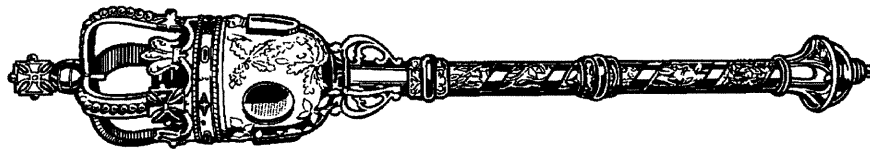


*Report of the
House Appropriations
Subcommittee*

on

*Commerce, Agriculture
and Natural Resources*



House Bill 1650

February 4, 2007

REPORT OF THE SUBCOMMITTEE

on

Commerce, Agriculture and Natural Resources

Mr. Chairman and Members of the Committee:

As we began our review of the proposals in the introduced budget for the areas of Agriculture and Forestry, Commerce and Trade, and Natural Resources, the Subcommittee recognized that great advances have been made to stabilize funding for core programs within these areas in recent years. The subcommittee supports meeting our existing commitments and expanding funding for those programs that have a demonstrated track record of success.

At the same time, the subcommittee members realized that the state budget cannot be examined in silos. As a result, I am pleased to report that one of the recommendations of this Subcommittee was to redirect funding to the area of health and human resources to address the community waiting list for mental retardation waivers as well as to provide start-up funding for the new waiver slots. Together with the efforts of the Health and Human Resources subcommittee, we will provide an additional 330 waiver slots in fiscal year 2008.

Natural Resources:

Mr. Chairman, I am pleased to report that, based upon the leadership you have demonstrated in House Bill 1710 for improving the health of the Chesapeake Bay and its tributaries, this Subcommittee is proposing that an additional \$50 million be deposited to the Water Quality Improvement Fund to continue the provision of grants to localities to upgrade the nutrient removal technology at wastewater treatment plants. Since the House of Delegates first proposed a sustained level of funding for the improvement of wastewater treatment technology in 2005, this Committee has appropriated more than \$250 million for improving the operations of wastewater treatment plants.

With this continued commitment, Virginia stands poised to achieve the point source nitrogen and phosphorus reductions envisioned when the Chesapeake 2000 agreement was signed.

To control the nutrient pollution stemming from agricultural and land development activities, the Subcommittee is pleased to reommend \$3.8 million for deposit to the Water Quality Improvement Fund from the 2006 year-end revenue surplus. This funding will support the Agricultural Best Management Practices Program, which provides state matching funds to farmers who install best management practices on their property.

Additionally, Mr. Chairman, the Subcommittee is recommending \$1.0 million and 10 new positions be appropriated to the State Park System to continue the effort this Subcommittee began two years ago to better staff and maintain our award-winning state park system.

Finally, Mr. Chairman, many members of the General Assembly are concerned about the future effects of the application of biosolids. Included among our recommendations is the transfer of funding and positions from the Department of Health to the Department of Environmental Quality and the provision of funding for the writing of nutrient management plans for those farmers who wish to use biosolids on their property.

Commerce and Agriculture:

Mr. Chairman, this Subcommittee is also very pleased to recommend that \$5 million be provided to the Department of Agriculture and Consumer Services to support local purchase of development rights programs. These programs, for which demonstrated local support exists, protect agricultural properties from development pressures. That protection, in turn, prevents urban sprawl and reduces the amount of pollution entering our environment.

Mr. Chairman, other Subcommittee actions in the areas of Commerce and Agriculture can be grouped into two broad areas: business and community development and tourism promotion.

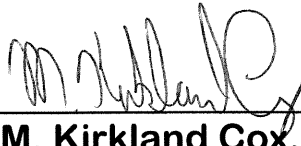
The Subcommittee's recommendations continue our ongoing belief that the state's tourism industry is a key component of the state's economy, on which we must place renewed focus in this, the year of the commemoration of the 400th anniversary of the founding of Jamestown. The budget for the Virginia Tourism Corporation proposed by this subcommittee includes an additional \$2.3 million in additional funding to effectively market the 2007 commemoration.

The Subcommittee's third area of focus was community and business development. We continue to recognize that not all areas of the Commonwealth have shared equal levels of economic growth. As a result, we are committed to helping our less prosperous regions participate more fully in the current economic expansion. With this in mind, the Subcommittee recommends providing an additional \$4.0 million to meet existing demand for the successful enterprise zone program, an additional \$2.5 million to support indoor plumbing programs, and \$1.0 million for the Southwest Virginia Technology Development Center.

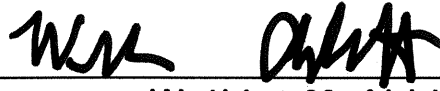
Finally, also included in the subcommittee's recommendations is an additional \$6.5 million, which when added to the \$3.0 million approved last year, represents the first installment of incentives to attract a research entity to the Interstate 81 corridor. This funding is appropriated pursuant to the provisions of Delegate Landes' House Bill 3171 which was adopted by this committee last week. The legislation sets out the Commonwealth's commitment to provide \$22.0 million for SRI consistent with the project's cash flow requirements.

