

Revenues

Revenues

Language

Language:

Page 1, strike lines 39 through 50, and insert:

	"First Year	Second Year	Total
Unreserved Balance, June 30, 2010	\$491,244,000	\$0	\$491,244,000
Additions to Balance	\$86,832,137	\$224,062,153	\$310,894,290
Official Revenue Estimates	\$14,652,586,729	\$15,554,564,746	\$30,207,151,475
Transfers	\$427,603,371	\$467,997,627	\$895,600,998
Total General Fund			
Resources Available for			
Appropriations	\$15,658,266,237	\$16,246,624,526	\$31,904,890,763"

Page 2, strike line 1.

Page 2, strike lines 3 through 18, and insert:

	"First Year	Second Year	Total
Balance June 30, 2010	\$3,893,497,975	\$0	\$3,893,497,975
Official Revenue Estimates	\$23,157,616,156	\$23,352,675,124	\$46,510,291,280
Lottery Proceeds Fund	\$435,200,000	\$435,875,000	\$871,075,000
Bond Proceeds	\$507,662,011	\$1,347,847,857	\$1,855,509,868
Total Nongeneral Fund Revenues			
Available for Appropriations	\$27,993,976,142	\$25,136,397,981	\$53,130,374,123
Total Projected Revenues	\$43,652,242,379	\$41,383,022,507	\$85,035,264,886"

Explanation:

(This amendment reflects general fund and nongeneral fund revenue adjustments included in the House Amendments to House Bill 1500).

Revenues

Revenues

Language

Language:

Page 1, line 26, after "that", strike the remainder of the line and insert:

"

§§ 51.1-135, 51.1-138, 51.1-145, 51.1-201, 51.1-202, 51.1-212, 51.1-213, 51.1-301, 51.1-601.1, 51.1-603.1, 51.1-611, 51.1-1100, 51.1-1400, 51.1-1401, 51.1-1402, 51.1-1403, 51.1-1405 and §58.1-301 of the Code of Virginia are

hereby amended and that the Code of Virginia is amended by adding a section numbered 51.1-126.5:1 and by adding in Title 51.1 a chapter numbered 11.1, containing articles numbered 1 through 4, consisting of sections numbered 51.1-1150 through 51.1-1183."

Explanation:

(This amendment includes in the title of House Bill 1500 reference to all Code sections referenced in the enactment clauses of the legislation as adopted.)

Item 1 #1h

Legislative Department

General Assembly Of Virginia

Language

Language:

Page 5, strike lines 21 through 32 and insert:

"6.a. All compensation and reimbursement of expenses to members of the General Assembly and non-General Assembly members for attending a meeting described in paragraphs B.6.c., B.6.d., 7., and 8. shall be paid solely as provided pursuant to this item.

b. The provisions of paragraphs B.6.c. and B.6.d. of this item shall not apply during any regular session of the General Assembly or extension thereof, or during any special session of the General Assembly; provided, however, that the provisions of such paragraphs shall apply during any recess of the same.

c. Notwithstanding any other provision of law, each General Assembly member shall receive compensation for each day, or portion thereof, of attendance at an official meeting of any joint subcommittee, board, commission, authority, council, compact, or other body that has been created or established by the General Assembly or by resolution of a house of the General Assembly, provided that the member has been appointed to, or designated an official member of, such joint subcommittee, board, commission, authority, council, compact, or other body pursuant to an act of the General Assembly or a resolution of a house of the General Assembly that provides for the appointment or designation.

Notwithstanding any other provision of law, each General Assembly member shall also receive compensation for each day, or portion thereof, of attendance at an

official meeting of (i) any standing committee of the House of Delegates to which the member has been appointed, (ii) any standing committee or Committee on Rules of the Senate to which the member has been appointed, or (iii) the Joint Rules Committee of the General Assembly. Any official meeting of a subcommittee of any of the committees described in clauses (i), (ii), or (iii) shall also be an official meeting for which the member shall receive compensation.

Notwithstanding any other provision of law, any General Assembly member whose attendance, in the written opinion of the chairman of (a) any joint subcommittee, board, commission, authority, council, or other body that has been created or established in the legislative branch of state government by the General Assembly or by resolution of a house of the General Assembly; (b) any such standing committee of the House of Delegates or of the Senate; (c) the Committee on Rules of the Senate; or (d) the Joint Rules Committee of the General Assembly, is required at an official meeting of the body shall also receive compensation for each day, or portion thereof, of attendance at such official meeting.

Any General Assembly member receiving compensation pursuant to this paragraph for attending an official meeting shall be reimbursed for his reasonable and necessary expenses incurred in attending such meeting. Notwithstanding any other provision of law, the reimbursement shall be provided by the respective body holding the meeting or by the entity that supports the work of the body.

d. Compensation to General Assembly members for attendance at any official meeting described under B.6.c. of this item shall be at the rate of \$200 for each day, or portion thereof, of attendance. In no case shall a member be paid more than an aggregate of \$200 in compensation for each day, or portion thereof, regardless of whether the member attends more than one official meeting during the day. The payment of such compensation shall be subject to the restrictions and limitations set forth in subsections B., C., and G. of § 30-19.12, Code of Virginia. Notwithstanding any other provision of law, compensation to General Assembly members for attendance at such official meetings shall be paid by the offices of the Clerk of the House of Delegates or Clerk of the Senate, as applicable. The body holding the meeting shall as soon as practicable report the member's attendance at any official meeting of such body to the Clerk of the House of Delegates or the Clerk of the Senate, as applicable, in order to facilitate payment of the compensation. Such body shall report the member's attendance in such manner as prescribed by the respective Clerk.

7. Notwithstanding any other provision of law, whenever any General Assembly member is required to travel for official attendance as a representative of the General Assembly at any meeting, conference, seminar, workshop, or conclave, which is not conducted by the Commonwealth of Virginia or any of its agencies or instrumentalities, such member shall be entitled to (i) compensation in an amount not to exceed the per day rate set forth in paragraph B.6.d., and (ii) reimbursement for reasonable and necessary expenses incurred. Such compensation and reimbursement for expenses shall be set by the Speaker of the House of Delegates for members of the House of Delegates and by the Senate Committee on Rules for members of the Senate.

8. The provisions of this paragraph shall apply only to non-General Assembly members (hereinafter, "citizen members") of any (i) board, commission, authority, council, or other body created or established in the legislative branch of state government by the General Assembly or by resolution of a house of the General Assembly, or (ii) joint legislative committee or subcommittee.

Notwithstanding any other provision of law, any citizen member of any body described in this paragraph who is appointed at the state level, or designated an official member of such body, pursuant to an act of the General Assembly or a resolution of a house of the General Assembly that provides for the appointment or designation, shall receive compensation solely for each day, or portion thereof, of attendance at an official meeting of the same. In no event shall any citizen member be paid compensation for attending a meeting of an advisory committee or other advisory body. Subject to any contrary law that provides for a higher amount of compensation to be paid, compensation shall be paid at the rate of \$50 for each day, or portion thereof, of attendance at an official meeting.

Such citizen members shall also be reimbursed for reasonable and necessary expenses incurred in attending (a) an official meeting of any body described in this paragraph, or (b) a meeting of an advisory committee or advisory body of any body described in this paragraph.

Compensation and reimbursement of expenses to such citizen members shall be paid by the body holding the meeting (or for meetings of advisory committees or advisory bodies, the body on whose behalf the meeting is being held) or by the entity that supports the work of the body.

A citizen member, however, who is a full-time employee of the Commonwealth or

any of its local political subdivisions, including any full-time faculty member of a public institution of higher education, shall not be entitled to compensation under this paragraph and shall be limited to reimbursement for his reasonable and necessary expenses incurred, which shall be reimbursed by his employer.

9. Pursuant to § 30-19.13, Code of Virginia, allowances for expenses of members of the General Assembly during any regular session of the General Assembly or extension thereof or during any special session of the General Assembly shall be paid in an amount not to exceed the maximum daily amount permitted by the Internal Revenue Service under rates established by the U.S. General Services Administration."

Page 5, line 33, strike "8" and insert "10".

Explanation:

(This amendment clarifies current policies for compensation and reimbursement of expenses for attending meetings for members of the General Assembly.)

Item 1 #2h

Legislative Department	FY 10-11	FY 11-12	
General Assembly Of Virginia	\$0	\$190,000	GF

Language:

Page 4, line 5, strike "\$33,752,907" and insert "\$33,942,907".

Page 7, after line 35, insert:

"L. The operations of the Capitol Guides program shall be jointly administered by the Clerk of the House of Delegates and the Clerk of the Senate. Out of the amounts appropriated for this item, the Clerk of the House of Delegates shall pay the salaries and fringe benefits for the full-time and part-time guides. Supervision of the Capitol Tour Guides, including employment, shall be shared jointly between the Clerk of the House of Delegates and the Clerk of the Senate."

Explanation:

(This amendment transfers \$190,000 from the general fund in the second year to support the Capitol Guides program. A companion amendment reduces the Division of Legislative Services budget by \$190,000 to reflect the transfer of these expenditures from the DLS to the budget for the Clerk of the House of Delegates.)

Item 2 #1h

Legislative Department

Auditor Of Public Accounts

Language

Language:

Page 8, after line 13, insert:

"D. The Auditor of Public Accounts shall complete a financial review of the state employee health insurance fund. The review shall address the rate setting process and projected expenditures compared to actual expenditures. The Auditor shall report the findings of the review to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2011."

Explanation:

(This amendment instructs the auditor of public accounts to complete a financial review of the state employee health insurance fund.)

Item 6 #1h

Legislative Department

Division Of Legislative Services

FY 10-11

\$0

FY 11-12

(\$190,000) GF

Language:

Page 9, line 21, strike "\$6,015,667" and insert "\$5,825,667".

Explanation:

(This amendment, along with a companion amendment in Item 1, transfers \$190,000 from the general fund in the second year to support the Capitol Guides program from DLS to the budget for the Clerk of the House of Delegates.)

Item 31 #1h

Legislative DepartmentVirginia Commission On
Intergovernmental Cooperation**FY 10-11**

\$0

FY 11-12

(\$94,345) GF

Language:

Page 18, line 2, strike "\$590,882" and insert "\$496,537".

Explanation:

(This amendment realizes savings from a reduction, by 25%, of the amount budgeted for expenditures for dues paid to the National Conference of State Legislatures (NCSL) and the Southern Regional Education Board (SREB) in fiscal year 2012. This amendment assumes dues payments in fiscal year 2012 of no more than \$148,468 for the NCSL and \$134,568 for the SREB.)

Item 32 #1h

Legislative Department

Legislative Department Reversion
Clearing Account

Language

Language:

Page 18, line 23, strike "\$500,000" and insert "\$775,000".

Explanation:

(This amendment realizes an additional \$275,000 general fund savings in fiscal year 2011 from the funding for the operations of the Virginia House of Delegates. This savings is in addition to the \$500,000 in savings already assumed in fiscal year 2011 in Chapter 874 from the funding for the House of Delegates. These two combined actions will reduce the budget for the Clerk's office for the non-constitutionally mandated expenditures by 5 percent.)

Item 32 #2h

Legislative Department

Legislative Department Reversion
Clearing Account

Language

Language:

Page 18, line 27, strike "\$1,982,366" and insert "\$2,932,976".

Page 18, line 33, strike "\$200,000" and insert "\$673,266".

Page 18, line 34, strike "\$250,000" and insert "\$727,344".

Page 19, after line 5, insert:

"G. On or before June 30, 2011, the Committee on Joint Rules shall authorize the reversion to the general fund of \$2,299,709 representing savings generated by the Capitol Police.

H. On or before June 30, 2011, the Committee on Joint Rules shall authorize the reversion to the general fund of \$50,000 representing savings generated by the

Virginia Commission on Youth.

I. On or before June 30, 2011, the Committee on Joint Rules shall authorize the reversion to the general fund of \$301,710 representing savings generated from fiscal year 2010 year end balances within Items 9, 14, 20, 23, 24, 25, 26, 27, and 28."

Explanation:

(This amendment realizes \$3.6 million in reversions from legislative agencies.)

Item 39 #1h

Judicial Department

FY 10-11

FY 11-12

Supreme Court

\$0

(\$2,951,000) GF

Language:

Page 21, line 12, strike "\$28,083,906" and insert "\$25,132,906".

Explanation:

(This amendment eliminates general fund support for 14 drug court programs in the Commonwealth. These programs were originally established by the localities mostly with federal grants. There are currently 16 other drug court programs in the Commonwealth that do not receive state general fund support, many of which have been funded by federal grants which have recently or will soon expire.)

Item 41 #1h

Judicial Department

Circuit Courts

Language

Language:

Page 23, line 43, strike "\$108,451,447" and "\$108,451,447" and insert: "\$108,751,447" and "\$108,751,447".

Explanation:

(This amendment modifies the language referencing the total funding available for the Criminal Fund to account for the amounts proposed in the introduced budget bill.)

