment 29: Change reporting date

Item 388

Public Safety

Department of Corrections

Language

Language:

Page 361, line 14, after "by" strike "June 30" and insert "October 1".

Explanation:

(This amendment changes the date for submission of a report on implementation of Medicaid coverage for inmates from June 30 to October 1 in order to give the agency sufficient time to prepare the report.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 30: Provide funding for interface between databases

Item 389

Public Safety	FY 12-13	FY 13-14
Department of Corrections	\$0	\$440,000 GF

Language:

Page 361, line 48, strike "\$93,593,593" and insert "\$94,033,593".

Page 361, line 52, strike "\$30,674,937" and insert "\$31,114,937".

Page 365, after line 26, insert:

"Q. Included in the appropriation for this Item is \$440,000 the second year from the general fund for the development of an interface between the department's automated systems and the customer portal of the Department of Social Services to support inmate reentry."

Explanation:

(This amendment provides one-time funding to develop interfaces between the Department of Corrections' inmate management system (CORIS) and the Department of Social Services' customer portal to support prisoner re-entry. These interfaces will assist people previously incarcerated in gaining access to social service support programs in a timely manner.)

Amendment 31: Provide funding for Woodrum legislation

Item 389

Public Safety	FY 12-13	FY 13-14
Department of Corrections	\$0	\$249,513 GF

Language:

Page 361, line 48, strike "\$93,593,593" and insert "\$93,843,106".

Page 364, line 18, strike "\$1,536,766" and insert "\$1,786,279".

Page 365, line 9, after "1033:" strike the remainder of the line.

Page 365, strike lines 10 and 11 and insert:

"To increase the penalties for offenses committed by juveniles and other offenders in juvenile correctional centers and in facilities housing sexually violent predators--\$299,513."

Explanation:

(This amendment provides the "Woodrum" appropriation for an amendment to SB 1033 being proposed by the Governor. The proposed amendment would increase the penalty for assault of a staff member in a facility housing sexually violent predators. State law requires that any legislation that would result in an increase in the prison population over the succeeding six years from its enactment be accompanied by an appropriation that would cover the increased costs in one year resulting from additional inmates. (This is often referred to as the "Woodrum amendment".))

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 32: Law enforcement training on texting and driving

Item 393

Public Safety

Department of Criminal Justice Services

FY 12-13

\$0

FY 13-14

\$50,000 GF

Language:

Page 366, line 21, strike "\$78,000,055" and insert "\$78,050,055"

Page 370, after line 6, insert:

"N. Out of this appropriation, \$50,000 the second year from the general fund for the development and implementation of a training program for law enforcement officers on texting and driving laws."

Explanation:

(This amendment provides training for law enforcement officers on texting and driving laws.)

Amendment 33: Change report date of lethality assessment program review

Item 393

Public Safety

Department of Criminal Justice Services

Language

Language:

Page 369, line 50, strike "July 15, 2013" and insert "October 1, 2013"

Explanation:

(This amendment changes the due date of the lethality assessment review program to October 1, 2013.)

Amendment 34: Changes report due date for alcohol monitoring devices review

Item 393

Public Safety

Department of Criminal Justice Services

Language

Language:

Page 369, line 54, strike "July 15, 2013" and insert "October 1, 2013"

Explanation:

(This amendment changes the report due date for the alcohol monitoring devices review to October 1, 2013.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 35: Restore Modeling and Simulation initiative funding in FY 2014

Item 423

Technology	FY 12-13	FY 13-14
Innovation and Entrepreneurship Investment Authority	\$0	\$520,000 GF

Language:

Page 387, line 13, strike "\$7,762,500" and insert "\$8,282,500".

Page 387, line 16, strike "\$5,793,434" and insert "\$6,313,434".

Page 388, line 26, unstrike "and \$520,000 the second year".

Explanation:

(This amendment restores funding for the modeling and simulation initiative as provided in Chapter 3, 2012 Special Session I. Restoration of this funding will allow the continuation of current initiatives that support the enhancement and integration of Virginia's modeling and simulation capabilities designed to expand markets and create job opportunities.)

