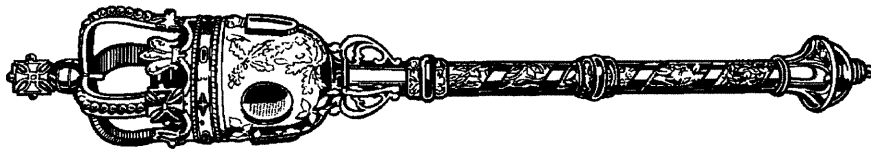


*Report of the
House Appropriations
Subcommittee*

on

General Government & Technology



House Bill 1650

February 4, 2007

REPORT OF THE SUBCOMMITTEE
on
GENERAL GOVERNMENT AND TECHNOLOGY

Mr. Chairman and Members of the Committee:

This Subcommittee's work has focused on three objectives. First, making investments in critical programs for which the Commonwealth is primarily responsible; second, identifying savings in the legislature that could be redirected to the Committee's priorities and, third the establishment of a reserve fund. I am pleased to present to you today a series of amendments supporting these goals.

Mr. Chairman, as you know the Commonwealth has made significant strides in recent years in making the concept of "justice for all" a reality in the Commonwealth of Virginia. During recent years we have approved significant funding increases for our indigent defense systems. Our recommended budget builds on these investments by providing resources to increase the staff and salaries for public defenders offices and by providing an additional \$7.5 million to the criminal fund in order to increase reimbursements to court appointed attorneys consistent with House Bill 2361.

As we begin our celebration of the 400th anniversary of the Jamestown Settlement the subcommittee is also recommending funding in order to begin planning for the commemoration of the 150th anniversary of the Civil War. Specifically we are recommending \$2.2 million for event planning and matching funds for the construction of a visitor center and museum.

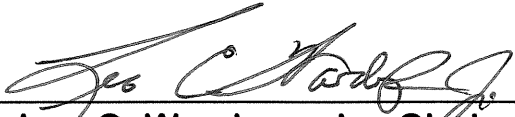
While we have strived to provide funding where needed, the Subcommittee has diligently worked to identify opportunities for savings and efficiencies when available. To that end, the Subcommittee has identified several saving recommendations in the legislative branch, specifically, the Subcommittee recommends

reverting \$6.7 million in unexpended balances from legislative agencies, including \$2.5 million from the Clerk of the House of Delegates' office. Other legislative savings include transferring the Crime Commission staff to the Division of Legislative Services, which will save \$300,000 annually.

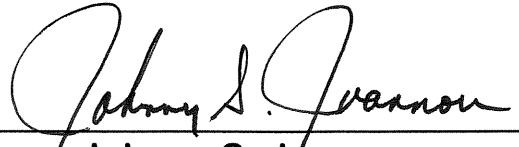
Finally Mr. Chairman, through your leadership we are recommending the establishment of a reserve fund. This \$50 million appropriation will be held in reserve until such time as the Governor certifies that the general fund revenue estimates initially included in HB 1650 have been met. This is consistent with the fiscal prudence that is the hallmark of this Committee.

Mr. Chairman 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 General Government and Technology:



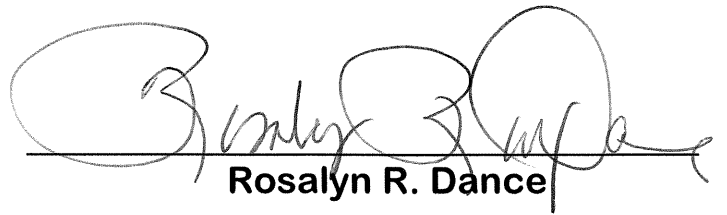
Leo C. Wardrup, Jr., Chairman



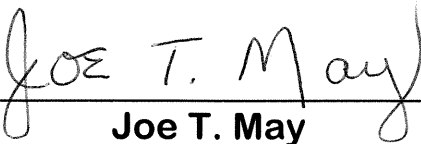
Johnny S. Joannou



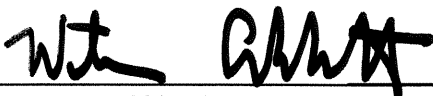
Robert Tata



Rosalyn R. Dance



Joe T. May



Watkins M. Abbitt, Jr.