Mr. Chairmen and fellow Committee members, 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.

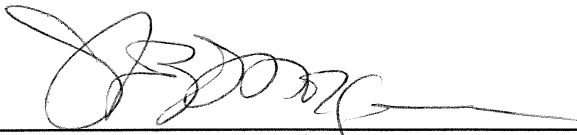
Respectfully Submitted by the House Appropriations Subcommittee
on Commerce, Agriculture & Natural Resources:



M. Kirkland Cox, Chairman



Watkins M. Abbitt, Jr.



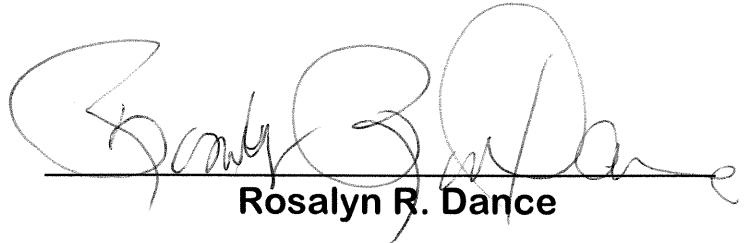
Harvey B. Morgan



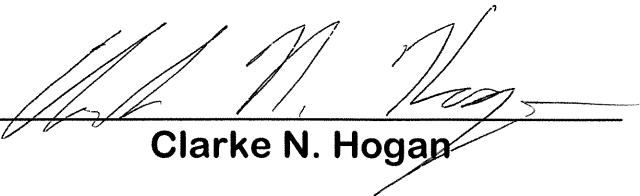
Clarence E. Phillips



R. Steven Landes



Rosalyn R. Dance



Clarke N. Hogan

Budget Amendment Recommendations

HB 1650	2006-08 BIENNIAL TOTAL		
<u>Amendment</u>	General <u>Fund</u>	Nongeneral <u>Fund</u>	<u>FTE</u>
<u>AGRICULTURE AND FORESTRY</u>			
Secretary Of Agriculture and Forestry			
Soybean Rust Detection	50,000		
<u>COMMERCE & TRADE</u>			
Department Of Business Assistance			
Level Fund Workforce Services Program	(4,000,000)		(3.00)
Department Of Housing And Community Development			
Housing Partnership Loan Fund	(2,000,000)		
Rural Center	131,000		
Expansion of Industry Research Centers	(330,000)		
Broadband Expansion	(1,600,000)		
Commonwealth Regional Council	200,000		
Virginia Economic Development Partnership			
Review of Incentives Offered	Language		
VASCIC	(1,000,000)		
Market Assessment	(200,000)		
Virginia Employment Commission			
Authorization for Use of Reed Act Funds	Language		
Virginia Racing Commission			
Racing Commission Obligations	Language		
Virginia Tourism Authority			
Coalfields Regional Tourism Authority	75,000		
400th Anniversary Marketing	2,290,000		
<u>NATURAL RESOURCES</u>			
Department of Conservation and Recreation			
Adjust Nonpoint Source Funding Location	Language		
Agricultural BMP Computer System	Language		
Chesapeake Bay Restoration Fund Recommendations	-	362,102	
Biosolid Nutrient Management Plans	173,000		2.00
Eliminate Added Nonpoint Source Pollution Funding	(3,700,000)		
Wild Spanish Mustang Fund	35,000		
Additional State Park Operating Support	1,000,000	250,000	10.00
Middle Peninsula Chesapeake Bay Access	75,000		
Eliminate Land Conservation Funding	(14,650,000)		
Breaks Interstate Park Water Tanks	100,000		
Department of Environmental Quality			
Biosolids Transfer from Department of Health	183,026	456,114	2.00
Biosolids Study Panel	Language		
Additional Funding for Wastewater Treatment Upgrades	50,000,000		
Eliminate Combined Sewer Overflow Funds	(9,100,000)		
Distribution of Southern Rivers Funding	Language		
Department of Game and Inland Fisheries			
Smith Mountain Lake Navigation Aids	-	100,000	
Department of Historic Resources			
Civil War Historic Site Preservation Grants	500,000		
Petersburg Confederate Graves	5,000		
Jenkins Neck Community Cemetery	25,000		
Central Appropriations			
Remove GOF Increase	(5,000,000)		
Reduce Increase for Economic Contingency	(2,500,000)		
Incentive to Attract Research Entity	(5,500,000)		
Total: HB 1500	5,212,026	1,168,216	11.00

Commerce - Economic Development Subcommittee

Item 87 #1h

Agriculture And Forestry	FY 06-07	FY 07-08	
Secretary Of Agriculture And Forestry	\$0	\$50,000	GF

Language:

Page 89, line 3, strike "\$404,696" and insert "\$454,696".

Page 89, after line 51, insert:

"B. Out of the amounts provided in this item, \$50,000 the second year from the general fund shall be used to fund programs to develop early detection and monitoring tools and/or research for fungicide efficacy for Asian soybean rust."