Amendment 36: Modify Virginia Railway Express language

Item 430

Transportation

Secretary of Transportation	Language
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Language:

Page 419, line 5, strike "shall" and insert "may".

Explanation:

(This amendment provides flexibility for the Department of Rail and Public Transportation (DRPT) in funding rail leasing costs of the Virginia Railway Express (VRE). Given that DRPT has the ability to provide these payments through its normal funding processes, there is no need for dedicating a particular funding source to VRE in order to cover the state's support for this entity.)

Amendment 37: Increase funding for spaceflight activities

Item 430

Transportation

Secretary of Transportation	Language
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Language:

Page 420, line 29, after "the first year and", strike "\$9,500,000" and insert "\$11,000,000".

Explanation:

(This amendment provides an additional \$1.5 million to support spaceflight launch activities.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 38: Amend Dulles Greenway study language

Item 430

Transportation

Secretary of Transportation

Language

Language:

Page 421, line 49, strike "August" and insert "October".

Explanation:

(This amendment extends the evaluation period for the Dulles Greenway study to October 1, 2013.)

Amendment 39: Amend percentage language to conform with passed legislation

Item 440

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 426, line 38, strike “three” and insert “3.5”.

Page 426, line 42, strike "and" and insert ",".

Page 426, after "33.1-221.1:1.2" insert " and 33.1-221.1:1.3".

Explanation:

(This amendment conforms budget language to amendments made to the Code of Virginia through the passage of Senate Bill 1140 during the 2013 General Assembly Session. Specifically, this language change allows the Department of Rail and Public Transportation to utilize up to 3.5 percent of its total funding, versus the present three percent listed in the budget, for support and administrative costs associated related to implementing rail, public transportation, and congestion management grants and programs. The amendment also allows the percentage to be applied to the Intercity Passenger Rail Operating and Capital Fund.)

Amendment 40: Amend transit funding language to conform to legislation

Item 441

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 427, line 11, after “Code of Virginia.”, strike the remainder of the line.

Page 427, strike lines 12 through 15.

Page 427, line 16, strike "Assistance program for distribution under that program.".

Explanation:

(This amendment conforms transit funding budget language to amendments made to the Code of Virginia through the passage of Senate Bill 1140 in the 2013 General Assembly Session.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 41: Authorize use of Intercity Passenger Rail Operating and Capital Fund

Item 442

Transportation

Department of Rail and Public Transportation

Language

Language:

Page 429, after line 53, insert "H. Notwithstanding any other provision of law, in implementing the provisions of the Intercity Passenger Rail Operating and Capital Fund created pursuant to § 33.1-221.1:1.3, Code of Virginia, the Commonwealth Transportation Board may allocate such funds as dedicated pursuant to § 58.1-638.3.A.2., Code of Virginia."

Explanation:

(This amendment authorizes the use of new revenues provided to the Intercity Passenger Rail Operating and Capital Fund provided by the passage of House Bill 2313 in the 2013 General Assembly Session.)

Amendment 42: Provide port development zone grant funding

Item 457

Transportation

Virginia Port Authority

FY 12-13

\$0

FY 13-14

\$1,000,000 GF

Language:

Page 442, line 11, strike the second "\$3,107,625" and insert "\$4,107,625".

Page 442, line 12, strike the second "\$1,000,000" and insert "\$2,000,000".

Page 442, line 30, strike "Item 105 A" and insert "this Item".

Page 442, line 30, strike "may" and insert "shall".

Explanation:

(This amendment eliminates a transfer of funding from the Governor's Development Opportunity Fund and provides \$1,000,000 from the general fund to the Port of Virginia Economic and Infrastructure Development Zone Grant Fund to be disbursed as grants to qualified companies locating or expanding facilities within the Port of Virginia Economic and Infrastructure Development Zone.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 43: Provide funding for an Office of Economic Adjustment (OEA) grant match

Item 459

Veterans Affairs and Homeland Security	FY 12-13	FY 13-14
Secretary of Veterans Affairs and Homeland Security	\$0	\$220,000 GF

Language:

Page 444, line 3, strike "\$1,368,239" and insert "\$1,588,239".