BUDGET AMENDMENT RECOMMENDATIONS

House Bill 1650
<u>Amendment</u>

2006-08 BIENNIAL TOTAL		
<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>FTE</u>

General Government

AMENDMENTS

General Assembly

Staffing for Capitol Tour Guides	106,400	0	2.00
Operation and Maintenance for Capitol	1,222,234	0	0.00
Additional Capitol Improvements	404,417	0	0.00

Auditor of Public Accounts

Review of Southeastern Public Service Authority	50,000	0	0.00
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Division of Capitol Police

Savings from Delay in Salary and Staffing Increases	(724,580)	0	0.00
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Division of Legislative Services

Transfer Staffing for Crime Commission to DLS	200,000	0	2.00
Commission on the Prevention of Human Trafficking	8,400	0	0.00

Virginia Code Commission

Virginia Administrative Law Advisory Committee	30,000		
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State Crime Commission

Transfer Staffing for Crime Commission to DLS	(501,399)	0	(9.00)
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Sesquicentennial of the American Civil War Commission

Funding for Civil War Commission & Museum/Visitors Center	2,211,400	0	1.00
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Legislative Reversion Clearing Account

Reversion of Legislative Balances	Language		0.00
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Joint Legislative Audit and Review Commission

Study of Compensation and Benefits	310,000	0	
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Supreme Court

Reflect Savings from Staffing of Foreign Language Interpreters	(840,000)		0.00
Reflect Funding Pursuant to House Bill 2361	(1,500,000)	0	0.00
Staffing for Supreme Court Data Collection	150,000	0	3.00

Indigent Defense Commission

Reversion of 2006 Balances	Language		
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State Board of Elections

Funding for House Bill 2386	43,250	0	0.00
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Enterprise Applications Public-Private Partnership

Budget Approval Process	Language		
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Central Appropriations

Revised Estimate for Geospatial rates for VITA	(454,298)	0	0.00
Reserve Fund	50,000,000	0	0.00

HB 1650 SUBTOTAL

=====	=====	=====
50,715,824	0	(1.00)

General Government - Independent Subcommittee

Item 2 #1h

Legislative Department	FY 06-07	FY 07-08
Auditor Of Public Accounts	\$0	\$50,000 GF

Language:

Page 9, line 6, strike "\$10,447,647" and insert "\$10,497,647".

Page 18, after line 18, insert:

"G. Out of this appropriation, \$50,000 from the general fund the second year is provided to the Auditor of Public Accounts to conduct a financial analysis of the Southeastern Public Service Authority. The analysis shall include an examination of the Authority's management of its debt and its ability to retire outstanding obligations. The analysis shall also consider debt issued by the Virginia Resources Authority on behalf of the Southeastern Public Service Authority. The Auditor shall provide a report of the results of this analysis to the Joint Legislative Audit and Review Commission and the Chairmen of the House Appropriations and Senate Finance Committees by June 30, 2008."

Explanation:

(This amendment provides funding to the Auditor of Public Accounts to conduct a financial analysis of the Southeastern Public Service Authority, focusing specifically on debt incurred by the Authority and its ability to retire outstanding obligations. Language requires the report to be provided to the chairmen of JLARC and the money committees by June 30, 2008.)

General Government - Independent Subcommittee

Item 16 #1h

Legislative Department	FY 06-07	FY 07-08
Virginia Code Commission	\$0	\$30,000 GF

Language:

Page 14, line 19, strike "\$62,538" and insert "\$92,538".

Explanation:

(This amendment provides \$30,000 from the general fund in the second year for the General Code Commission to reinstate the Virginia Administrative Law Advisory Committee (ALAC). The ALAC was first established in 1994, however a moratorium was placed on the ALAC in December of 2002 due to budget shortfalls

in the 2002-2004 biennium budget. The Code Commission has unanimously agreed to request funding to reinstate the committee.)

General Government - Independent Subcommittee

Item 20.20 #1h

Legislative Department	FY 06-07	FY 07-08	
Virginia Sesquicentennial Of The	\$57,000	\$2,154,400	GF
American Civil War Commission	\$0	\$500,000	NGF
	0.00	1.00	FTE

Language:

Page 16, line 15, strike "\$65,000" and insert "\$122,000".

Page 16, line 15, strike "\$115,000" and insert "\$2,769,400".

Explanation:

(This amendment provides \$57,000 from the general fund in the first year and \$2,154,400 from the general fund and one position and \$500,000 from nongeneral funds in the second year for the Sesquicentennial of the American Civil War Commission. The first year amount includes support for a feasibility study in preparation for the Commission's fund-raising activities, along with expenses for meetings of an advisory committee. The second year amounts include general fund support for one position for fund-raising, ongoing Commission expenses, and grants to selected organizations for planning for the commemoration of the 150th anniversary of the Civil War. The second year amount also includes \$2,000,000 from the general fund for planning for a visitor center and museum facility. The estimated nongeneral funds represent private funds raised or grants obtained by the Commission during the second year of the biennium for the sesquicentennial.)