Item 52 #1h

Judicial Department

Judicial Department Reversion
Clearing Account

Language

Language:

Page 31, after line 28, insert:

"D. On or before June 30, 2011, the Director of the Department of Planning and Budget shall authorize the reversion to the general fund of \$297,171 representing additional savings generated within the Indigent Defense Commission."

Explanation:

(This amendment reverts approximately 50% of the fiscal year 2010 year end balances for the Indigent Defense Commission.)

Item 58 #1h

Executive Offices

FY 10-11

FY 11-12

Attorney General And Department
Of Law

\$0

\$6,110 GF

Language:

Page 33, line 30, strike "\$27,074,916" and insert "\$27,081,026".

Explanation:

(This amendment provides funding to expand statewide the Address Confidentiality for Victims of Domestic Violence Program. Senate Bill 764 of the 2008 General Assembly Session expanded the pilot program from one locality to 18 localities and included enactment clauses requiring an evaluation of the pilot program to be submitted to the Chairmen of the House and Senate General Laws Committees by December 31, 2010, and making the continuation of the program on a statewide basis contingent on an appropriation to fund the program being included in the 2011 Appropriation Act.)

Item 67 #2h

Administration

Secretary Of Administration

Language

Language:

Page 39, strike lines 8 through 21.

Explanation:

(This amendment deletes language in the introduced budget requiring the Department of Human Resources Management to contract with a consulting firm to conduct an actuarial audit of the health insurance fund. Alternative language is included in budget requiring the auditor of public accounts to conduct a financial review of the fund)

Item 67.20 #1h

Administration	FY 10-11	FY 11-12	
Compensation Board	\$0	\$3,000,000	GF

Language:

Page 40, line 4, strike "\$401,169,052" and insert "\$404,169,052".

Page 40, line 10, strike "\$73,499,313" and insert "\$74,999,313".

Page 40, line 12, strike "\$28,354,089" and insert "\$29,854,089".

Explanation:

(This amendment provides additional general fund support of \$3.0 million in the second year for sheriffs. The funding is equally divided between two programs -- Financial Assistance for Local Law Enforcement and Financial Assistance for Local Court Services. The introduced budget developed by Governor Kaine reduced funding for the Local Law Enforcement and Local Court Services programs and offset the general fund reduction with a public safety fee based on a tax on insurance premiums. This public safety fee was rejected by the 2010 General Assembly. While additional general fund support was provided to offset nearly all reductions for the sheriffs, the Compensation Board did not discover that the public safety fund had been eliminated and built the public safety fund amounts in their prospective budgets for sheriffs.)

Item 67.20 #2h

Administration	FY 10-11	FY 11-12	
Compensation Board	\$0	\$135,857	GF

Language:

Page 40, line 4, strike "\$401,169,052" and insert "\$401,304,909".

Page 40, line 10, strike "\$73,499,313" and insert "\$73,635,170".

Page 43, after line 15, insert:

"P. Included in the amounts provided for this item is \$135,857 the second year for the provision of four law enforcement deputies for the City of Alleghany Highlands, established by the merger of Alleghany County and the City of Covington effective July 1, 2011."

Explanation:

(This amendment provides funding for the addition of four law enforcement deputies for the City of Alleghany Highlands, which is to be created by a merger of Alleghany County and the City of Covington effective July 1, 2011. A companion amendment provides the additional positions necessary for this funding.)

Item 67.30 #1h

Administration

Compensation Board

FY 10-11
(\$1,300,000)

FY 11-12
\$0 GF

Language:

Page 43, line 18, strike "\$55,044,949" and insert "\$53,744,949".

Page 43, line 20, strike "\$34,000,258" and insert "\$33,272,258".

Page 43, line 23, strike "\$21,044,691" and insert "\$20,472,691".

Explanation:

(This amendment reduces the funding for jail per diems provided in the introduced budget to reflect the fact that population of local-responsible offenders housed in local and regional jails has decreased.)

Item 67.90 #1h

Administration

Compensation Board

Language

Language:

Page 55, strike lines 23 through 33, and insert:

"L. In the event of the transition of a city to town status pursuant to the provisions of Chapter 41 (§ 15.2-4100 et seq.) of Title 15.2, Code of Virginia, or the consolidation of a city and a county into a single city pursuant to the provisions of Chapter 35 (§ 15.2-3500 et seq.) of Title 15.2, Code of Virginia, subsequent to July 1, 1999, the Compensation Board shall provide funding from Items 67.20, 67.50, 67.60, 67.70 and 67.80 of this act, consistent with the requirements of § 15.2-1302, Code of Virginia.

Notwithstanding the provisions of paragraph E of this item, any positions in the constitutional offices of the former city or former county which are available for reallocation as a result of the transition or consolidation shall be first reallocated in accordance with Compensation Board staffing standards to the constitutional officers in the county in which the town is situated or to the consolidated city, without regard to the Compensation Board's priority of need ranking for reallocated positions. The salary and fringe benefit costs for these positions shall be deducted from any amounts due the county or the consolidated city, as provided in § 15.2-1302, Code of Virginia."

Explanation:

(This amendment provides that when Alleghany County and the City of Covington are dissolved and the Constitutional officer positions reallocated by the Compensation Board, this reallocation will not be based on the agency's priority ranking but be reallocated to the consolidated city as they usually are when a city transitions to town status. Without this language, certain positions needed by the clerk of circuit court for the City of Alleghany Highlands might be given to another locality based on the priority of need calculation. The amendment does not require any additional funding, but ensures positions assigned to the Alleghany-Covington area remain in that area following their consolidation.)

Item 67.90 #2h

Administration

Compensation Board

Language

Language:

Page 56, after line 15, insert:

"4. The second year retirement benefits rate reimbursed by the Compensation Board to localities and regional jails shall not exceed the rate identified for fiscal year 2011 in Item 469, paragraph I.1."

Explanation:

(This amendment adds language to maintain current reimbursement rates for constitutional officer and staff retirement costs.)

Item 67.90 #3h

Administration

Compensation Board

Language

Language:

Page 53, line 46, strike "10,958" and insert "10,962".

Page 54, line 2, strike "16,194" and insert "16,198".

Explanation:

(This amendment provides four additional law enforcement positions for the City of Allegheny Highlands, which will be established through the merger of Allegheny County and the City of Covington effective July 1, 2011. A companion amendment provides the funding for these positions.)

Item 75 #1h

AdministrationDepartment Of Human Resource
Management

Language

Language:

Page 62, after line 4, insert:

"I. The Department of Human Resources Management shall develop a plan to implement an automated time, attendance and leave (TAL) application for use by executive branch agencies. Concurrently, the Department shall work with state agencies and representatives from the employee associations in the development of a streamlined leave policy. The Department shall submit to the Chairmen of House Appropriations and Senate Finance Committees by October 15, 2011, a report detailing the proposal to implement the automated TAL application and any recommendations to streamline the leave policy."

Explanation:

(This amendment requires the DHRM to develop a plan to implement an automated system for tracking employee leave and work time sheets. In addition, the Department is instructed to develop recommendations for consideration by the 2012 General Assembly regarding the streamlining of employee leave policies. It is estimated that state agencies spend approximately \$50 million a year manually tracking time, attendance and leave for their employees. These two initiatives are a recommendation of the Governor's Reform Commission.)

Item 84 #1h

Agriculture And Forestry	FY 10-11	FY 11-12	
Department Of Agriculture And Consumer Services	\$0	\$600,000	GF

Language:

Page 68, line 27, strike "\$16,482,280" and insert "\$17,082,280".

Page 69, after line 37, insert:

"G. Out of the amounts for this Item, the Commissioner is authorized to expend \$600,000 from the general fund in the second year for the promotion of Virginia's agricultural products overseas. Such efforts shall be conducted in concert with the international offices opened by the Virginia Economic Development Partnership."

Explanation:

(This amendment provides \$600,000 in the second year to the Department of Agriculture and Consumer Services to allow them to contract with in-country representatives to assist in the marketing of Virginia's agricultural products overseas. This amendment leverages the funding provided to the VEDP in the 2010 Session to open additional foreign offices in China, India and the European Union to market Virginia as a business location. VDACS hired consultants will work out of these existing offices.)

Item 89 #1h

Agriculture And Forestry	FY 10-11	FY 11-12	
Department Of Agriculture And Consumer Services	\$0 \$0	\$540,000 (\$540,000)	GF NGF

Language:

Page 71, line 9, strike: "\$100" and insert "\$40".

Page 71, line 14, strike "\$100" and insert "\$40".

Explanation:

(This amendment lowers the Virginia Department of Agriculture and Consumer Services' annual food licensing fee that was increased in the 2010 Session of the General Assembly to revert it to its previous level and provides a like amount of general fund support to backfill the reduced nongeneral fund fee revenues that will be collected.)

Commerce And Trade	FY 10-11	FY 11-12	
Economic Development Incentive Payments	\$0	(\$7,500,000)	GF

Language:

Page 76, line 3, strike "\$76,650,384" and insert "\$69,150,384".

Page 78, line 1, strike "and \$7,500,000 in the".

Page 79, line 2, strike "second year".

Explanation:

(This amendment removes a proposal included in House Bill 1500 as introduced which would provide an additional \$7.5 million in the fiscal year 2012 to purchase properties in Virginia Beach to limit encroachment on the Oceana Master Jet Base. The City of Virginia Beach still has \$12.4 million for such purchases in the current biennium, and even if all pending offers of sale were agreed to, \$10.0 million would remain available for additional land purchases.)

Commerce And Trade	FY 10-11	FY 11-12	
Economic Development Incentive Payments	\$0	(\$15,000,000)	GF

Language:

Page 76, line 3, strike "\$76,650,384" and insert "\$61,650,384".

Page 78, line 57, strike "\$25,000,000" and insert "\$10,000,000".

Page 79, line 1, after "Investment", strike remainder of line and insert "Program".

Page 79, strike line 2 and 3, and insert:

"This appropriation includes \$10,000,000 million from the general fund in the second year which shall be distributed as follows: \$5,000,000 shall be deposited into the Center for Innovative Technology's GAP Funds and \$5,000,000 shall be deposited into the Commonwealth Research Commercialization Fund created pursuant to § 2.2-2233.1, Code of Virginia. These funds shall be utilized for the purposes set forth in House Bill 2324 as adopted by the 2011 General Assembly."

Explanation:

(This amendment spreads the amounts provided for research through the new

Virginia Research and Technology Investment Program established pursuant to House Bill 2324. \$10.0 million from the general fund in the second year is allocated within the Secretariat of Commerce and Trade. The remainder is transferred to research endeavors within higher education.)

Item 96 #3h

Commerce And Trade	FY 10-11	FY 11-12	
Economic Development Incentive Payments	\$0	(\$2,000,000)	GF

Language:

Page 76, line 3, strike "\$76,650,384" and insert "\$74,650,384".

Page 77, line 30, unstrike "\$1,000,000" and strike "\$3,000,000".

Explanation:

(This amendment removes the proposed increase for the Motion Picture Opportunity Fund.)

Item 98 #1h

Commerce And Trade	FY 10-11	FY 11-12	
Department Of Business Assistance	\$0	(\$2,000,000)	GF

Language:

Page 79, line 33, strike "\$18,644,897" and insert "\$16,644,897".

Page 80, strike lines 1 through 41 and insert:

"A. 1. The appropriation for this item includes \$11,461,287 the first year and \$7,961,287 from the general fund for the Virginia Jobs Investment Program at the Department of Business Assistance. Of this amount, \$1,584,870 in the first year and \$1,584,870 in the second year may be used for operating expenses. The remaining \$9,876,417 in the first year and \$6,376,417 in the second year shall be available for eligible businesses. It is the intent of the General Assembly that a minimum of 10 percent of the amounts provided for the Virginia Jobs Investment Program each year shall be transferred to the Small Business Jobs Grant Fund established pursuant to § 2.2-904.2, Code of Virginia, and shall only be used for the purposes of that section.

2. Periodically, the agency shall report to the Governor and the Secretary of Commerce and Trade the expenditure of the Small Business Jobs Grant Fund and

anticipated needs for small business development in order to monitor the effective use of funds and provide additional funding as needed for small businesses.

B.1. The appropriation for this item includes \$1,000,000 the first year from the general fund for the Virginia Small Business Financing Authority's Loan Guarantee Program.

2. The appropriation for this item includes \$5,000,000 the second year from the general fund for the Virginia Small Business Financing Authority's Loan Guaranty, the Virginia Capital Access Program, and the State Loan Participation Program. The Virginia Small Business Financing Authority is authorized to distribute this amount among these programs to best meet market needs for the respective programs.

3. The Virginia Small Business Financing Authority is authorized to withdraw revenues of up to \$50,000 the first year and \$50,000 the second year from the accrued interest balances of the Virginia Small Business Growth Fund in order to cover the costs of administering the Virginia Capital Access Program.