Explanation:

(This amendment provides \$50,000 in the second year to fund programs to implement early detection and monitoring tools for fungicide efficacy for Asian soybean rust. Soybean rust was identified in Virginia on October 19, 2006. Soybean farmers have a monitoring system in place but this disease is only detected at the microbial level and funds are needed to increase the number and frequency of monitors and tests.)

Commerce - Economic Development Subcommittee

Item 102 #5h

Commerce And Trade	FY 06-07	FY 07-08	
Department Of Business Assistance	(\$2,000,000)	(\$2,000,000)	GF
	-3.00	-3.00	FTE

Language:

Page 99, line 3, strike "\$16,014,728" and insert "\$14,014,728".

Page 99, line 3, strike "\$14,695,160" and insert "\$12,695,160".

Explanation:

(This amendment eliminates the proposed increases for the workforce services program at DBA.)

Commerce - Economic Development Subcommittee

Item 103 #2h

Commerce And Trade	FY 06-07	FY 07-08
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Department Of Housing And
Community Development

\$0 (\$2,000,000) GF

Language:

Page 100, line 19, strike "\$46,825,638" and insert "\$44,825,638".

Page 101, strike lines 19 through 21.

Explanation:

(This amendment removes a proposed new appropriation of \$2.0 million in the second year for the Virginia Housing Partnership Revolving Fund.)

Commerce - Economic Development Subcommittee

Item 104 #9h

Commerce And Trade

FY 06-07

FY 07-08

Department Of Housing And
Community Development

\$0 \$131,000 GF

Language:

Page 101, line 23, strike "\$42,574,099" and insert "\$42,705,099".

Page 103, line 39, strike the second "\$100,000" and insert "\$231,000".

Explanation:

(This amendment provides an additional general fund appropriation of \$131,000 in the second year for the Center for Rural Virginia bringing the total appropriation for the Center to \$231,000. As part of its mission, the Center for Rural Virginia shall expand, enhance and oftentimes create administrative capacities through Community Foundations to amass, invest and distribute generational wealth in rural communities throughout the Commonwealth. This appropriation would be matched by a \$115,000 cash contribution of nongeneral funds from a coalition of organizations for training, equipment and technical assistance.)

Commerce - Economic Development Subcommittee

Item 104 #12h

Commerce And Trade

FY 06-07

FY 07-08

Department Of Housing And
Community Development

\$0 (\$330,000) GF

Language:

Page 101, line 23, strike "\$42,574,099" and insert "\$42,244,099".

Page 105, line 8, unstrike "\$1,160,000".

Page 105, line 8, strike "\$1,490,000".
Page 105, line 11, unstrike "two".
Page 105, line 11, strike "three".
Page 105, line 12, strike "Covington,".

Explanation:

(This amendment removes the increase in funding provided to start a third industry-focused research center. The General Assembly authorized the start-up of two centers in the 2006 Session but rejected a proposal to fund four centers prior to evaluating the success of the two initial centers. Insufficient time has elapsed to evaluate the success of this new initiative prior to consideration of expansion.)

Commerce - Economic Development Subcommittee

Item 104 #14h

Commerce And Trade

FY 06-07

FY 07-08

Department Of Housing And
Community Development

\$0

\$200,000 GF

Language:

Page 101, line 23, strike "\$42,574,099" and insert "\$42,774,099".
Page 106, line 13, after "first year" insert:
"and \$200,000 in the second year."

Explanation:

(This amendment provides \$200,000 in the second year for the Commonwealth Regional Council for regional planning and economic development efforts. The current budget provides first year funding of \$250,000 but no second year funding.)

Commerce - Economic Development Subcommittee

Item 104 #17h

Commerce And Trade

FY 06-07

FY 07-08

Department Of Housing And
Community Development

(\$1,600,000)

\$0 GF

Language:

Page 101, line 23, strike "\$42,233,099" and insert "\$40,633,099".
Page 105, line 20, unstrike "\$2,100,000" and strike "\$3,700,000".
Page 105, line 24, unstrike "\$1,400,000" and strike "\$3,000,000".

Explanation:

(This amendment removes \$1.6 million that had been included in House Bill 1650 as introduced to fund an expansion in state support for broadband technology expansion.)

Commerce - Economic Development Subcommittee

Item 119 #3h

Commerce And Trade

Virginia Economic Development
Partnership

Language

Language:

Page 114, after line 32, insert:

"T. The Chairmen of the House Appropriations and Senate Finance Committees, or their designees from their respective committees, shall conduct a review of past economic arrangements made by the Commonwealth with Virginia-headquartered insurance companies. The objective of the review is to evaluate whether any arrangements made in such agreements have accomplished their intended purposes. The review may include recommendations to the respective standing committees for additional steps the Commonwealth may take to further the economic development goals underlying those arrangements. The Virginia Economic Development Partnership and all other agencies, boards and commissions of the Commonwealth are requested to provide technical assistance, as required, to the Chairmen and their designees in this review."