Page 444, after line 7, insert:

"Included in this Item is \$220,000 the second year from the general fund for the grant match required for an Office of Economic Adjustment (OEA) grant."

Explanation:

(This amendment provides funding in the second year for the nonfederal dollar match required for the Office of Economic Adjustment (OEA) grant. Virginia is seeking a \$2.2 million grant from OEA to establish Displaced Defense Reemployment Centers (DDRC) that will provide specialized training and focus on the unique reemployment needs of veterans, federal civil servants, and defense contractor employees.)

Amendment 44: Adjust Classified Compensation Plan Pay Band

Item 468

Central Appropriations

Central Appropriations	Language
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Language:

Page 457, line 6, strike "and maximum".

Page 457, line 8, after "2013." insert "The Department of Human Resource Management shall increase the maximum salary for each band within the Commonwealth's Classified Compensation Plan by seven percent plus an additional \$1,950 on July 25, 2013, for purposes of implementing the salary compression compensation adjustment."

Explanation:

(This amendment directs the Department of Human Resource Management to adjust the Commonwealth's Classified Compensation Plan maximum salary pay bands based on the five percent salary increase approved in Chapter 2, 2012 Special Session I, the two percent salary increase approved in Chapter 3, 2012 Special Session I, and the salary compression compensation adjustment funded in this Item.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 45: Increase Economic Contingency for unbudgeted severance and earmarks

Item 469

Central Appropriations

Central Appropriations

FY 12-13

\$0

FY 13-14

\$2,000,000 GF

Language:

Page 458, line 40, strike "\$4,761,353" and insert "\$6,761,353".

Page 459, line 39, strike the second "\$450,000" and insert "\$2,450,000".

Explanation:

(This amendment increases the Economic Contingency account to cover the cost of unbudgeted Workforce Transition Act costs associated with gubernatorial transition and to fund the cost of amounts already earmarked in budget bill language.)

Amendment 46: Adjust language dealing with the use of the FACT Fund

Item 469

Central Appropriations

Central Appropriations

Language

Language:

Page 461, after line 34, insert:

“d. Notwithstanding the provisions of paragraph J.1.a. of this Item, up to \$5,000,000 from the FACT Fund may be provided to: 1) develop plans and implement strategies to prevent or limit the adverse economic impacts of closure, relocation, or realignment of federal military or security installations or other federal agencies located in Virginia, including actions to evaluate military and command clusters to access their vulnerability for closure, relocation or realignment, and 2) remedial efforts to promote renewed economic growth in jurisdictions adversely affected by closure, relocation, or realignment decisions on the part of the federal government.”

Explanation:

(This amendment allows for the use of a portion of the FACT fund for activities related to relocation, realignment, or closure of federal facilities while maintaining approximately \$8.3 million in the fund to be used solely to offset either "direct or indirect" losses of revenue to the Commonwealth from federal budget reductions as specified in the enrolled budget bill.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 47: Amend bond authorization language

Item C-39.40

Central Appropriations

Central Capital Outlay

Language

Language:

Page 502, line 22, strike "principle" and insert "principal".

Page 502, line 27, after "proceeds" insert "of bonds".

Page 502, line 28, after "proceeds" insert "of bonds".

Page 502, line 33, strike "From the list of projects included in paragraph B of this item," and insert "From time to time,".

Page 502, line 35, strike "Chairmen" and insert "Chairman".

Page 502, line 35, strike "and" and insert "or".

Page 502, line 36, after the first "Authority" strike "with" and insert "as applicable, information as to".

Page 502, line 36, after "financed by" strike "each" and insert "such".

Page 502, line 38, after "projects" strike "contained" and insert "authorized".