4. Also included in this appropriation is \$154,196 in the first year and \$154,196 in the second year from the general fund to support the operating expenses of the Virginia Small Business Financing Authority.

4. To meet changing financing needs of small businesses, the Executive Director of the Virginia Small Business Financing Authority with the approval of the Director of the Department of Business Assistance may transfer moneys between funds managed by the Authority. These include the Virginia Small Business Growth Fund (§ 2.2-2310, Code of Virginia); the Virginia Export Fund (§ 2.2-2309, Code of Virginia); and the Insurance or Guarantee Fund (§ 2.2-2290, Code of Virginia). The Executive Director of the Virginia Small Business Financing Authority shall report, by fund, the transfers made by January 1 of each year to the Chairmen of the Senate Finance and House Appropriations Committees.

C. The appropriation for this item includes \$500,000 the first year and \$500,000 the second year from the general fund to support the Business One-Stop Program at the Department of Business Assistance.

D. The appropriation for this item includes \$875,464 the first year and \$945,299 the second year from the general fund for the business information services operating expenses.

E. The appropriation for this item includes \$682,487 in the first year and \$682,652 in the second year from the general fund for agency administration.

E.1. Out of the amounts for Economic Development Services shall be provided \$127,465 the first year and \$127,465 the second year from the general fund to the Virginia-Israel Advisory Board

2. The Virginia-Israel Advisory Board shall report by January 15 of each year to the Chairmen of the Senate Finance and House Appropriations Committees on the Board's activities and expenditure of state funds."

Explanation:

(This amendment removes all language associated with the Department of Business Assistance and replaces it with language clearly setting out where the funds appropriated to the agency are to be spent. Language included in Chapter 874 as adopted by the 2010 General Assembly directed that when the amendments to the fiscal year 2010-2012 budget were presented, the separate DBA programs would be set out. Also included is the elimination of a proposal to provide \$2.0 million for a new micro-tourism loan fund. \$5.0 million is provided in the second year to recapitalize the Virginia Small Business Financing Authority's programs.)

Item 100 #1h

Commerce And Trade	FY 10-11	FY 11-12	
Department Of Housing And Community Development	\$0	(\$295,206)	GF

Language:

Page 81, line 46, strike "\$59,389,810" and insert "\$59,094,604".

Explanation:

(This amendment reduces by 12.4% the state funding provided for the indoor plumbing program in the second year. Federal funds for this program do not require a match. This proposal was included in the 6% reduction plan submitted by the agency to the Governor this fall and would result in six fewer households receiving assistance.)

Commerce And Trade	FY 10-11	FY 11-12	
Department Of Housing And Community Development	\$0	(\$3,000,000)	GF

Language:

Page 81, line 46, strike "\$59,389,810" and insert "\$56,389,810".

Page 84, line 41, strike "\$4,000,000" and insert "\$1,000,000".

Page 84, line 41, after "general fund", insert:

"and amounts generated from the sale of surplus state property in the second year pursuant to the provisions of § 2.2-1156, Code of Virginia, that otherwise would have been returned to the general fund provided such amount does not exceed \$2,000,000".

Explanation:

(This amendment reduces the general fund appropriation requested for the Derelict Structures Fund managed by the Department of Housing and Community Development. Retained is \$1.0 million from the general fund to recapitalize this fund as well as any amount up to \$2.0 million generated from the sale of surplus property that would otherwise revert to the general fund. This does not impact amounts set aside under existing law for the Conservation Resources Fund.)

Commerce And Trade	FY 10-11	FY 11-12	
Department Of Housing And Community Development	\$0	(\$250,000)	GF

Language:

Page 81, line 46, strike "\$59,389,810" and insert "\$59,139,810".

Page 84, line 44, strike "\$500,000" and insert "\$250,000".

Explanation:

(This amendment reduces the proposed increase for the DHCD Main Street Program for \$500,000 to \$250,000 in the second year. Current funding for the program totals \$139,000 each year. The reduced increase would still more than double funding available for this program and allow for the addition of two new Main Street Communities as well as fund additional feasibility studies in existing Main Street Communities.)

Item 101 #1h

Commerce And Trade	FY 10-11	FY 11-12	
Department Of Housing And Community Development	\$0	\$500,000	GF

Language:

Page 84, line 48, strike "\$13,423,354" and insert "\$13,923,354".

Page 85, line 2, strike "\$13,150,000" and insert "\$13,650,000."

Explanation:

(This amendment increases by \$500,000 in the second year the amounts provided for the Enterprise Zone grants. This amount is in addition to the increase of \$1.0 million included in House Bill 1500 as introduced. The intent is to begin to reduce the pro-ration required within the program.)

Item 105 #1h

Commerce And Trade	FY 10-11	FY 11-12	
Department Of Labor And Industry	\$0	\$253,550	GF
	\$0	(\$253,550)	NGF

Language:

Page 86, strike lines 2 through 5.

Explanation:

(This amendment eliminates the authority for the Department of Labor and Industry to assess an annual participation fee of \$55.00 on participants in the department's apprenticeship program. Accompanying the elimination of the fee authority is a reduction in the nongeneral fund amounts assumed to be generated by the fee in fiscal year 2012 and an increase of general fund support for the program in fiscal year 2012 of the same amount. Because the agency did not implement the fee in fiscal year 2011 as authorized, but instead used other available agency funds to support the program, the language can be removed in its entirety even though the amendments to Chapter 874 will go into effect prior to the start of fiscal year 2012.)

Item 109 #1h

Commerce And Trade	FY 10-11	FY 11-12	
Department Of Labor And Industry	\$0	(\$175,000)	GF

Language:

Page 86, line 37, strike "\$3,261,579" and insert "\$3,086,579".

Explanation:

(This amendment would reduce the budget at the Department of Labor and Industry in the second year by \$175,000 to reflect both the backfill of general funds provided in a companion amendment eliminating the apprenticeship program fee, and to reflect the fact that agency was able to continue operations without imposing the fee, valued at \$253,000 annually, after authorization was given by the 2010 General Assembly.)

Item 111 #1h

Commerce And Trade	FY 10-11	FY 11-12	
Department Of Mines, Minerals And Energy	\$0	(\$263,500)	GF

Language:

Page 87, line 50, strike "\$2,750,473" and insert "\$2,486,973".

Page 88, line 15, strike "\$337,500" and insert "\$74,000".

Explanation:

(This amendment reflects the updated estimate from the company receiving grants under the solar photovoltaic incentive program on the amounts they will be eligible for in fiscal year 2012 based on their 2010 production levels.)

Item 114 #1h

Commerce And Trade	
Virginia Economic Development Partnership	Language

Language:

Page 91, line 1, after "N.", insert "1."

Page 91, after line 9, insert:

"2. Out of the amounts for Economic Development Services shall be provided

\$300,000 the second year from the general fund to finance the workforce needs identified as a result of the working group review conducted pursuant to paragraph N.1. of this item. Of these amounts, \$150,000 the second year from the general fund shall be provided to the Shenandoah Valley Partnership and Workforce Investment Board used to plan, coordinate and conduct a regional study, to contract with experts for data collection and analysis, for regional outreach and communication, and to print and disseminate the study results. The remaining \$150,000 the second year from the general fund shall be used to coordinate industry-specific training at Blue Ridge Community College and provide seed money to existing regional education and training providers so that previously identified workforce training needs of manufacturers in the Shenandoah Valley region can be immediately addressed."

Explanation:

(This amendment provides \$300,000 in the second year from the general fund to implement the findings of a workgroup headed by the Virginia Economic Development Partnership on how best to leverage the expertise of the existing Commonwealth Center for Advanced Manufacturing and develop a satellite site in the Shenandoah Valley.)

Item 114 #2h

Commerce And Trade

Virginia Economic Development
Partnership

Language

Language:

Page 92, line 1, after "Partnership." insert:

"Out of the amounts provided in this paragraph, \$43,279 from the general fund in the second year shall be provided to the Virginia-Israeli Advisory Board which, in conjunction with the governor's trade mission to Israel, will be used to attract additional Israeli businesses to the Commonwealth."

Explanation:

(This amendment provides \$43,279 from the general fund in fiscal year 2012 for the Virginia-Israeli Advisory Board to leverage the impact of the Governor's proposed economic development trip to Israel this fall. The funding is intended to increase the capacity of the executive director of the Virginia Israeli Advisory Board to bring Israeli businesses to Virginia.)

Item 114 #3h

Commerce And Trade	FY 10-11	FY 11-12	
Virginia Economic Development Partnership	(\$1,500,000)	(\$900,000)	GF

Language:

Page 89, line 30, strike "\$19,944,647" and insert "\$18,444,647".

Page 89, line 31, strike "\$20,178,808" and insert "\$19,278,808".

Page 91, strike lines 10 through 47.

Explanation:

(This amendment removes the funding provided for the establishment of a Virginia Biotechnology Wet-Laboratory Program in Chapter 874. House Bill 1500 as introduced proposed to reduce the amounts provided in the second year by \$600,000 and the project for which the first year amount was dedicated has not proceeded.)

Item 114 #4h

Commerce And Trade	FY 10-11	FY 11-12	
Virginia Economic Development Partnership	\$0	(\$200,000)	GF

Language:

Page 89, line 31, strike "\$20,178,808" and insert "\$19,978,808".

Page 92, line 2, strike "\$400,000" and insert "\$200,000".

Explanation:

(This amendment reduces from \$400,000 to \$200,000 a new proposal to improve regional economic development efforts. The remaining funds will be sufficient to initiate one pilot project and provide time to determine the effectiveness of the program.)

Item 114 #5h

Commerce And Trade	FY 10-11	FY 11-12	
Virginia Economic Development Partnership	\$0	(\$1,379,095)	GF

Language:

Page 89, line 31, strike "\$20,178,808" and insert "\$18,799,713".

Page 90, strike lines 40 through 42.

Page 90, line 43, strike "L" and insert "K".

Page 90, line 46, strike "M" and insert "L".

Page 91, line 1, strike "N" and insert "M".

Page 91, line 10, strike "O" and insert "N".

Page 91, line 48, strike "P" and insert "O".

Page 91, line 52, strike "Q" and insert "P".

Explanation:

(This amendment strikes the appropriation for the Virginia Commercial Space Flight Authority within the Virginia Economic Development Partnership. A companion amendment to the Virginia Department of Aviation includes an appropriation in the same amount. Shifting the VCSFA into the Department of Aviation recognizes space-flight's growing role in the aviation world and properly places it in the transportation sector.)

Item 120 #1h

Commerce And Trade**FY 10-11****FY 11-12**

Virginia Tourism Authority

\$0

\$70,965 GF

Language:

Page 94, line 16, strike "\$19,808,135" and insert "\$19,879,100".

Page 96, after line 17, insert:

"P. Out of the amounts provided for Tourist Promotion, \$85,500 the first year and \$70,965 the second year from the general fund shall be provided to the cooperative advertising program operated by the Outdoor Advertising Association of Virginia. The Outdoor Advertising Association of Virginia shall provide a total of at least \$256,500 in advertising value the first year and \$212,895 the second year to promote tourism in Virginia."

Explanation:

(This amendment restores funding for advertising through the Outdoor Advertising Association in fiscal year 2012 and restores language inadvertently stricken providing funding for the association in fiscal year 2011.)

Item 120 #2h

Commerce And Trade	FY 10-11	FY 11-12	
Virginia Tourism Authority	\$0	(\$150,000)	GF

Language:

Page 94, line 16, strike "\$19,808,135" and insert "\$19,658,135".

Page 95, line 33, strike "and".

Page 95, line 34, strike "\$150,000 the second year".

Page 95, line 37, after "first year" strike the remainder of the line.

Explanation:

(This amendment eliminates all funding provided in the second year for payment to public television and radio stations for the advertisement of Virginia tourism. House Bill 1500 as introduced reduced the appropriation by 25 percent.)

Item 120 #3h

Commerce And Trade

Virginia Tourism Authority

Language

Language:

Page 95, line 3, after "efforts.", insert:

"Of the amounts included in this paragraph, up to \$1.0 million in the second year from the general fund may be used to attract and promote an international tourism event to be held in the Commonwealth."

Explanation:

(This amendment clarifies the allowable uses of the additional funds proposed for the existing Regional Tourism Grant Program at the Virginia Tourism Corporation.)

Item 120 #4h

Commerce And Trade

Virginia Tourism Authority

FY 10-11

\$0

FY 11-12

(\$1,000,000) GF

Language:

Page 94, line 16, strike "\$19,808,135" and insert "\$18,808,135".

Page 96, strike lines 15 through 17.

Explanation:

(This amendment removes \$1.0 million included in House Bill 1500 as introduced

that would have been directed to OpSail 2012.)

Item 122 #1h

**Education: Elementary &
Secondary**

Secretary Of Education

Language

Language:

Page 97, line 44, strike "\$486,320" and insert "\$722,096".

Page 97, line 46, strike "\$471,551" and insert "\$235,775".