Explanation:

(This amendment directs the money committee chairmen to review economic arrangements entered into by the Commonwealth to determine the extent to which commitments made by such firms and the Commonwealth have been met.)

Commerce - Economic Development Subcommittee

Item 119 #5h

Commerce And Trade

Virginia Economic Development
Partnership

FY 06-07

(\$1,000,000)

FY 07-08

\$0 GF

Language:

Page 111, line 18, strike "\$19,562,701" and insert "\$18,562,701".

Page 114, strike line 7 through line 15.

Page 114, line 16, strike "2" and insert "R."

Explanation:

(This amendment eliminates a proposed appropriation of \$1.0 million for the Herbert Batement Center for Advanced Shipbuilding and Carrier Integration. The Commonwealth fulfilled its commitment to fund \$58.0 million in costs for the construction of this facility. Legislation authorizing, but not requiring, payment of \$40.0 million in operating grants for this facility expires at the end of the biennium.)

Commerce - Economic Development Subcommittee

Item 119 #6h

Commerce And Trade**FY 06-07****FY 07-08**

Virginia Economic Development
Partnership

\$0

(\$200,000) GF

Language:

Page 111, line 18, strike "\$17,162,701" and insert "\$16,962,701".

Page 114, strike line 21 through line 32.

Explanation:

(This amendment eliminates funding proposed for a new initiative to fund an outside assessment of Virginia's competitive advantages.)

Commerce - Economic Development Subcommittee

Item 120 #1h

Commerce And Trade

Virginia Employment Commission

Language

Language:

Page 115, line 33, strike "\$28,550,000" and insert "up to \$39,050,000".

Page 115, line 39, strike "\$5,700,000" and insert "up to \$8,600,000".

Page 115, line 41, strike "\$2,350,000" and insert "up to \$9,950,000".

Explanation:

(This amendment provides additional Reed Act funds in the second year for the administration of the federal Wagner-Peyser Job Service Grant and the Unemployment Insurance Grant. The funding will address shortfalls in the federal support provided to these programs. This amendment was requested by the Administration.)

Commerce And Trade

Virginia Racing Commission

Language

Language:

Page 117, strike lines 31 through 37 and insert:

"D. Out of these amounts, the obligations set out in § 59.1-392 D 5 and D 6, Code of Virginia, shall be fully funded in the second year. From the amounts provided for in this item, up to \$40,000 the first year shall be transferred to the Department of Agriculture and Consumer Services for the Virginia Horse Industry Board; up to \$40,000 the first year shall be provided to the Virginia Horse Center Foundation."

Explanation:

(This amendment fully funds the statutory requirements of the Virginia Horse Center Foundation and the Virginia Horse Industry Board from nongeneral fund revenues of the Virginia Racing Commission in the second year. The Code-stipulated amounts have not been paid in recent years; instead lesser amounts have been set out in the budget for these organizations. This would increase funding for the two entities from \$40,000 to an estimated \$80,000 in the second year from revenues generated by horse racing in the Commonwealth.)

Commerce And Trade

Virginia Tourism Authority

FY 06-07

\$0

FY 07-08

\$75,000 GF

Language:

Page 118, line 6, strike "\$15,174,942" and insert "\$15,249,942".

Page 119, line 29, strike the second "\$25,000" and insert "\$100,000".

Explanation:

(This amendment provides an additional \$75,000 in the second year from the general fund to support the operations of the Coalfield's Tourism Authority (Heart of Appalachia) which develops and markets tourism in the coalfield counties of Buchanan, Dickenson, Lee, Russell, Scott, Tazewell and Wise, and the City of Norton.)

Commerce And Trade	FY 06-07	FY 07-08	
Virginia Tourism Authority	\$890,000	\$1,400,000	GF

Language:

Page 118, line 5, strike "\$16,805,049" and insert "\$17,695,049".
Page 118, line 6, strike "\$15,174,942" and insert "\$16,574,942".
Page 119, line 24, strike "\$2,500,000" and insert "\$3,390,000".
Page 119, line 24, strike "\$1,250,000" and insert "\$2,650,000".

Explanation:

(This amendment will support marketing and advertising to promote America's 400th anniversary and to stimulate tourism activity in Virginia. In order to maximize state revenue opportunities tied to the international commemoration and statewide programs, additional investments are needed in key tourism markets during the 2007 travel season. Dollars will strengthen advertising and consumer promotions and public relations initiatives in fiscal years 2007 and 2008.)

Commerce - Economic Development Subcommittee

Item 462 #4h

Central Appropriations	FY 06-07	FY 07-08	
Central Appropriations	(\$5,000,000)	\$0	GF

Language:

Page 499, line 26, strike "\$60,857,985" and insert "\$55,857,985".
Page 501, line 48, unstrike "\$15,100,000".
Page 501, line 49, strike "\$20,100,000".