Page 502, line 42, after "than" strike "a".

Page 502, line 43, strike "total" and insert "the aggregate principal amount".

Page 502, line 43, after "debt" strike "or other payment".

Page 502, line 43, after "obligations" strike "is" and insert "be".

Page 502, line 43, after "issued" insert "excluding refunding bonds,".

Page 502, line 44, after "total" insert "aggregate principal amount".

Page 502, line 45, after "debt" strike "or other payment".

Page 502, line 47, after "total" insert "aggregate principal amount".

Page 502, line 47, after "in" strike "debt or other payment".

Page 502, line 52, after "debt service" insert "on all tax supported debt".

Page 502, line 53, after "by the" strike "December 18, 2012 report of the".

Page 504, line 30, strike "Powhatan Correctional Center Water Line" and insert "Construct James River Water Line".

Explanation:

(This amendment modifies the bond authorization language to address technical concerns of the Department of the Treasury and bond counsel, consistent with the intent of the General Assembly. It also corrects the title of one of the projects authorized to receive funding.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 48: Amend nongeneral fund appropriation balance notification language

Item 4-1.04

Appropriations

Appropriation Increases

Language

Language:

Page 531, strike lines 17 and 18 and insert:

"shall make a listing of such transactions available to the public via electronic means no less than ten business days following the approval of the appropriation of any such balance."

Explanation:

(This amendment modifies language in the enrolled budget bill requiring notification in regards to the appropriation of nongeneral fund balances. The proposed change requires notification after the appropriation nongeneral fund balances instead of before. This amendment puts this reporting requirement in line with most other reporting requirements in the Appropriation Act, for example, the ten day notice required in Item 469 after disbursements from the FACT fund are made, or the five day notice required in § 4-1.03 after transfers from the second year of the biennium to the first year are approved.)

Amendment 49: Strike language prohibiting port lease agreements

Item 4-5.12

Special Conditions and Restrictions on Expenditures

Agreements to Sell, Lease or Transfer

Operation of Virginia Port Authority Facilities

Prohibited

Language

Language:

Page 555, strike lines 41 through 52.

Explanation:

(This amendment allows the Virginia Port Authority to follow the provisions of the Public Private Transportation Act of 1995 in considering bids related to the Port of Virginia.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 50: Restriction on employees required to work fewer than 30 hours per week

Item 4-7.01

Statewide Plans

Manpower Control Program

Language

Language:

Page 569, strike lines 6 through 14 and insert:

"g. State employees in the legislative, judicial, and executive branches of government, the independent agencies of the Commonwealth, or an agency administering their own health plan, who are not eligible for benefits under the health care plan established and administered by the Department of Human Resource Management ("DHRM") pursuant to Va. Code § 2.2-2818, may not work more than 29 hours per week on average over a twelve month period. Adjunct faculty at institutions of higher education may not (a) work more than 29 hours per week on average over a twelve month period, including classroom or other instructional time plus additional hours determined by the institution as necessary to perform the adjunct faculty's duties; or (b) meet or exceed, on average over a twelve month period, 75% of the course load for a full-time non-tenure-track teaching faculty member at that institution. Federal regulations under the Affordable Care Act ("the Act") are currently under development, and DHRM shall provide relevant program requirements to agencies and employees, including, but not limited to, information on wage, variable and seasonal employees, prior to the effective date of the Act and any associated regulations. All state agencies/employers in all branches of government shall provide information requested by DHRM concerning hours worked by employees as needed to comply with the Act and this provision. State agencies/employers are accountable for compliance with this provision, and are responsible for any costs associated with maintaining compliance with it and for any costs or penalties associated with any violations of the Act or regulations thereunder and any such costs shall be borne by the agency from existing appropriations. The provisions of this paragraph shall not apply to employees of state teaching hospitals that have their own health insurance plan; however, the state teaching hospitals are accountable for compliance with, and are responsible for any costs associated with maintaining compliance with the Act and for any costs or penalties associated with any violations of the Act or regulations thereunder and any such costs shall be borne by the agency from existing appropriations."