Explanation:

(This amendment correctly moves a portion of the proposed budget reductions in public broadcasting to the proper service areas. As the budget, House Bill 1500, was introduced, the entire reduction was taken out of the public television service area, and zero was subtracted from the public radio service area.)

Item 123 #1h

**Education: Elementary &
Secondary**

Secretary Of Education

FY 10-11

FY 11-12

\$0

(\$120,163) GF

Language:

Page 98, line 24, strike "\$1,110,668" and insert "\$990,505".

Page 98, line 33, strike "A."

Page 98, strike lines 37 through 44.

Explanation:

(This amendment eliminates \$120,163 the second year from the general fund for the Virginia Voice Radio Reading Services. There is a companion amendment in Item 341, under the Department for the Blind and Vision Impaired (DBVI), to restore an equal amount of funding.)

Item 127 #1h

**Education: Elementary &
Secondary**

Language:

Page 101, line 43, strike the first "25" and insert "50".

Explanation:

(This amendment changes the local cost of a school efficiency review from 25% to 50% of the actual cost of the review.)

Item 130 #1h

**Education: Elementary &
Secondary**

Department Of Education, Central
Office Operations

Language

Language:

Page 103, after line 11, insert:

"E. The Department of Education is authorized to collect proceeds from the sale of educational resources it has developed, such as technology applications, online course content, assessments, and other educational content, to out-of-state individuals or entities and to in-state, for-profit entities. The Department of Education is further authorized to deposit such proceeds in a non-reverting special fund account established in its financial records for this purpose. Proceeds from such sales shall be expended by the Department of Education to further develop existing educational resources or to create new educational resources for the benefit of the commonwealth's public schools and which may also be sold under the provisions of this paragraph. Proceeds from the sale of any educational resources sold under the provisions of this paragraph that were developed using general funds shall be deposited to the general fund until the general fund cost of development is recovered. The Secretary of Administration shall authorize any licensing agreements executed by the Department of Education pursuant to this paragraph."

Explanation:

(This amendment is self-explanatory.)

Item 131 #1h

Education: Elementary &

Secondary

Direct Aid To Public Education

Language

Language:

Page 104, line 23, strike "\$4,970,000" and insert "\$4,677,500".

Page 104, line 23, unstrike "\$4,970,000".

Page 104, line 24, strike "\$4,677,500".

Explanation:

(This technical amendment corrects language in the introduced budget that inadvertently reduced the second year budget amount for the National Board Certification allocation instead of the first year. The introduced budget allocation amounts remain unchanged.)

Item 131 #2h

**Education: Elementary &
Secondary****FY 10-11****FY 11-12**

Direct Aid To Public Education

\$0

(\$688,500) GF

Language:

Page 103, line 30, strike "\$7,632,461" and insert "\$6,943,961".

Page 103, strike lines 41 through 52.

Explanation:

(This amendment captures \$688,500 the second year from the general fund from eliminating Project Discovery. The program had only served 25 localities in the state.)

Item 132 #1h

**Education: Elementary &
Secondary****FY 10-11****FY 11-12**

Direct Aid To Public Education

\$0

\$66,265 GF

Language:

Page 105, line 16, strike "\$5,439,278,512" and insert "\$5,439,344,777".

Page 106, line 36, strike "\$14,645,649" and insert "\$14,711,914".

Page 106, line 47, strike "19,044,471" and insert "\$19,110,736".

Page 130, line 28, strike "1,600" and insert "1,650".

Page 130, line 40, strike "30thand" and insert "30th and".

Explanation:

(This amendment provides about \$66,300 the second year from the general fund to increase the existing student enrollment funding cap by 50 up to 1,650 for the academic Governor's Schools. Currently, the Thomas Jefferson Governor's School in Fairfax is the only school with enrollments that exceed the cap.)

Item 132 #2h

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 126, after line 37, insert:

"f. Furthermore, a locality may make a one-time election to reprogram any portion of its eligible fiscal year 2012 Virginia Preschool Initiative funds toward reducing the number of existing half-day kindergarten classes, as of September 30, 2010, and converting the targeted half-day kindergarten classes to full-day kindergarten classes during the 2011-2012 school year.

A school division's eligible fiscal year 2012 Virginia Preschool Initiative funds which may be reprogrammed toward providing full-day kindergarten classes shall be determined by the Department of Education and shall be limited to a school division's fiscal year 2011 Virginia Preschool Initiative final payment amount as provided for in House Bill 1500/Senate Bill 800 as introduced in the 2011 General Assembly Session.

In order to receive these funds for this purpose, school divisions must certify to the Department of Education no later than October 1, 2011, that the reprogrammed funds will be used specifically for the express purpose of expanding the number of full-day kindergarten classes and reducing the number of half-day kindergarten classes. These funds may not be used for any other school purpose. If a school division elects to reprogram any portion of the Virginia Preschool Initiative funds toward expanding the number of full-day and reducing half-day kindergarten classes, then the school division's total fiscal year 2012 Virginia Preschool Initiative funding shall be limited to the total fiscal year 2011 Virginia Preschool Initiative funding amount.

Localities receiving these payments are required to match these funds based on the composite index of local ability-to-pay."

Explanation:

(This amendment is self-explanatory.)

Item 132 #3h

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 110, after line 42, insert:

"17. Beginning in fiscal year 2012, the Department of Education is directed to calculate the cost of funding and providing elementary resource teacher positions consistent with § 22.1-253.13:2, Code of Virginia."

Page 115, after line 38, insert:

"d.1) In addition, the Department of Education is directed to transfer a total of \$89,799,394 the second year from the general fund to Virginia Retirement System (VRS) which represents the state's share of the cost of a 3.3% professional rate amount for all funded positions. These payments shall be dedicated and contributed toward the VRS unfunded liability amount for the teacher group. The Department shall make these payments on or before January 1, 2012, to the VRS on the state's behalf.

2) Furthermore, school divisions are encouraged to set aside a local matching amount up to an equivalent percentage value for future budget payments to the VRS."

Explanation:

(This amendment is self-explanatory.)

Item 132 #4h

**Education: Elementary &
Secondary**

Direct Aid To Public Education

Language

Language:

Page 106, line 7, strike "\$2,870,864,594" and insert "\$2,833,824,858".

Page 106, line 11, strike "\$6,765,455" and insert "\$18,523,819".

Page 106, line 19, after "Remediation", insert "(split funded)".

Page 106, line 20, strike "\$69,431,627" and insert "\$29,004,666".

Page 106, line 28, strike "\$4,930,272,606" and insert "\$4,864,564,273".

Page 106, line 33, strike "\$4,930,272,606" and insert "\$4,864,564,273".

Page 106, after line 45, insert:

"Support for Personnel or Operational Costs \$0 \$65,705,438".

Page 106, line 47, strike "\$19,044,471" and insert "\$84,749,909".

Page 107, line 5, strike "\$63,991,497" and insert "\$63,287,461".

Page 107, line 7, strike "\$67,104,439" and insert "\$55,920,378".

Page 107, line 18, strike "\$7,031,965" and insert "\$7,107,624".

Page 107, line 28, strike "\$869,195" and insert "\$880,790".

Page 107, line 34, strike "\$25,968,276" and insert "\$0".

Page 107, after line 34, insert:

"Prevention, Intervention and Remediation (split funded) \$0 \$40,426,961".

Page 110, line 8, strike "textbook" and insert "At-Risk".

Page 110, line 10, strike "textbook" and insert "At-Risk".

Page 110, line 29, after "facility", insert "and school bus replacement".

Page 110, strike lines 32 through 35.

Page 110, line 36, strike "16." and insert "15."

Page 116, line 52, strike "\$6,765,455" and insert "\$18,523,819".

Page 116, line 53, strike " and "\$25,968,276 the second year".

Page 117, line 1, strike "\$48.38" and insert "\$23.45".

page 118, line 27, strike "\$69,431,627 the second year" and insert "\$29,004,666".

Page 118, line 27, after "fund", insert:

"and \$37,769,118 from the Lottery Proceeds Fund the second year".

Page 119, line 3, strike "\$63,991,497" and insert "\$63,287,461".

Page 119, line 35, strike "\$7,031,965" and insert "\$7,107,624".

Page 125, line 2, strike "\$67,104,439" and insert "\$55,920,378".

Page 125, line 24, strike "\$6,000" and insert "\$5,000".

Page 125, line 29, strike "\$3,000" and insert "\$2,500".

Page 128, line 11, after "first year", insert "from the general fund".

Page 128, line 11, strike "general" and insert "Lottery Proceeds".

Page 131, line 27, after "first year", insert "from the general fund".

Page 131, line 28, strike "general" and insert "Lottery Proceeds".

Page 135, after line 19, insert:

"34. Support for Personnel and Operational Costs

a. Out of this appropriation an estimated \$65,705,438 the second year from the general fund shall be disbursed by the Department of Education to local school divisions based on each school division receiving an estimated allocation that is equivalent the state's share of the cost a two percent bonus for all funded positions. This one-time allocation may not be used toward any recurring non-personnel expenditures.

- b. School divisions may use this allocation to provide at least a two percent bonus to all eligible personnel. Localities are encouraged to consider using their federal 'Education Jobs Fund' grant toward enhancing the two percent bonus or toward the required local match.
- c. For a school division that elects not to provide any type of salary related adjustment, that school division may alternatively use this allocation to purchase additional textbooks, school buses or any other one-time educational purposes as determined needed by such school division.
- d. Localities receiving these payments are required to match these funds based on the composite index of local ability-to-pay. School divisions are permitted to use qualifying expenditures from the federal Education Jobs Fund for the purpose of meeting the required local match for this one-time state payment."

Explanation:

(This amendment provides \$65.7 million the second year from the general fund as a one-time supplemental payment to school divisions. These funds will be allocated to localities based on the state's share of a 2% bonus amount for all funded positions. School divisions can use these funds for (i) a 2% bonus for all eligible personnel; (ii) the purchase of additional textbooks; (iii) school buses; or (iv) for any other education purposes as determined to be needed by the individual school division. This amendment is intended to give school divisions additional flexibility with state and local matching funds in order to meet their specific local priorities and particular financial circumstances. Lastly, these funds must be used for one-time, nonrecurring purposes.)

Item 137 #1h

Education: Higher Education	FY 10-11	FY 11-12	
State Council Of Higher Education For Virginia	\$0	\$350,000	GF

Language:

Page 137, line 14, strike "\$64,523,955" and insert "\$64,873,955".

Page 137, line 44, after "c.", insert "1."

Page 137, line 44, strike the second "\$245,000" and insert "\$595,000".

Page 137, after line 45, insert:

"2. It is the intent of the General Assembly that Virginia Space Grant Consortium Scholarships be prioritized to low-income and middle-income families. The State Council of Higher Education for Virginia shall develop guidelines which reflect the

definitions of low-income and middle-income families that will be developed by the Higher Education Advisory Committee established under House Bill 2510 for distribution of the scholarships of this program in the next biennium."

Explanation:

(This amendment provides additional general fund support to increase participation by 350 students in science, technology, engineering and mathematics programs in partnership with NASA.)

Item 139 #1h

Education: Higher Education

State Council Of Higher Education
For Virginia

Language

Language:

Page 142, after line 36, insert:

"O.1. In consultation with the Secretary of Education, the Secretary of Finance, and the Chairmen of the House Appropriations Committee and Senate Finance Committee, or their designees, the State Council of Higher Education for Virginia shall review, and if necessary, update institutional peer groups giving consideration to the impact of cost of living indices on the current cohort of peer institutions as well as the impact of enrollment patterns where the percentage of graduate degrees conferred has increased by more than 10 percentage points between 1997 and 2007 concurrent with a like decrease in the percentage of undergraduate degrees conferred during the same period.

2. The State Council shall report its findings and recommendations to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than September 1, 2011."

Explanation:

(This amendment is self-explanatory.)

Item 139 #2h

Education: Higher Education

State Council Of Higher Education

FY 10-11

\$0

FY 11-12

\$250,000 GF

For Virginia

0.00

3.00 FTE

Language:

Page 140, line 28, strike "\$11,900,840" and insert "\$12,150,840".

Explanation:

(This amendment provides additional general fund money for three staff to support requirements of the Top Jobs for the 21st Century legislation, House Bill 2510.)

Item 142 #1h

Education: Higher Education

FY 10-11

FY 11-12

Christopher Newport University

\$0

\$1,763,000 GF

\$0

\$1,300,000 NGF

Language:

Page 143, line 25, strike "\$49,089,766" and insert "\$52,152,766".

Page 144, after line 14, insert:

"E.1. Out of this appropriation, \$1,763,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$450,000 is provided in recognition of in-state enrollment growth, \$600,000 is provided to increase the number of full-time faculty, and \$713,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$1,300,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 144 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Christopher Newport University	\$0	(\$326,875)	GF

Language:

Page 144, line 22, strike "\$1,825,757" and insert "\$1,498,882".

Explanation:

(This amendment eliminates second year funding for the VECTEC Center which will no longer be in operation in fiscal year 2012.)