Explanation:

(This amendment eliminates the proposed \$5.0 million increase in first year funding for the Governor's Opportunity Fund (GOF). An appropriation of \$15.1 million in the first year is retained, and along with available cash balances in the fund, more than \$17.5 million remains unobligated from this Fund in the current fiscal year. In addition, since the budget was proposed by the Governor, they have learned that a firm no longer expanding in Virginia will be returning \$2.25 million to the fund. This amount is in addition to all otherwise available funds for the GOF.)

Commerce - Economic Development Subcommittee

Item 462 #7h

Central Appropriations	FY 06-07	FY 07-08	
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Central Appropriations \$0 (\$2,500,000) GF

Language:

Page 499, line 26, strike "\$56,928,113" and insert "\$54,428,113".

Page 500, line 46, unstrike, "\$1,200,000".

Page 500, line 46, strike \$3,700,000".

Explanation:

(This amendment reduces the proposed second year increase for economic contingency. The increase in the first year is retained.)

Commerce - Economic Development Subcommittee

Item 462 #8h

Central Appropriations

FY 06-07

FY 07-08

Central Appropriations

\$0

(\$5,500,000) GF

Language:

Page 499, line 26, strike "\$56,928,113" and insert "\$51,428,113".

Page 504, strike lines 55 through 59 and insert:

"R. Out of the appropriation for Economic Development Assistance shall be provided \$6,500,000 to the Virginia Economic Development Partnership to be used as grants pursuant to the provisions of House Bill 3171, 2007 Session of the General Assembly."

Explanation:

(This amendment provides \$6.5 million from the general fund in the second year to the Virginia Economic Development Partnership as part of an incentive package to attract a major non-profit research entity to the Commonwealth. These funds will be distributed pursuant to the provisions of House Bill 3171 which stipulates that the total funding for which the entity is eligible shall be distributed over a multi-year period as performance measures are attained, not in a single one-year appropriation as proposed in House Bill 1650 as introduced.)

Natural ResourcesDepartment Of Conservation And
Recreation

Language

Language:

Page 388, after line 31, insert:

"L. The Department of Conservation and Recreation is authorized to use up to \$500,000 the second year from interest accrued on the balances in the Water Quality Improvement Fund to modernize, simplify, and improve the computerized system used by local soil and water conservation districts to administer and report on implementation of the state agricultural best management practices and other district matters. The funds may be used to conduct an independent analysis of the department's existing system and for improvements to or replacement of the current system."

Explanation:

(This amendment provides for the use of interest on the balances maintained in the Water Quality Improvement Fund to modernize the analysis, reporting, and data management system used by soil and water conservation districts to implement the Agricultural Best Management Practices Cost-Share Assistance Program, which was established to reduce nonpoint source pollution through the voluntary implementation of conservation management practices by farmers, other land owners, and local governments.)

Natural Resources**FY 06-07****FY 07-08**Department Of Conservation And
Recreation

\$0

\$362,102 NGF

Language:

Page 386, line 11, strike "\$28,455,223" and insert "\$28,817,325".

Page 388, after line 31, insert:

"L. Out of the amounts appropriated for this item, \$362,102 the second year from special funds derived from the sale of "Friend of the Chesapeake" license plates is appropriated to carry out the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee."

Explanation:

(This amendment provides \$362,102 from the sale of "Friend of the Chesapeake" license plates to carry out the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee. The committee's recommendations include grants to 54 nonprofit groups ranging in value from \$265 to \$29,000.)

Natural Resources Subcommittee

Item 358 #8h

Natural Resources	FY 06-07	FY 07-08	
Department Of Conservation And	\$0	\$173,000	GF
Recreation	0.00	2.00	FTE

Language:

Page 386, line 11, strike "\$28,455,223" and insert "\$28,628,223".

Page 386, line 22, strike the second "\$872,544" and insert "\$1,045,544".

Explanation:

(This amendment provides funding and positions to develop nutrient management plans for the application of biosolids by farmers.)

Natural Resources Subcommittee

Item 358 #11h

Natural Resources	FY 06-07	FY 07-08	
Department Of Conservation And	(\$3,700,000)	\$0	GF
Recreation			

Language:

Page 386, line 11, strike "\$35,686,846" and insert "\$31,986,846".

Page 386, line 13, strike "\$16,277,593" and insert "\$20,077,593".

Page 386, line 20, strike "\$13,818,440" and unstrike "\$6,318,440".

Page 388, line 20, strike "\$7,500,000" and insert "\$3,800,000".

Explanation:

(This amendment captures a proposed \$3.7 million additional appropriation from the general fund for controlling nonpoint source pollution; however, the \$3.8 million deposit to the Water Quality Improvement Fund (WQIF) based on the fiscal year 2006 revenue surplus is maintained. The formula adopted by the General Assembly for the distribution of year-end revenue surpluses and unappropriated general fund balances to the WQIF provides that 70 percent of those amounts will be used to

control nonpoint source pollution. In Chapter 2 of the Acts of Assembly of 2006, Special Session, \$39.6 million from the fiscal year 2005 year-end surplus was appropriated for the control of nutrient pollution from agriculture and land development activities. This sum was not available for expenditure until the current fiscal year. In addition, the introduced budget includes \$5.0 million to support local purchase of development rights programs, which preserve agricultural lands from development.)