Explanation:

(This amendment, in response to the requirements of the Affordable Care Act, restricts the number of hours state employees in the legislative, judicial, and executive branches of government, the independent agencies of the Commonwealth, or an agency administering their own health plan may work who are not eligible for benefits under the health care plan established and administered by the Department of Human Resource Management. In addition, it provides options for measuring the amount of time worked by adjunct faculty at institutions of higher education.)

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

Amendment 51: Enactment clause for new circuit court judgeship

Item 4-14.00

Effective Date and Additional Enactments

Effective Date and Additional Enactments

Language

Language:

Page 1, line 5, after "2.2-1509," insert "17.1-507,".

Page 582, after line 24, insert:

"7. That § 17.1-507 of the Code of Virginia is amended and reenacted as follows:

§ 17.1-507. Number of judges; residence requirement; compensation; powers; etc.

A. For the several judicial circuits there shall be judges, the number as hereinafter set forth, who shall during their service reside within their respective circuits and whose compensation and powers shall be the same as now and hereafter prescribed for circuit judges.

The number of judges of the circuits shall be as follows:

First - 5

Second - 10

Third - 5

Fourth - 9

Fifth - 3

Sixth - 2

Seventh - 5

Eighth - 4

Ninth - 4

Tenth - 3

Eleventh - 3

Twelfth - 5

Thirteenth - 8

Fourteenth - 5

Fifteenth - 8 9

Sixteenth - 5

Seventeenth - 4

Eighteenth - 3

Nineteenth - 15

Twentieth - 4

Twenty-first - 3

Twenty-second - 4

Twenty-third - 6

Twenty-fourth - 5

Twenty-fifth - 4

Twenty-sixth - 5

Twenty-seventh - 5

Twenty-eighth - 3

Twenty-ninth - 4

Thirtieth - 3

Thirty-first - 5

Governor's 2013 Reconvened Session Executive Amendments (HB 1500 / SB 800)

B. No additional circuit court judge shall be authorized or provided for any judicial circuit until the Judicial Council has made a study of the need for such additional circuit court judge and has reported its findings and recommendations to the Courts of Justice Committees of the House of Delegates and Senate. The boundary of any judicial circuit shall not be changed until a study has been made by the Judicial Council and a report of its findings and recommendations made to said Committees.

C. If the Judicial Council finds the need for an additional circuit court judge after a study is made pursuant to subsection B, the study shall be made available to the Compensation Board and the Courts of Justice Committees of the House of Delegates and Senate and Council shall publish notice of such finding in a publication of general circulation among attorneys licensed to practice in the Commonwealth. The Compensation Board shall make a study of the need to provide additional courtroom security and deputy court clerk staffing. This study shall be reported to the Courts of Justice Committees of the House of Delegates and the Senate, and to the Department of Planning and Budget. “

Page 582, at the beginning of line 25, strike “7.” and insert “8.”.

Page 582, line 26, after “fifth” strike “and sixth” and insert “, sixth and seventh”.

Explanation:

(This amendment provides enacting language for a new circuit court judgeship in the Fifteenth circuit.)

Amendment 52: Amend language on the submission of gubernatorial amendments

Item 4-14.00

Effective Date and Additional Enactments

Effective Date and Additional Enactments

Language

Language:

Page 579, delete lines 34 through 50.

Page 580, delete lines 1 through 51.

Page 581, delete lines 1 through 30.

Page 581, line 31, strike "5." and insert "4.".

Page 582, line 1, strike "6." and insert "5.".

Page 582, line 25, strike "7." and insert "6.".

Page 582, line 26, strike "fourth, fifth, and sixth" and insert "fourth and fifth".

Page 582, line 26, delete "The amendments to §§ 2.2-1508".

Page 582, delete lines 27 through 32.

Explanation:

(This amendment eliminates the requirement for gubernatorial amendments to be submitted as separate and severable amendments in lieu of an introduced budget bill.)