Item 146 #1h

Education: Higher Education	FY 10-11	FY 11-12	
The College Of William And Mary	\$0	\$1,257,000	GF
In Virginia	\$0	\$8,000,000	NGF

Language:

Page 145, line 7, strike "\$145,176,192" and insert "\$154,433,192".

Page 146, after line 3, insert:

"F. 1. Out of this appropriation, \$1,257,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$410,000 is provided to support the recruitment of faculty in STEM-related disciplines and \$847,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$8,000,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state

undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 146 #2h

Education: Higher Education	FY 10-11	FY 11-12	
The College Of William And Mary In Virginia	\$0	\$340,000	GF

Language:
Page 145, line 7, strike "\$145,176,192" and insert "\$145,516,192".

Explanation:
(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students. As a result of the Top Jobs for the 21st Century legislation, House Bill 2510, the College of William and Mary has agreed to increase in-state undergraduate enrollment by 45 this year and a total of 150 over the next four years. This funding represents the state share for the first 45 students.)

Item 149 #1h

Education: Higher Education	
The College Of William And Mary In Virginia	Language

Language:
Page 146, after line 45, insert:
"A. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, the College of William and Mary Sailing Team shall retain all revenues from the sale or disposition of any of its boats or equipment, so long as all such revenues are utilized solely for the purposes of the Sailing Team."

Explanation:
(This amendment is self-explanatory.)

Item 150 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Richard Bland College	\$0	\$755,000	GF
	\$0	\$225,000	NGF

Language:

Page 147, line 7, strike "\$8,375,054" and insert "\$9,355,054".

Page 147, after line 47, insert:

"E.1. Out of this appropriation, \$755,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$600,000 is provided in recognition of in-state enrollment growth and \$155,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$225,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 150 #2h

Education: Higher Education	FY 10-11	FY 11-12	
Richard Bland College	\$619,000	\$671,000	NGF

Language:

Page 147, line 7, strike "\$9,778,117" and insert "\$10,397,117".

Page 147, line 7, strike "\$8,375,054" and insert "\$9,046,054".

Explanation:

(This amendment adjusts the nongeneral fund appropriation to reflect additional tuition and fee revenue as approved by the Board of Visitors last spring.)

Item 154 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Virginia Institute Of Marine	\$0	\$142,500	GF
Science	0.00	1.00	FTE

Language:

Page 148, line 27, strike "\$17,582,788" and insert "\$17,725,288".

Explanation:

(This amendment provides additional funding for the operations and maintenance of new facilities coming on-line this biennium.)

Item 154 #2h

Education: Higher Education	FY 10-11	FY 11-12	
Virginia Institute Of Marine	\$0	\$475,000	GF
Science	0.00	4.00	FTE

Language:

Page 148, line 27, strike "\$17,582,788" and insert "\$18,057,788".

Explanation:

(This amendment provides additional funding for four new faculty to educate citizens, conduct research and provide advisory services in coastal ocean, estuarine science and other in STEM-related programs in support of the goals of the Governor's Higher Education Commission.)

Item 157 #1h

Education: Higher Education	FY 10-11	FY 11-12	
George Mason University	\$0	\$3,000,000	GF

Language:

Page 150, line 24, strike "\$343,091,283" and insert "\$346,091,283".

Explanation:

(This amendment provides additional general fund money to support recruitment of ten faculty in forensic science, biology, chemistry, environmental science and other STEM-related disciplines to meet enrollment growth in these areas.)

Item 157 #2h

Education: Higher Education	FY 10-11	FY 11-12	
George Mason University	\$0	\$4,417,775	GF
	\$0	\$8,000,000	NGF

Language:

Page 150, line 24, strike "\$343,091,283" and insert "\$355,509,058".

Page 151, after line 24, insert:

"G. 1. Out of this appropriation, \$4,417,775 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$1,450,000 is provided in recognition of in-state enrollment growth and \$2,967,775 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$8,000,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 157 #3h

Education: Higher Education	FY 10-11	FY 11-12	
George Mason University	\$8,500,000	\$8,500,000	NGF

Language:

Page 150, line 24, strike "\$376,567,851" and insert "\$385,067,851".

Page 150, line 24, strike "\$343,091,283" and insert "\$351,591,283".

Explanation:

(This amendment adjusts the nongeneral fund appropriation to reflect additional tuition and fee revenue as approved by the Board of Visitors last spring.)

Item 157 #4h

Education: Higher Education**FY 10-11****FY 11-12**

George Mason University

\$0

\$850,000 GF

Language:

Page 150, line 24, strike "\$343,091,283" and insert "\$343,941,283".

Page 151, after line 24, insert:

"G. Out of this appropriation, \$850,000 the second year from the general fund is designated to support a public-private partnership between George Mason University, James Madison University, the University of Virginia, Virginia Tech, and CISCO Systems, Inc., to utilize emerging technologies to increase access, reduce time to graduation and reduce unit cost while maintaining and enhancing quality. Instructional talent across the four institutions will be leveraged in the delivery of programs in foreign languages, science, technology, engineering and mathematics."

Explanation:

(This amendment provides additional funding to support a public-private partnership that utilizes emerging technologies to increase access, reduce time to graduation and reduce unit cost while maintaining and enhancing quality.)

Item 161 #1h

Education: Higher Education**FY 10-11****FY 11-12**

James Madison University

\$0

\$3,705,000 GF

\$0

\$8,000,000 NGF

Language:

Page 152, line 21, strike "\$212,831,721" and insert "\$224,536,721".

Page 153, after line 18, insert:

"E. 1. Out of this appropriation, \$3,705,000 the second year from the general fund is

designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$1,000,000 is provided in recognition of in-state enrollment growth, \$600,000 is provided to increase the number of full-time faculty, and \$2,105,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$8,000,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 161 #2h

Education: Higher Education	FY 10-11	FY 11-12	
James Madison University	\$0	\$1,100,000	GF

Language:

Page 152, line 21, strike "\$212,831,721" and insert "\$213,931,721".

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students. As a result of the Top Jobs for the 21st Century legislation, House Bill 2510, James Madison University has agreed to increase in-state undergraduate enrollment by 172 this year and a total of 395 over the next four years. This funding represents the state share for the first 172 students.)

Item 161 #3h

Education: Higher Education	FY 10-11	FY 11-12	
James Madison University	\$3,900,000	\$3,900,000	NGF

Language:

Page 152, line 21, strike "\$231,763,795" and insert "\$235,663,795".

Page 152, line 21, strike "\$212,831,721" and insert "\$216,731,721".

Explanation:

(This amendment adjusts the nongeneral fund appropriation to reflect additional tuition and fee revenue as approved by the Board of Visitors last spring.)

Item 161 #4h

Education: Higher Education	FY 10-11	FY 11-12	
James Madison University	\$0	\$850,000	GF

Language:

Page 152, line 21, strike "\$212,831,721" and insert "\$213,681,721".

Page 153, after line 18, insert:

"E. Out of this appropriation, \$850,000 the second year from the general fund is designated to support a public-private partnership between George Mason University, James Madison University, the University of Virginia, Virginia Tech, and CISCO Systems, Inc., to utilize emerging technologies to increase access, reduce time to graduation and reduce unit cost while maintaining and enhancing quality. Instructional talent across the four institutions will be leveraged in the delivery of programs in foreign languages, science, technology, engineering and mathematics."

Explanation:

(This amendment provides additional funding to support a public-private partnership that utilizes emerging technologies to increase access, reduce time to graduation and reduce unit cost while maintaining and enhancing quality.)

Item 162 #1h

Education: Higher Education	FY 10-11	FY 11-12	
James Madison University	\$500,000	\$500,000	NGF

Language:

Page 153, line 21, strike "\$9,766,308" and insert "\$10,266,308".
Page 153, line 21, strike "\$9,766,308" and insert "\$10,266,308".

Explanation:

(This amendment makes a technical adjustment to the nongeneral fund appropriation for financial aid.)

Item 165 #1h

Education: Higher Education	FY 10-11	FY 11-12
Longwood University	0.00	11.00 FTE

Language:

Explanation:

(This amendment requests a technical adjustment to the nongeneral fund positional level.)

Item 165 #2h

Education: Higher Education	FY 10-11	FY 11-12
Longwood University	\$0	\$885,800 GF

Language:

Page 154, line 22, strike "\$48,644,333" and insert "\$49,530,133".

Page 155, after line 15, insert:

"F.1. Out of this appropriation, \$885,800 the second year from the general fund is designated to support science, technology, engineering and mathematics (STEM), and health-related programs.

2. In fiscal year 2012, Longwood University may use these funds to create simulation, teaching, and health assessment areas in Stevens Hall to support the Bachelor of Nursing program. These improvements shall be exempt from the capital outlay review and approval process and shall be considered an operating expense.

3. Longwood University shall utilize these funds to develop, deliver, and expand science, technology, engineering and mathematics (STEM), and health-related programs, to include space upgrades, in the ensuing years."

Explanation:

(This amendment provides additional general fund money to support the development, delivery and expansion of science, technology, engineering and mathematics (STEM), and health-related programs in support of the Top Jobs for the 21st Century legislation in House Bill 2510. The funding in fiscal year 2012 will be used to create simulation, teaching, and health assessment space in support of the Bachelor of Nursing program. Beyond fiscal year 2012, the funding will allow Longwood to support enrollment, space upgrades and faculty for this program, and other STEM or health-related programs.)

Item 165 #3h

Education: Higher Education	FY 10-11	FY 11-12	
Longwood University	\$0	\$475,000	GF
	\$0	\$1,200,000	NGF

Language:

Page 154, line 22, strike "\$48,644,333" and insert "\$50,319,333".

Page 155, after line 15, insert:

"E. 1. Out of this appropriation, \$475,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$475,000 is provided to support operations and maintenance of new buildings.

2. Out of this appropriation, \$1,200,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high-quality education at our public colleges and universities.)

Item 169 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Norfolk State University	\$0	\$160,000	GF

Language:

Page 156, line 3, strike "\$69,370,291" and insert "\$69,530,291".

Page 157, after line 18, insert:

"I. Out of this appropriation, \$160,000 the second year from the general fund is designated to support the Health and Science Summer Academy to address the science, technology, engineering and mathematics (STEM) discipline areas of biology, chemistry, computer science, physics, mathematics and health-related programs in nursing and allied health."

Explanation:

(This amendment provides additional funds to support a joint high school-university Health Science Summer Academy program aimed at increasing the number of students in STEM-related disciplines.)

Item 169 #2h

Education: Higher Education	FY 10-11	FY 11-12	
Norfolk State University	\$0	\$380,000	GF

Language:

Page 156, line 3, strike "\$69,370,291" and insert "\$69,750,291".

Page 157, after line 18, insert:

"I. Out of this appropriation, \$380,000 the second year from the general fund is designated to increase enrollment by 150 students in the pre-calculus and calculus Pathway to the STARS Summer Bridge Program."

Explanation:

(This amendment provides additional funds to support a 150-student increase in the STAR Summer Bridge mathematics program.)

Item 169 #3h

Education: Higher Education	FY 10-11	FY 11-12	
Norfolk State University	\$0	\$250,000	GF

Language:

Page 156, line 3, strike "\$69,370,291" and insert "\$69,620,291".

Page 157, after line 18, insert:

"I. Out of this appropriation, \$250,000 the second year from the general fund is designated to support the Saturday Scientists Program to address the science, technology, engineering and mathematics (STEM) discipline areas and increase the number of minority students who pursue STEM careers."

Explanation:

(This amendment provides additional funds to support a joint high school-university Saturday Scientists program aimed at increasing the number of minority students in mathematics, science, computer science and engineering.)

Item 169 #4h

Education: Higher Education

Norfolk State University

FY 10-11

\$0

\$0

FY 11-12

\$1,314,000 GF

\$1,400,000 NGF

Language:

Page 156, line 3, strike "\$69,370,291" and insert "\$72,084,291".

Page 157, after line 18, insert:

"I. 1. Out of this appropriation, \$1,314,000 the second year from the general fund is designated to support operations and maintenance of new buildings which support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees.

2. Out of this appropriation, \$1,400,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget shall report to the Chairman of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Education: Higher Education	FY 10-11	FY 11-12	
Old Dominion University	\$0	\$250,000	GF

Language:

Page 158, line 7, strike "\$206,610,775" and insert "\$206,860,775".

Page 159, after line 35, insert:

"K. Out of this appropriation, \$250,000 the second year from the general fund is designated to support science, technology, engineering and mathematics (STEM), and health-related programs. Old Dominion University shall use these fund to promote the use of modeling and simulation in the medical industry."

Explanation:

(This amendment provides additional general fund money to promote efforts by Old Dominion University and Eastern Virginia Medical School in the use of modeling and simulation in the medical industry.)

Education: Higher Education	FY 10-11	FY 11-12	
Old Dominion University	\$0	\$6,660,000	GF
	\$0	\$4,500,000	NGF

Language:

Page 158, line 7, strike "\$206,610,775" and insert "\$217,770,775".