Natural Resources Subcommittee

Item 359 #1h

Natural Resources	FY 06-07	FY 07-08	
Department Of Conservation And Recreation	\$0	\$35,000	GF

Language:

Page 388, line 33, strike "\$39,008,216" and insert "\$39,043,216".

Page 388, line 41, strike "30,658,476" and insert "\$30,693,476".

Page 391, after line 17, insert:

"L. Out of the amounts appropriated for State Park Management and Operations, \$35,000 the second year from the general fund is appropriated for the Wild Spanish Mustangs Fund, which is to be established pursuant to House Bill 2012 of the 2007 Session of the General Assembly, for the installation and maintenance of fencing at False Cape State Park along the border between Virginia and North Carolina to prevent the migration of wild horses from North Carolina into the state park, to provide for the return transport of these wild horses to North Carolina, and to provide payment for any veterinary expenses associated with injury to these wild horses. Any fencing that may be established is permitted to extend into the Atlantic Ocean."

Explanation:

(This amendment provides \$35,000 in the second year from the general fund to account for costs associated with House Bill 2012 of the 2007 Session of the General Assembly. The funding provides for the installation and maintenance of fencing within False Cape State Park along the North Carolina and Virginia border to prevent the migration of wild horses from Currituck National Wildlife Refuge into the state park and into Virginia Beach. The funding may also be used for injured horses' medical care and their return to North Carolina.)

Natural Resources Subcommittee

Item 359 #2h

Natural Resources	FY 06-07	FY 07-08	
Department Of Conservation And	\$0	\$1,000,000	GF
Recreation	\$0	\$250,000	NGF
	0.00	10.00	FTE

Language:

Page 388, line 33, strike "\$39,008,216" and insert "\$40,258,216".

Page 388, line 41, strike "\$30,658,476" and insert "\$31,908,476".

Explanation:

(This amendment provides \$1.0 million in the second year from the general fund and \$250,000 in the second year in nongeneral funds to support the addition of 10 park rangers and seasonal wage staff for the operation of Virginia's state park system.)

Natural Resources Subcommittee

Item 359 #5h

Natural Resources	FY 06-07	FY 07-08	
Department Of Conservation And	\$0	\$75,000	GF
Recreation			

Language:

Page 388, line 33, strike "\$39,008,216" and insert "\$39,083,216".

Page 388, line 37, strike "\$2,062,241" and insert "\$2,137,241".

Page 391, after line 17, insert:

"L. Out of the amounts appropriated for Financial Assistance for Recreational Development, \$75,000 the second year from the general fund is provided to the Middle Peninsula Planning District Commission for use by the Middle Peninsula Chesapeake Bay Public Access Authority established pursuant to § 15.2-6600, Code of Virginia, to increase public access to the Chesapeake Bay as recommended by the Virginia Outdoors Plan."

Explanation:

(This amendment provides \$75,000 to the Middle Peninsula Planning District Commission, which serves as the fiscal agent for the Middle Peninsula Chesapeake Bay Public Access Authority. The authority will, in turn, use this funding to assist the authority's seven member localities develop more public access to the Chesapeake Bay as recommended by the Virginia Outdoors Plan for the Middle

Peninsula region.)

Natural Resources Subcommittee

Item 359 #9h

Natural Resources	FY 06-07	FY 07-08
Department Of Conservation And Recreation	(\$14,650,000)	\$0 GF

Language:

Page 388, line 33, strike "\$58,559,217" and insert "\$43,909,217".

Page 390, strike lines 36 through 52.

Page 390, line 53, strike "4." and insert "K.1."

Page 391, line 6, strike "5." and insert "2."

Page 391, line 11, strike "6." and insert "3."

Explanation:

(This amendment eliminates \$14.7 million in general fund appropriations included in the first year of the introduced budget. These amounts include a proposed \$13.7 million for use by the Virginia Land Conservation Fund and \$950,000 for use by the Virginia Outdoors Foundation. Currently, the Appropriation Act includes \$2.5 million each year for land conservation grants issued to localities, nonprofit organizations, and other state agencies. With the exception of other state agencies, these grants must be matched by the grant recipients on at least a one-to-one basis. Given this matching component, about \$5 million each year is provided for land conservation efforts. In addition, the Appropriation Act currently includes \$1.3 million each year for the operating costs of the Virginia Outdoors Foundation. This appropriation was included to reflect the adoption of Chapter 990 of the Acts of Assembly of 2004, which provides for the assessment of a \$1 charge on all deed recordations in those localities in which the Virginia Outdoors Foundation maintains an easement. As the number of localities in which the organization holds easements grows, so does the amount of operating support the Virginia Outdoors Foundation collects from this assessment.)

Natural Resources Subcommittee

Item 359 #10h

Natural Resources	FY 06-07	FY 07-08
Department Of Conservation And Recreation	\$0	\$100,000 GF

Language:

Page 388, line 33, strike "\$39,008,216" and insert "\$39,108,216".