General Government - Independent Subcommittee

Item 21 #1h

Legislative Department	FY 06-07	FY 07-08	
Joint Legislative Audit And	\$0	\$310,000	GF
Review Commission			

Language:

Page 17, line 9, strike "\$3,085,803" and insert "\$3,395,803".

Explanation:

(This amendment provides \$310,000 from the general fund in the second year for JLARC to fund contractual services in support of the JLARC study of state employee compensation. An additional \$140,000 from the general fund will be needed in the 2008-2010 biennium. The study report must be submitted by October 30, 2008.)

General Government - Independent Subcommittee

Item 23 #1h

Legislative Department

Legislative Department Reversion
Clearing Account

Language

Language:

Page 18, line 42, before "On or before" insert "A."

Page 19, after line 3, insert:

"B. On or before June 30, 2007, the Committee on Joint Rules shall authorize the reversion to the general fund of \$4,158,067, representing savings generated by legislative agencies in the first year.

C. On or before June 30, 2007, the House Committee on Rules shall authorize the reversion to the general fund of \$2,500,000 from the Clerk of the House."

Explanation:

(This amendment captures balances in accounts of legislative agencies and reverts them to the general fund. The amounts include \$2.5 million from the House Clerk's Office and \$4.2 million from other legislative agencies.)

General Government - Independent Subcommittee

Item 25 #4h

Judicial Department

Supreme Court

FY 06-07

\$0

0.00

FY 07-08

\$150,000

3.00

GF

FTE

Language:

Page 20, line 4, strike "\$15,937,384" and insert "\$16,087,384".

Explanation:

(This amendment provides \$150,000 from the general fund in the second year, and three FTEs, for the Supreme Court to hire additional staff to enable the Supreme Court to capture and analyze data concerning the hours of work performed by court-appointed counsel and the degree to which the caps and newly proposed waivers on caps impact the level of expenditures for court appointed counsel.)

General Government - Independent Subcommittee

Item 25 #5h

Judicial Department

FY 06-07

FY 07-08

Supreme Court

\$0

(\$840,000) GF

Language:

Page 20, line 4, strike "\$15,937,384" and insert "\$15,097,384".

Explanation:

(This amendment reflects expected savings to the criminal fund from an initiative included in the introduced budget to hire 10 foreign language interpreters. In fiscal year 2006 the judiciary spent \$3.6 million from the criminal fund for private foreign language interpreter services. The amendment reflects an assumed reduction in criminal fund expenditures as a result of the 10 FTEs.)

General Government - Independent Subcommittee

Item 25 #6h

Judicial Department

FY 06-07

FY 07-08

Supreme Court

\$0

(\$1,500,000) GF

Language:

Page 20, line 4, strike "\$15,937,384" and insert "\$14,437,384".

Page 20, strike lines 37 through 52.

Page 21, strike lines 1 through 3.

Page 20, after line 36, insert

"C. Out of the amounts appropriated in this item, \$7,500,000 million in the second year is for increased reimbursements for court-appointed counsel pursuant to the enactment of House Bill 2361 of the 2007 General Assembly session."

Explanation:

(This amendment deletes language included in the introduced budget which established a process for the Executive Secretary of the Supreme Court to waive the

maximum fee allowed for court appointed counsel. House Bill 2361 establishes specific process to address the issue of a waiver of the maximum fees. This amendment provides funding of \$7.5 million for this initiative based on the estimated impact of HB 2361.)

General Government - Independent Subcommittee

Item 39 #1h

Judicial Department

Indigent Defense Commission

Language

Language:

Page 30, after line 21, insert:

"E. On or before June 30, 2007 the Director, Department of Planning and Budget shall unallot \$3,000,000 from the balances in the Indigent Defense Commission which shall revert to the general fund."

Explanation:

(This amendment unallots \$3.0 million from excess balances available to the Indigent Defense Commission.)

General Government - Independent Subcommittee

Item 54.10 #1h

Executive Offices

Enterprise Applications
Public-Private Partnership Project
Office

Language

Language:

Page 42, line 42, after "prior", insert "budget".

Page 42, line 43, after "Board", stike "unless they are expended for a business process previously approved pursuant to paragraph C.1 of this item"

Explanation:

(This amendment is technical in nature and clarifies that all expenditures related to the capital advance authorized in this item is subject to approval by the Information Technology Investment Board.)