Page 159, after line 35, insert:

"K. 1. Out of this appropriation, \$11,660,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$7,500,000 is provided in recognition of in-state enrollment growth, \$3,900,000 is provided to increase the number of full-time faculty, and \$260,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$4,500,000 the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and

Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 177 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Radford University	\$0	\$505,200	GF

Language:

Page 160, line 53, strike "\$87,223,757" and insert "\$87,728,957".

Page 161, after line 46, insert:

"F. Out of this appropriation, \$505,200 the second year from the general fund is designated to support the delivery of distance education courses that lead to a Master of Science in Education with a concentration in Mathematics Education."

Explanation:

(This amendment provides additional general fund money to support the development of a distance education courses leading to a masters degree in education with a concentration in mathematics. The goal of the program is to develop teachers better prepared to instruct students in mathematics at high school and community college levels.)

Item 177 #2h

Education: Higher Education	FY 10-11	FY 11-12	
Radford University	\$0	\$2,200,725	GF

Language:

Page 160, line 53, strike "\$87,223,757" and insert "\$89,424,482".

Page 161, after line 46, insert:

"F. 1. Out of this appropriation, \$2,200,725 the second year from the general fund is designated to support science, technology, engineering and mathematics (STEM), and health-related programs.

2. In fiscal year 2012, Radford University may use the funds to enter into an operating lease with and fit out space in the Carilion Roanoke Community Hospital

building in order to offer the Doctorate of Physical Therapy program. These improvements shall be exempt from the capital outlay review and approval process and shall be considered an operating expense.

3. Radford University shall utilize these funds to develop, deliver, and expand science, technology, engineering and mathematics (STEM), and health-related programs in the ensuing years."

Explanation:

(This amendment provides additional general fund money to support the development, delivery and expansion of science, technology, engineering and mathematics (STEM), and health-related programs in support of the Top Jobs for the 21st Century legislation in House Bill 2510. The funding in fiscal year 2012 will be used to fit out space in support of the Doctorate of Physical Therapy program. Beyond fiscal year 2012, the funding will allow Radford to support enrollment and faculty for this program and other health-related programs.)

Item 177 #3h

Education: Higher Education	FY 10-11	FY 11-12	
Radford University	\$0	\$200,000	GF
	\$0	\$2,200,000	NGF

Language:

Page 160, line 53, strike "\$87,223,757" and insert "\$89,623,757".

Page 161, after line 46, insert:

"F. 1. Out of this appropriation, \$200,000 the second year from the general fund is designated to support operations and maintenance of new buildings which support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees.

2. Out of this appropriation, \$2,200,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget shall report to the Chairman of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the

Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 177 #4h

Education: Higher Education	FY 10-11	FY 11-12	
Radford University	\$1,900,000	\$2,700,000	NGF

Language:

Page 160, line 53, strike "\$100,185,812" and insert "\$102,085,812".

Page 160, line 53, strike "\$87,223,757" and insert "\$89,923,757".

Explanation:

(This amendment adjusts the nongeneral fund appropriation to reflect additional tuition and fee revenue as approved by the Board of Visitors last spring.)

Item 181 #1h

Education: Higher Education	FY 10-11	FY 11-12	
University Of Mary Washington	\$0	\$1,856,000	GF
	\$0	\$1,500,000	NGF

Language:

Page 162, line 42, strike "\$54,413,772" and insert "\$57,769,772".

Page 163, after line 36, insert:

"E. 1. Out of this appropriation, \$1,856,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$950,000 is provided in recognition of in-state enrollment growth, \$500,000 is provided to increase the number of full-time faculty, and \$406,000 is provided to support operations and maintenance of new buildings.

2. Out of this appropriation, \$1,500,000 the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of

Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high-quality education at our public colleges and universities.)

Item 187 #1h

Education: Higher Education	FY 10-11	FY 11-12	
University Of Virginia	\$26,059,531	\$19,460,527	NGF

Language:

Page 165, line 15, strike "\$498,586,902" and insert "\$524,646,433".

Page 165, line 14, strike "\$461,809,231" and insert "\$481,269,758".

Explanation:

(This amendment adjusts the nongeneral fund appropriation to reflect additional tuition and fee revenue as approved by the Board of Visitors last spring.)

Item 187 #2h

Education: Higher Education	FY 10-11	FY 11-12	
University Of Virginia	\$0	\$1,660,000	GF
	\$0	\$17,000,000	NGF

Language:

Page 165, line 14, strike "\$461,809,231" and insert "\$480,469,231".

Page 167, after line 11, insert:

"N. 1. Out of this appropriation, \$1,660,000 in the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$1,660,000 is provided to support operations and maintenance of new buildings.

2. Out of this appropriation, \$17,000,000 in the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal

request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 187 #3h

Education: Higher Education	FY 10-11	FY 11-12	
University Of Virginia	\$0	\$705,000	GF

Language:

Page 165, line 14, strike "\$461,809,231" and insert "\$462,514,231".

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students. As a result of the Top Jobs for the 21st Century legislation, House Bill 2510, the University of Virginia has agreed to increase in-state undergraduate enrollment by 84 this year and a total of about 980 over the next four years. This funding represents the state share for the first 84 students.)

Item 187 #4h

Education: Higher Education	FY 10-11	FY 11-12	
University Of Virginia	\$0	\$850,000	GF

Language:

Page 165, line 14, strike "\$461,809,231" and insert "\$462,659,231".

Page 167, after line 11, insert:

"N. Out of this appropriation, \$850,000 the second year from the general fund is designated to support a public-private partnership between George Mason University, James Madison University, the University of Virginia, Virginia Tech, and CISCO Systems, Inc. to utilize emerging technologies to increase access, reduce time to

graduation and reduce unit cost while maintaining and enhancing quality. Instructional talent across the four institutions will be leveraged in the delivery of programs in foreign languages, science, technology, engineering and mathematics."

Explanation:

(This amendment provides additional funding to support a public-private partnership that utilizes emerging technologies to increase access, reduce time to graduation and reduce unit cost while maintaining and enhancing quality.)

Item 194 #1h

Education: Higher Education	FY 10-11	FY 11-12	
University Of Virginia's College At	\$0	\$1,600,000	GF
Wise	\$0	\$375,000	NGF

Language:

Page 169, line 10, strike "\$17,960,019" and insert "\$19,935,019".

Page 170, after line 10, insert:

"G. 1. Out of this appropriation, \$1,600,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$100,000 is provided in recognition of in-state enrollment growth, \$400,000 is provided to increase the number of full-time faculty, and \$1,100,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$375,000 the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Education: Higher Education	FY 10-11	FY 11-12	
Virginia Commonwealth University	\$0	\$17,175,399	NGF

Language:

Page 171, line 18, strike "\$457,531,159" and insert "\$474,706,558".

Page 172, line 26, strike "\$230,274" and insert "\$243,675".

Page 172, line 26, strike "\$202,675" and insert "\$243,675".

Explanation:

(This amendment adjusts the nongeneral fund appropriation to reflect additional tuition and fee revenue as approved by the Board of Visitors last spring.)

Education: Higher Education	FY 10-11	FY 11-12	
Virginia Commonwealth University	\$0	\$6,040,000	GF
	\$0	\$8,500,000	NGF

Language:

Page 171, line 18, strike "\$457,531,159" and insert "\$472,071,159".

Page 173, after line 51, insert:

"P. 1. Out of this appropriation, \$6,040,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$5,350,000 is provided in recognition of in-state enrollment growth and \$690,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$8,500,000 the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state

undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 203 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Virginia Community College	\$0	\$17,550,000	GF
System	\$0	\$21,800,000	NGF

Language:

Page 175, line 16, strike "\$777,297,923" and insert "\$816,647,923".

Page 178, after line 28, insert:

"E. 1. Out of this appropriation, \$17,500,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$10,000,000 is provided in recognition of in-state enrollment growth, \$5,400,000 is provided to increase the number of full-time faculty in order to improve the full-time faculty ratio by at least two percent, and \$2,150,000 is provided to support operations and maintenance of new buildings.

2. Out of this appropriation, \$21,800,000 the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests.

3. It is the intent of the General Assembly that 100 percent of the general and nongeneral funds contained in this amendment be allocated to the individual community colleges. As required in paragraph B of this item, the Virginia Community College System shall report to the Chairmen of the House Appropriations and Senate Finance Committees by June 1, 2011, on the allocation of these funds, as well as the allocation of all general and nongeneral funds contained in this item by individual community college for fiscal years 2011 and 2012."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related

disciplines, and high quality education at our public colleges and universities.)

Item 209 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Virginia Military Institute	\$0	\$758,000	GF
	\$0	\$1,100,000	NGF

Language:

Page 180, line 3, strike "\$29,548,700" and insert "\$31,406,700".

Page 180, after line 45, insert:

"D. 1. Out of this appropriation, \$758,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$400,000 is provided in recognition of in-state enrollment growth, \$108,000 is provided to increase the number of full-time faculty, and \$250,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$1,100,000 the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 214 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Virginia Polytechnic Institute And	\$0	\$2,990,000	GF
State University	\$0	\$17,000,000	NGF

Language:

Page 181, line 48, strike "\$476,309,539" and insert "\$496,299,539".

Page 183, after line 20, insert:

"L. 1. Out of this appropriation, \$2,990,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$1,770,000 is provided in recognition of in-state enrollment growth and \$1,220,000 to support operations and maintenance of new buildings including the Arts and Technology Institute facility.

2. Out of this appropriation, \$17,000,000 the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 214 #2h

Education: Higher Education	FY 10-11	FY 11-12	
Virginia Polytechnic Institute And State University	\$0	\$500,000	GF

Language:

Page 181, line 48, strike "\$476,309,539" and insert "\$476,809,539".

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students. As a result of the Top Jobs for the 21st Century legislation, House Bill 2510, Virginia Tech has agreed to increase in-state undergraduate enrollment by 50 this year and a total of about 200 over the next four years. This funding represents the state share for the first 50 students.)

Item 214 #3h

Education: Higher Education	FY 10-11	FY 11-12
Virginia Polytechnic Institute And State University	\$0	\$850,000 GF

Language:

Page 181, line 48, strike "\$476,309,539" and insert "\$477,159,539".

Page 183, after line 20, insert:

"L. Out of this appropriation, \$850,000 the second year from the general fund is designated to support a public-private partnership between George Mason University, James Madison University, the University of Virginia, Virginia Tech, and CISCO Systems, Inc., to utilize emerging technologies to increase access, reduce time to graduation and reduce unit cost while maintaining and enhancing quality. Instructional talent across the four institutions will be leveraged in the delivery of programs in foreign languages, science, technology, engineering and mathematics."

Explanation:

(This amendment provides additional funding to support a public-private partnership that utilizes emerging technologies to increase access, reduce time to graduation and reduce unit cost while maintaining and enhancing quality.)

Item 219 #1h

Education: Higher Education	Language
Virginia Cooperative Extension And Agricultural Experiment Station	

Language:

Page 185, strike lines 51 through 53 and insert:

"F.1. Virginia Cooperative Extension shall develop a revised restructuring plan which looks at strengthening its historical mission regarding local delivery of pertinent research information to the agriculture industry, youth leadership development, and family and community viability. In development of this revised restructuring plan, Virginia Cooperative Extension must have agricultural industry stakeholders, local governments and local agents represented on the plan committee, which must have geographical balance across the Commonwealth. This plan shall also present the cost

of implementation; however it shall also consider and present options that reflect implementation within the existing level of resources. The plan committee may also present options which include a fee-for-service component. The plan committee may present a plan with several policy options and staffing levels for consideration, including but not limited to each county/city having one agricultural agent, one 4-H agent, and one administrative assistant. The plan committee shall establish criteria for determination of need for any staffing recommendation, which may include population served, number of farmers, diversity of farmers and agricultural products, agricultural sales volume, number of youth served, and travel distance of extension clients served.

2. Virginia Cooperative Extension shall provide regular reports to the House Appropriations and Senate Finance Committees; the Secretaries of Education, of Agriculture and Forestry, and of Natural Resources; and local governments and stakeholders. A progress report on the plan shall be submitted by August 15, 2011. An interim report shall be provided to the 2012 General Assembly that documents stakeholder involvement, progress to date, and alternative approaches, including costs associated with each option.

3. Virginia Cooperative Extension shall report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2011, on the financial history report of expenditures within the extension program since 1995. The report shall include spending by fund source (state, local, federal) and type (teaching, research, extension).

4. Virginia Cooperative Extension shall report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2011, on products and services provided by on-campus extension spending."

Page 186, strike lines 1 through 8.

Explanation:

(This amendment is self-explanatory.)

Item 220 #1h

Education: Higher Education

Virginia State University

FY 10-11

\$0

FY 11-12

\$2,300,000 NGF

Language:

Page 186, line 35, strike "\$59,625,086" and insert "\$61,925,086".