Page 389, line 10, after "year", insert " and \$100,000 the second year".

Explanation:

(This amendment provides \$100,000 in the second year from the general fund to continue the refurbishment of a 50,000 gallon water tank and the construction of a new 100,000 gallon water tank to serve Breaks Interstate Park.)

Natural Resources Subcommittee

Item 361 #1h

Natural Resources**FY 06-07****FY 07-08**

Department Of Environmental

\$0

\$183,026 GF

Quality

\$0

\$456,114 NGF

0.00

2.00 FTE

Language:

Page 391, line 41, strike "\$12,459,885" and insert "\$13,099,025".

Explanation:

(This amendment provides \$183,026 from the general fund and \$456,114 from nongeneral funds and 2.0 positions in the second year for the Department of Environmental Quality (DEQ) to assume responsibility for all aspects of the permitting, compliance assessment, and enforcement of Virginia's laws and regulations on the application of biosolids, pursuant to House Bill 2802. A companion amendment in Item 295 reduces funding in the Virginia Department of Health which currently provides for biosolids regulation. House Bill 2802 transfers these responsibilities to DEQ.)

Natural Resources Subcommittee

Item 361 #2h

Natural Resources

Department Of Environmental

Language

Quality

Language:

Page 392, line 4, before "It", insert "A."

Page 392, after line 8, insert:

"B. The Department of Environmental Quality shall convene a panel of experts to study the impact of land application of biosolids on human health and the environment contingent upon the adoption of House Joint Resolution 694 of the 2007 Session of the General Assembly."

Explanation:

(This amendment directs the Department of Environmental Quality to convene a panel of experts to evaluate the impact of land application of biosolids on human health and the environment.)

Natural Resources Subcommittee

Item 364 #7h

Natural Resources

FY 06-07

FY 07-08

Department Of Environmental
Quality

\$0

\$50,000,000 GF

Language:

Page 393, line 29, strike "\$72,493,508" and insert "\$122,493,508".

Page 394, line 2, after "B.1.", insert "a.".

Page 394, after line 10, insert:

"b. Included in this item is \$50,000,000 the second year from the general fund to be deposited to the Water Quality Improvement Fund established in Title 10.1, Chapter 21.1, Code of Virginia. Any unappropriated balances on June 30, 2008, from the amount appropriated in this subparagraph shall not revert to the general fund but shall be carried forward and reappropriated."

Page 394, line 11, strike "amount" and insert "amounts".

Page 394, line 11, strike "subparagraph B.1" and insert "subparagraphs B.1.a and b."

Explanation:

(This amendment provides \$50 million in the second year from the general fund for deposit to the Water Quality Improvement Fund to upgrade wastewater treatment plants' nutrient removal technology. The elimination of nitrogen and phosphorus from wastewater treatment plants' effluent discharges is necessary to enhance the health of the Chesapeake Bay.)

Natural Resources Subcommittee

Item 364 #8h

Natural Resources

FY 06-07

FY 07-08

Department Of Environmental

(\$3,100,000)

(\$6,000,000) GF

Quality

Language:

Page 393, line 29, strike "\$290,132,113" and insert "\$287,032,113".

Page 393, line 29, strike "\$72,493,508" and insert "\$66,493,508".

Page 395, line 24, strike "\$6,850,000" and insert "\$3,750,000".

Page 395, line 24, strike "and".

Page 395, line 25, strike "\$6,000,000 the second year".

Page 395, line 29, after "year", insert "." and strike the remainder of the line.

Page 395, strike lines 30 through 32.

Explanation:

(This amendment eliminates the proposed funding included in the introduced budget for combined sewer overflow projects in the cities of Lynchburg and Richmond. The amendment eliminates a proposed first year appropriation for the City of Lynchburg and the second year amounts included for both cities.)

Natural Resources Subcommittee

Item 364 #9h

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 394, strike lines 28 through 50 and insert:

"C.1. Out of the amounts for Environmental Financial Assistance, \$17,000,000 the first year from the Water Quality Improvement Fund shall be provided as grants to local governments and public sewer providers that are located outside the Chesapeake Bay watershed. Of the total amount provided, \$1,700,000 shall be used for the design and construction of mandated wastewater treatment facility improvements at publicly-owned wastewater treatment works for which such projects would otherwise result in a financial hardship for the residential users of the facilities, based on the reasonable sewer cost guidelines established by the State Water Control Board for the Virginia Facilities Revolving Fund. Of the total amount provided, \$15,000,000 shall be used for the correction of onsite sewage disposal problems with an emphasis on the elimination of illegal "straight pipe" sewage discharges from individual homes, and with priority given to projects demonstrated to be financially feasible and ready to proceed quickly and derived from an adopted regional comprehensive sewage service improvement plan. Of the total amount

provided, \$300,000 shall be used for the development of comprehensive local and regional wastewater treatment plans, preliminary engineering, and environmental reviews. The Department of Environmental Quality shall work with the Department of Housing and Community Development, local governments and planning district commissions located outside the Chesapeake Bay watershed, and the Virginia Department of Health to develop appropriate criteria and guidelines for the use of this funding. Any expected balances on June 30, 2007, and June 30, 2008, from the amount appropriated in this paragraph shall not revert to the general fund but shall be carried forward and reappropriated."