General Government - Independent Subcommittee

Item 86 #1h

Administration	FY 06-07	FY 07-08
State Board Of Elections	\$43,520	\$0 GF

Language:

Page 83, line 14, strike "\$7,208,147" and insert "\$7,251,667".

Page 87, after line 34, insert:

"D. Included in the appropriation for this item is \$43,250 the first year from the general fund for the State Board of Elections to develop a centralized system to accept campaign finance reports from candidates for local office in an electronic format pursuant to House Bill 2386."

Explanation:

(This amendment provides \$43,520 from the general fund in the first year for the State Board of Elections to develop and implement a centralized system to accept campaign finance reports from candidates for local office in an electronic format pursuant to House Bill 2386).

General Government - Independent Subcommittee

Item 462 #1g

Central Appropriations	FY 06-07	FY 07-08
Central Appropriations	\$0	(\$454,298) GF

Language:

Page 499, line 26, strike "\$56,928,113" and insert "\$56,473,815".

Page 504, line 6, strike "\$713,113" and insert "\$258,815".

Explanation:

(This amendment updates the general fund requirement to cover the unplanned costs associated with the implementation of the new charges for geospatial information and base mapping services by the Virginia Information Technologies Agency in fiscal year 2008.)

General Government - Independent Subcommittee

Item 463.10 #5h

Central Appropriations	FY 06-07	FY 07-08
Central Appropriations	\$0	\$50,000,000 GF

Language:

Page 506, after line 7, insert:

"463.10. Revenue Reserve	\$50,000,000
Fund Sources: General	\$50,000,000."

"A. Out of this appropriation, \$38,340,000 from the general fund the second year is provided to compensate for downward revisions of the official 2006-2008 general fund revenue estimates reflected in Enactment No. 1, § 3 of this act, and prepared subsequent to December 15, 2006, for the fiscal years 2006-07 and 2007-08.

B. Upon certification by the Governor that the general fund revenue estimates referenced in subparagraph A have been met for the fiscal year ending June 30, 2007, and upon certification by the Governor on October 1, 2007, that the general fund revenue estimates referenced in subparagraph A for the fiscal year ending June 30, 2008, will be met, \$34,040,000 shall be used to create the Higher Education Tuition Moderation Incentive Fund within Item 145 of this act with potential allocations to public colleges and universities as follows:

Institution	Amount	Expected T&F
		Increase
Christopher Newport University	675,000	4.45%
College of William and Mary	1,340,000	5.15%
George Mason University	3,200,000	4.25%
James Madison University	4,200,000	4.25%
Longwood University	420,000	4.45%
University of Mary Washington	550,000	5.25%
Norfolk State University	250,000	4.65%
Old Dominion University	1,250,000	3.95%
Radford University	2,930,000	4.25%
University of Virginia	1,900,000	4.85%
University of Virginia at Wise	150,000	5.25%
Virginia Commonwealth University	4,010,000	4.45%
Virginia Military Institute	345,000	5.15%
Virginia Polytechnic Institute & State University	5,500,000	4.85%
Virginia State University	1,240,000	5.05%
Richard Bland College	80,000	4.25%
Virginia Community College System	6,000,000	4.75%
Total	34,040,000	

C. Upon certification that the requirements have been met in subparagraph B., \$4,300,000 shall be used to provide the general fund share of an additional one percent salary increase for full-time and part-time teaching and research faculty and graduate teaching assistants at public colleges and universities effective November

25, 2007. This increase is in addition to the increase already provided in Item 461 of this act.

D. Eligibility for allocations listed in subparagraph B. of this item shall be made only to those institutions who limit in-state undergraduate tuition and fee increases in fiscal year 2008 to no more than 2.25 percent above the level calculated as required for the nongeneral fund share of state-approved salary increases and which are listed in subparagraph B. The State Council of Higher Education for Virginia (SCHEV), in consultation with staff from the Senate Finance and House Appropriations Committees, shall determine whether each public college and university has met the tuition requirements of this fund. SCHEV shall report its findings to the Governor and Chairmen of the Senate Finance and House Appropriations Committees by August 15, 2007.

E. Upon certification that the requirements in subparagraph B. have been met, the Director, State Council of Higher Education for Virginia, may transfer the amounts listed above to each institution that has met the eligibility criteria for allocations from this fund. Any institution that has increased in-state undergraduate tuition and fees above the level that is necessary to meet the requirements of this fund shall not receive any allocation from this fund.

F. Any funds in paragraph E. not utilized pursuant to the requirements of paragraph D. shall revert to the Literary Fund."

Explanation:

(This amendment is self-explanatory.)