Explanation:

(This amendment adjusts the nongeneral fund appropriation authority to reflect additional tuition and fee revenue as approved by the Board of Visitors last sprin.)

Item 220 #2h

Education: Higher Education	FY 10-11	FY 11-12	
Virginia State University	\$0	\$905,000	GF
	\$0	\$2,300,000	NGF

Language:

Page 186, line 35, strike "\$59,625,086" and insert "\$62,830,086".

Page 187, after line 42, insert:

"H.1. Out of this appropriation, \$905,000 the second year from the general fund is designated to support the goals of the Governor's Higher Education Commission of access, affordability, quality and increased degrees. Of this amount, \$750,000 is provided in recognition of in-state enrollment growth and \$155,000 to support operations and maintenance of new buildings.

2. Out of this appropriation, \$2,300,000 the second year from nongeneral fund sources is provided to reflect the calculated incremental nongeneral fund requirements for the institution. The Director, Department of Planning and Budget, shall not administratively increase the nongeneral fund for this item unless a formal request and justification for such additional nongeneral fund authority is submitted by the institution to the Governor for his approval. The Director, Department of Planning and Budget, shall report to the Chairmen of the House Appropriations and Senate Finance Committees on the receipt and status of such requests."

Explanation:

(This amendment provides additional funding to accomplish the goals of the Governor's Higher Education Commission of increased access for in-state undergraduate students, affordability, increased degrees especially in STEM-related disciplines, and high quality education at our public colleges and universities.)

Item 236 #1h

Education: Higher Education	FY 10-11	FY 11-12	
Eastern Virginia Medical School	\$0	(\$3,800,000)	GF

Language:

Page 195, line 20, strike "\$21,484,299" and insert "\$17,684,299".

Explanation:

(This amendment reduces the proposed increase for the Eastern Virginia Medical School (EVMS) to reflect the average general fund per student support for in-state medical students at the University of Virginia and Virginia Commonwealth University. With this revised amount, state general fund support per in-state student at EVMS will be nearly \$36,000.)

Item 242 #1h

Education: Higher Education

Southwest Virginia Higher
Education Center

FY 10-11
(\$250,000)

FY 11-12
\$0 GF

Language:

Page 197, line 32, strike "\$9,240,483" and insert "\$8,990,483".

Explanation:

(This amendment eliminates operating funds for the repair of the water detention pond. A companion amendment in item C-84 allocates the \$250,000 from the central capital maintenance reserve contingency fund for this purpose.)

Item 246 #1h

Finance

Secretary Of Finance

Language

Language:

Page 202, line 7, before "The", insert "A."

Page 202, after line 10, insert:

"B. The Secretary of Finance shall convene a work group to outline the initial format and general content of a Citizen Friendly Budget, or easily understood on-line budget summary, to be available after each reconvened Session. The working group shall consist of representatives from the Department of Planning and Budget, the Department of Accounts, the Auditor of Public Accounts, the Joint Legislative Audit and Review Commission, staff of the House Appropriations Committee, and staff of the Senate Finance Committee. The working group shall complete its work by November 30, 2011."

Explanation:

(This amendment provides for the Secretary of Finance to convene a work group to outline the format and general content of a Citizen Friendly Budget, or similar on-line budget summary, that would be available after each reconvened Session.)

Item 248 #1h

Finance

Department Of Accounts

Language

Language:

Page 203, strike lines 23 through 30 and insert:

"D. Notwithstanding the provisions of §§ 17.1-286 and 58.1-3176, Code of Virginia, the Controller shall not make payments to the Circuit Court clerks on amounts directly deposited into the State Treasury by General District Courts, Juvenile and Domestic Relations General District Courts, Combined District Courts, and the Magistrates System. The State Controller shall continue to make payments, in accordance with §§ 17.1-286 and 58.1-3176, Code of Virginia, to the respective clerks on those amounts directly deposited into the state treasury by the Circuit Courts."

Explanation:

(This amendment is intended to clarify the intent of the 2010 General Assembly to discontinue the policy of paying circuit court clerks commissions on revenues collected by the general district courts but continue this policy for revenues collected through the circuit court. An adjustment has been made to the revenue assumptions to reflect a decrease in state revenues of \$2.8 million from the continued payment of these commissions to the circuit court clerks.)

Item 256 #1h

Finance

Department Of Accounts Transfer
Payments

FY 10-11

\$0

FY 11-12

\$64,000,000 GF

Language:

Page 206, line 31, strike "\$50,000,000" and insert "\$114,000,000".

Page 206, line 41, after "year,", strike "\$50,000,000" and insert "\$114,000,000".

Page 206, line 41, after "B.", strike "1."

Page 206, strike lines 53 through 54.
Page 207, strike lines 1 through 9.

Explanation:

(This amendment increases the reserve for the Revenue Stabilization Fund from \$50.0 million to \$114.0 million, an amount equal to 50 percent of the \$228 million deposit that will be required to be made during the 2012-14 biennium.)

Item 258 #1h

Finance

Department Of Accounts Transfer
Payments

Language

Language:

Page 209, line 8, strike "2011" and insert "2012".

Explanation:

(This amendment extends the deadline for localities to opt out of the statewide Line of Duty program from July 1, 2011, to July 1, 2012. The 2010 budget granted the localities the ability to opt out of the statewide funding pool and provide the identical benefits to their own employees independently.)

Item 260 #1h

Finance

Department Of Planning And
Budget

FY 10-11

\$0

FY 11-12

(\$190,665) GF

Language:

Page 211, line 17, strike "\$6,869,909" and insert "\$6,679,244".

Page 212, line 41, strike "2007" and insert "2010".

Page 212, line 41, strike "25" and insert "50".

Page 212, line 45, strike "25" and insert "50".

Page 212, line 46, strike "25" and insert "50".

Explanation:

(This amendment increases the percentage of cost paid by the localities for school efficiency reviews from 25% to 50%.)

Finance

Department Of Taxation

Language

Language:

Page 215, after line 17, insert:

"M. The Virginia Department of Taxation shall accept a fillable form through the Virginia Free File Program to allow residents of the Commonwealth of Virginia to submit their state income tax returns to the Department of Taxation. The fillable form program shall be available before, but no later than, December 31, 2011. The Virginia Department of Taxation shall provide a report to the Chairmen of the House Appropriations and Senate Finance Committees no later than September 1, 2011, on the status of implementing the fillable form program."

Explanation:

(This amendment includes language requiring the Department of Taxation to accept tax returns submitted via the Virginia Free File Program.)

Finance

Treasury Board

FY 10-11**FY 11-12**

\$0

(\$666,657) GF

\$0

\$666,657 NGF

Language:

Page 222, strike lines 56 through 58.

Page 223, strike lines 1 through 16, and insert:

"Institution**FY 2011****FY 2012**

George Mason University

\$1,734,228

\$1,819,170

Old Dominion University

\$832,590

\$886,050

University of Virginia

\$4,266,442

\$4,304,700

Virginia Polytechnic Institute and State University

\$4,084,515

\$4,053,330

Virginia Commonwealth University

\$1,854,360

\$1,906,560

College of William and Mary

\$1,213,882

\$1,256,580

Christopher Newport University

\$101,790

\$118,800

University of Virginia's College at Wise

\$35,108

\$34,650

James Madison University

\$2,430,855

\$2,443,140

Norfolk State University

\$433,605

\$459,990

Longwood University	\$118,410	\$120,600
University of Mary Washington	\$422,985	\$373,500
Radford University	\$304,470	\$266,040
Virginia Military Institute	\$292,118	\$311,400
Virginia State University	\$749,985	\$765,990
Richard Bland College	\$5,730	\$4,950
Virginia Community College System	\$2,336,220	\$2,758,500
TOTAL	\$21,217,293	\$21,883,950"

Explanation:

(This amendment makes technical changes to the out-of-state nongeneral fund generated by out-of-state students for projects under the 21st Century Program to reflect actual credit hours generated by the out-of-state students.)

Item 273 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Secretary Of Health And Human Resources	\$0	(\$700,000)	GF

Language:

Page 226, line 4, strike "\$2,884,700" and insert "\$2,184,700".

Page 227, line 21, strike "1,350,000" and insert "650,000".

Explanation:

(This amendment reduces the general fund by \$700,000 the second year for audits of Health and Human Resources agencies.)

Item 273 #2h

Health And Human Resources	FY 10-11	FY 11-12	
Secretary Of Health And Human Resources	\$0	(\$54,000)	GF

Language:

Page 226, line 4, strike "\$2,884,700" and insert "\$2,830,700".

Page 226, line 10, strike "each year" and insert:

"the first year and \$846,000 the second year".

Explanation:

(This amendment reduces the general fund amounts for child advocacy centers by \$54,000, or six percent, the second year.. Most pass-through agencies were reduced by six percent as part of the agency budget reduction strategies contained in the introduced budget.)

Item 273 #3h

Health And Human Resources

Secretary Of Health And Human
Resources

Language

Language:

Page 227, after line 24, insert:

"H. The Secretary of Health and Human Resources, in cooperation with the Department for the Aging, the Virginia Department of Health, the Department of Medical Assistance Services, and the Department of Social Services, as well as local agencies and meal delivery providers, shall examine the use of state and federal resources for home delivered meal services for home-bound individuals with debilitating and/or terminal diseases. As part of this review, the Department will examine the number of these individuals that are currently served and unserved, potential duplication and overlap of programs, and how programs and resources could be better coordinated to ensure that these individuals are able to remain at home and avoid institutional care. The Secretary shall report on this analysis to the Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2011."

Explanation:

(This amendment requires the Secretary of Health and Human Resources to work with state and local human services agencies, as well as meal delivery providers, to examine the provision of home delivered meal services for home-bound individuals and how programs and resources could be better coordinated to maximize services and reduce duplication and overlap so more may be served.)

Item 274 #1h

Health And Human Resources

FY 10-11

FY 11-12

Comprehensive Services For At-Risk Youth And Families	\$0	\$5,000,000	GF
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Language:

Page 227, line 33, strike "\$310,168,561" and insert "\$315,168,561".

Page 228, line 16, unstrike "\$66,119,312" and strike "\$61,119,312".

Explanation:

(This amendment restores funding that was eliminated in the introduced budget for services provided through the Comprehensive Services Act for non-mandated children. Language is modified to reflect the restored amount.)

Item 274 #2h

Health And Human Resources	FY 10-11	FY 11-12	
Comprehensive Services For	\$0	\$1,500,000	GF
At-Risk Youth And Families	\$0	\$1,500,000	NGF

Language:

Page 227, line 33, strike "\$310,168,561" and insert "\$313,168,561".

Page 230 line 26, after "4.", insert "a."

Page 230, after line 35, insert:

"b. In addition to the amounts provided in 4.a. of this item, \$1,500,000 from the general fund and \$1,500,000 from nongeneral funds the second year shall be provided for local administrative costs associated with care coordination of Medicaid-eligible children mandated for services under paragraph M. of this item."

Explanation:

(This amendment provides \$1.5 million from the general fund and \$1.5 million from matching Medicaid funds for local administrative costs of providing care coordination services through local Family Assessment and Planning Teams and Community Policy and Management Teams for Medicaid-eligible children who are mandated for CSA services.)

Item 274 #3h

Health And Human Resources	
Comprehensive Services For	
At-Risk Youth And Families	

Language

Language:

Page 231, after line 30, insert:

"M. In addition to the criteria set forth in § 2.2-5211 and § 2.2-5212, Code of Virginia, a child or youth eligible for Medicaid-funded Mental Health Rehabilitation Services, including intensive in-home, therapeutic day treatment, Residential Levels A, B and C services, and mental health support services shall be considered a target population and subject to provisions of the Comprehensive Services Act for At-Risk Youth and Families for the assessment and care coordination of Medicaid-eligible services through Family Assessment and Planning Teams and Community Policy and Management Teams."

Explanation:

(This amendment adds language to require that children or youth eligible for Medicaid-funded Mental Health Rehabilitation Services be considered a target population and subject to provisions in the Comprehensive Services Act for At-Risk Youth and Families to ensure appropriate assessment and coordination of needed care.)

Item 274 #4h

Health And Human Resources

Comprehensive Services For
At-Risk Youth And Families

Language

Language:

Page 231, after line 30, insert:

"M. The State Executive Council (SEC) shall authorize guidelines for therapeutic foster care (TFC) services, including a standardized definition of therapeutic foster care services, uniform service needs criteria required for the utilization of therapeutic foster care services, uniform placement outcome goals to include length of stay targets when the service is indicated and uniform contracting requirements when purchasing therapeutic foster care services, including the use of regional contracts. The SEC shall direct the Office of Comprehensive Services to work with stakeholders to develop these guidelines for the provision of TFC with the goal of decreasing the unit cost of social services and maintaining or increasing the quality and effectiveness of the services. The SEC shall focus its attention on rural areas and areas with few service providers. Training will be provided for all local departments of services, family assessment and planning teams, community policy and management teams and therapeutic foster care services providers on these guidelines.