Explanation:

(This amendment specifies the dollars that will be used for each of the three components of the funding provided during the 2006 Session of the General Assembly for the improvement of wastewater treatment in the Southern Rivers area of Virginia, which lies outside the Chesapeake Bay watershed. The language directs \$1.7 million to be used for improving wastewater treatment facilities in the area, \$15 million to be used for correcting illegal straight pipes, and \$300,000 to be used for developing local and regional wastewater treatment plans.)

Natural Resources Subcommittee

Item 367 #1h

Natural Resources

FY 06-07

FY 07-08

Department Of Game And Inland
Fisheries

\$50,000

\$50,000 NGF

Language:

Page 397, line 7, strike "\$5,143,529" and insert "\$5,193,529".

Page 397, line 7, strike "\$5,003,588" and insert "\$5,053,588".

Page 397, after line 15, insert:

"Out of the amounts for Boating Safety and Regulation, \$50,000 each year from nongeneral funds is provided to conform the navigation aid system on Smith Mountain Lake to U.S. Coast Guard standards."

Explanation:

(This amendment provides \$50,000 each year from nongeneral funds to assist in the conversion of the Smith Mountain Lake navigation system to U.S. Coast Guard standards. The source of the nongeneral funds is the Department of Game and Inland Fisheries' proceeds from the watercraft and sales use tax, which is increasing \$400,000 the first year and \$2.4 million the second year.)

Natural Resources	FY 06-07	FY 07-08	
Department Of Historic Resources	\$0	\$500,000	GF

Language:

Page 398, line 9, strike "\$4,560,172" and insert "\$5,060,172".

Page 399, line 46, after "year" insert "and \$500,000 the second year"

Page 399, line 55, after "Commission." strike the remainder of the line and insert:

"Eligibility for these grants shall require recipient non-profit organizations to provide at least \$2 in matching funds for each \$1 received from the Civil War Historic Site Preservation Fund. Sites identified within the Commonwealth by the Civil War Sites Advisory Commission that are eligible for funding through this program include, but are not limited to: Appomattox in Appomattox County, Brandy Station in Culpeper County, Chancellorsville in Spotsylvania County, Cold Harbor in Hanover County, Fredericksburg in the City of Fredericksburg and Spotsylvania County, Glendale in Henrico County, New Market in Shenandoah County, and Petersburg in the City of Petersburg and Dinwiddie County."

Page 399, strike line 56 and 57.

Page 400, strike lines 1-5.

Explanation:

(This amendment provides funding in the second year from the general fund to the Department of Historic Resources to continue the Civil War Historic Site Preservation Fund begun last year. The amendment also clarifies that recipient non-profit organizations must provide \$2 in matching funds for each dollar received from the fund. Previously, language had stated that no grant could exceed 50 percent of the acquisition price of the property. The amendment also provides a number of sites that would be eligible for grants for the fund, although these grants are not limited to the sites named.)

Natural Resources	FY 06-07	FY 07-08	
Department Of Historic Resources	\$0	\$5,000	GF

Language:

Page 398, line 9, strike "\$4,560,172" and insert "\$4,565,172".

Page 398, line 11, strike "\$183,318" and insert "\$188,318".

Page 398, after line 52, insert:

"3. As disbursements are made to the treasurers of Confederate memorial associations and chapters of the United Daughters of the Confederacy by the United Daughters of the Confederacy for the purposes stated in § 10.1-2211, Code of Virginia, an amount equal to \$7,500 the second year shall be distributed to the Ladies Memorial Association of Petersburg."

Explanation:

(This amendment increases the amount provided to the Ladies Memorial Association of Petersburg for the care of Confederate graves in Memorial Hill, located at Petersburg's Blandford Cemetery. 30,000 Confederate soldiers are buried in mass graves in Memorial Hill. To date, the Ladies Memorial Association of Petersburg has been receiving a disbursement for the care of these graves totaling \$2,500 per year.)

Natural Resources Subcommittee

Item 370 #3h

Natural Resources

FY 06-07

FY 07-08

Department Of Historic Resources

\$0

\$25,000 GF

Language:

Page 398, line 9, strike "\$4,560,172" and insert "\$4,585,172".

Page 398, line 11, strike "\$183,318" and insert "\$208,318."

Page 400, after line 18, insert:

"J. Out of the amounts appropriated for Financial Assistance for Historic Preservation, \$25,000 the second year from the general fund is provided for shoreline stabilization for the Jenkins Neck Community Cemetery."

Explanation:

(This amendment provides \$25,000 for the preservation of the Jenkins Neck Community Cemetery, which has been severely compromised due to shoreline erosion. A number of Native American artifacts have been found at the site and many have potentially been washed away by erosion.)