The Director of the Office of Comprehensive Services shall report the progress of these efforts to the SEC at its regularly scheduled meetings."

Explanation:

(This amendment adds language directing the State Executive Council (SEC) to authorize guidelines for better utilization of therapeutic foster care services for children in foster care with a focus on rural areas and areas with few services providers. The SEC is required to direct the Office of Comprehensive Services to work with stakeholders to develop these guidelines. The cost of therapeutic foster care services have increased by 38 percent from 2007 to 2010. The average per child cost has increased by 35 percent, even though the number of children receiving these services has declined by about eight percent. Currently about 36 percent of children in foster care receive therapeutic foster care, while nationally only about 11 percent of children in foster care receive these services.)

Item 275 #1h

Health And Human Resources

Department For The Aging

Language

Language:

Page 233, line 22, strike:

"Any AAA that receives funding for care coordination may".

Page 233, strike lines 23 through 24.

Page 233, line 25, strike:

"delivery systems and includes sufficient measures for evaluation."

Page 233, line 27, after "standards.", insert:

"Each AAA receiving care coordination funding shall submit its plan for care coordination with the annual area plan report beginning in fiscal year 2012."

Explanation:

(This amendment modifies language regarding a required plan for care coordination models selected for use by local Area Agencies on Aging (AAAs). This implements suggested changes based on the work group that examined and analyzed care coordination models to determine the best practices in providing these services to older Virginians.)

Item 284 #1h

Health And Human Resources

Department Of Health

Language

Language:

Page 237, line 6, unstrike "\$6,295,435" and "\$6,295,435".

Page 237, line 7, strike "\$9,895,435" and "\$9,895,435".

Page 237, line 14, strike "\$32,419,190" and insert "\$36,019,190".

Page 237, line 15, strike "\$33,073,086" and insert "\$35,673,086".

Explanation:

(This technical amendment transfers funding provided for the AIDS Drug Assistance Program from the Immunization Program service area to HIV/AIDS Prevention and Treatment Services.)

Item 284 #2h

Health And Human Resources

Department Of Health

FY 10-11

\$0

FY 11-12

(\$1,000,000) GF

Language:

Page 237, line 5, strike "\$50,786,301" and insert "\$49,786,301".

Explanation:

(This budget amendment reduces funding provided in the introduced budget for the Virginia AIDS Drug Assistance Program (ADAP), and provides \$3.6 million the first year and \$2.6 million the second year to address the program's projected funding shortfall. It is anticipated that recent program changes to target certain high risk populations and target funding to anti-retroviral drugs will enable the program to meet estimated demand for program services.)

Item 285 #1h

Health And Human Resources

Department Of Health

FY 10-11

\$0

FY 11-12

\$604,415 GF

\$0 (\$604,415) NGF

Language:

Page 238, strike lines 36 through 49.

Page 239, strike lines 1 through 7.

Explanation:

(This amendment provides \$604,415 the second year from the general fund and reduces \$604,415 from nongeneral funds to eliminate a proposed fee increase for the initial license, annual license renewal and re-issuance fees for inpatient hospitals, outpatient surgical centers, nursing facilities, hospice programs and facilities, and home care organizations included in the introduced budget.)

Item 287 #1h

Health And Human Resources**FY 10-11****FY 11-12**

Department Of Health

\$0

\$4,288,487 GF

Language:

Page 240, line 9, strike "\$233,422,600" and insert "\$237,711,087".

Page 241, line 9, strike "95" and insert "40".

Page 241, line 10, strike "285" and insert "40".

Page 241, line 14, strike "2008" and insert "2002".

Page 241, line 16, strike "285" and insert "40".

Explanation:

(This amendment lowers the Virginia Department of Health annual food establishment fees that were increased in the 2008 and 2010 Sessions of the General Assembly to revert them to their fiscal year 2008 levels. The amendment provides \$4.3 million from the general fund to offset the loss of revenue to the department from the reduction in the fee. Language is modified in the introduced budget to implement this change.)

Item 287 #2h

Health And Human Resources

Department Of Health

Language

Language:

Page 241, after line 27, insert:

"E. The Commissioner of Health shall work with public and private dental providers to develop options for delivering dental services in underserved areas in Southwest Virginia, including the use of public-private partnerships in the development and staffing of facilities, the use of dental hygiene and dental students to expand services and enhance learning experiences, and the availability of reimbursement mechanisms

and other public and private resources to expand services."

Explanation:

(This amendment requires the Commissioner of Health to identify and develop options for expanding dental services to underserved areas in Southwest Virginia.)

Item 288 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Health	\$0	(\$500,000)	GF

Language:

Page 241, line 30, strike "\$13,667,793" and insert "\$13,167,793".

Page 244, strike lines 37 and 38.

Explanation:

(This amendment removes funding included in the introduced budget for Operation Smile.)

Item 295.1 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance Services	\$0	\$20,000,000	NGF

Language:

Page 247, after line 4, insert:

"295.1. Financial Assistance for Health Research and Improving Health Services (40700)	\$0	\$20,000,000
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Fund Sources: Federal Trust	\$0	\$20,000,000."
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Authority: P.L. 11-5."

Explanation:

(This amendment provides federal appropriation for the Medicaid electronic health records (EHR) incentive program. This program provides 100 percent federal funding through incentive payments to eligible professionals and hospitals to assist in adopted EHR technology. Eligible providers may receive incentive payments for up to six years. The Department of Medical Assistance Services will administer the program and the first payments are expected in fiscal year 2012. This amendment

provides the necessary appropriation to begin making payments. Over the six-year period, an estimated \$250 million in federal funds is available for Virginia providers to adopt EHR technology.)

Item 297 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	\$0	\$4,428,213	GF
Services	\$0	\$4,428,213	NGF

Language:

Page 249, line 7, strike "\$7,244,217,237" and insert "\$7,253,073,663".

Page 258, line 49, strike "paragraph" and insert "paragraphs".

Page 258, line 49, after "ZZ.2." insert "and ZZ.4."

Page 259, line 12, strike "275" and insert "375".

Page 259, line 12, after "2011.", insert:

"Out of these additional slots, 100 shall be used for individuals currently residing at Central Virginia Training Center or Southside Virginia Training Center who have been determined to be ready for discharge and have chosen to be served in the community."

Explanation:

(This amendment provides funding to add 100 Medicaid home- and community-based waiver slots for individuals with intellectual disabilities to the 275 additional waiver slots contained in the introduced budget for a total of 375 new waiver slots in fiscal year 2012. Language targets the use of these additional 100 slots to individuals who are ready for discharge from two state training centers and who choose to be served in the community.)

Item 297 #2h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	\$0	\$3,930,525	GF
Services	\$0	\$3,930,525	NGF

Language:

Page 249, line 7, strike "\$7,244,217,237" and insert "\$7,252,078,287".

Page 258, line 49, strike "paragraph" and insert "paragraphs".

Page 258, line 49, after "ZZ.2.", insert ", ZZ.4. and ZZ.5".

Page 259, after line 12, insert:

"5. The Department of Medical Assistance Services shall amend the Individual and Family Developmental Disabilities Support (DD) Waiver to add 270 new slots effective July 1, 2011. The Department of Medical Assistance Services shall seek federal approval for necessary changes to the DD applications to add the additional slots."

Explanation:

(This amendment provides funding to add 270 new waiver slots for individuals with developmental disabilities (DD) to reduce the current waiting list of 1,080 individuals by 25 percent. No new DD waiver slots have been added since 2007.)

Item 297 #3h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	\$0	\$357,406	GF
Services	\$0	\$357,406	NGF

Language:

Page 249, line 7, strike "\$7,244,217,237" and insert "\$7,244,932,049".

Page 268, strike lines 53 through 55.

Explanation:

(This amendment restores \$357,406 million from the general fund and \$357,406 from federal Medicaid matching funds for providers of residential level A and B group home services. The current budget includes an eight percent reduction for these services beginning July 1, 2012.)

Item 297 #4h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	\$0	\$153,468	GF
Services	\$0	\$153,468	NGF

Language:

Page 249, line 7, strike "\$7,244,217,237" and insert "\$7,244,524,173".

Page 260, line 9, after "FY 2012.", insert:

"This reimbursement rate change does not apply to government-operated nursing facilities with 80 percent or greater Medicaid utilization in their provider fiscal year ending in calendar 2009."

Explanation:

(This amendment exempts government-operated nursing facilities from direct and indirect care operating payment reductions of 1.91 percent that are scheduled to be implemented in fiscal year 2012. In order to be exempt, these facilities must demonstrate 80 percent or greater Medicaid utilization in their provider fiscal year ending in calendar 2009.)

Item 297 #5h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	\$0	\$134,400	GF
Services	\$0	\$134,400	NGF

Language:

Page 249, line 7, strike "\$7,244,217,237" and insert "\$7,244,486,037".

Explanation:

(This amendment provides \$134,400 from the general fund and \$134,400 from nongeneral funds for the Medicaid impact associated with the House Bill 1643.)

Item 297 #6h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	\$0	(\$21,600,000)	GF
Services			

Language:

Page 249, line 7, strike "\$7,244,217,237" and insert "\$7,222,617,237".

Page 267, strike lines 41 through 53 and insert:

"OOOO. Effective July 1, 2001, the Department of Medical Assistance Services shall amend the State Plans under Title XIX and XXI of the Social Security Act to require that children who are in need of community mental health rehabilitative services be subject to the provisions of the Comprehensive Services Act for At-Risk Youth and Families. The department shall have authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment date of this act."

Explanation:

(This amendment requires that children in need of Medicaid or FAMIS community mental health rehabilitative services be subject to the provisions of the Comprehensive Services Act (CSA) for At-Risk Youth and Families. Savings to the general fund are achieved by sharing the cost of Medicaid-provided services with localities, and from better assessment, care coordination and financial management of the services for Medicaid-eligible children by the local CSA Family and Assessment Planning Teams and the Community Policy and Management Teams.)

Item 297 #7h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	\$0	(\$10,554,405)	GF
Services	\$0	(\$10,554,405)	NGF

Language:

Page 249, line 7, strike "\$7,244,217,237" and insert "\$7,223,108,427".

Page 268, after line 55, insert:

"YYYY. The Department of Medical Assistance Services shall amend the 1915 (c) home- and community-based waivers and the Children's Mental Health demonstration grant to cap agency and consumer directed personal care at 40 hours per week, 52 weeks per year, for no more than 2,080 hours per year. The 1915 (c) waiver shall include the Alzheimer's Assisted Living, Day Support, Elderly or Disabled with Consumer Direction, Individual and Family Developmental Disabilities Support, and HIV/AIDS Waivers. The department shall implement this change effective July 1, 2011, and prior to the completion of any regulatory process undertaken in order to effect such change."

Explanation:

(This amendment captures savings resulting from capping personal care hours provided through Medicaid home- and community-based waiver programs at 40 hours per week, 52 weeks per year, for no more that 2,080 hours per year. The cap is not applied to personal care hours provided through the Intellectual Disability and Technology Assisted Waivers.)

Item 297 #8h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	(\$415,751)	\$0	GF
Services	(\$616,145)	\$0	NGF

Language:

Page 249, line 7, strike "\$6,897,802,196" and insert "\$6,896,770,300".

Page 249, line 39, strike "\$99,663,148" and insert "\$90,410,493".

Page 249, line 40, strike "\$125,768,085" and insert "\$133,988,844".

Explanation:

(This amendment captures excess Medicaid appropriations for the Department of Behavioral Health and Developmental Services associated with the decertification of the Hancock Geriatric facility. In addition, numbers embedded in budget language are corrected to reflect the \$8,836,904 general fund supplanted with federal funds as a result of the federal six-month extension of FMAP.)

Item 297 #9h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 261, line 37, after "MMM.", insert "1."

Page 261, line 37, after "July 1, 2010" insert "through June 30, 2011,".

Page 261, line 42, after "the first year", strike "and".

Page 261, line 43, strike "\$2,700,000 total funds the second year".

Page 261, after line 45, insert:

"2. Effective July 1, 2011, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to eliminate additional Indirect Medical Education (IME) payments based on NICU utilization (described in 12 VAC 30-70-291.D)."

Page 266, line 27, after "Medicaid Services", insert "minus \$400,000".

Explanation:

(This amendment limits the funding increase for freestanding children's hospitals to \$2.0 million. The introduced budget included physician supplemental payments in the amount of \$1.2 million and an increase in special Indirect Medical Education payments for freestanding children's hospitals by \$800,000. Based on updated information, the physician supplemental payments are expected to generate \$4.3 million as opposed to the \$1.2 million in the introduced budget. Therefore, to limit the funding increase to \$2.0 million, this amendment eliminates the special IME payment of \$2.7 million and reduces the physician supplemental payments by

\$400,000.)

Item 297 #10h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 268, after line 55, insert:

"YYYY. Effective January 1, 2012, the Department of Medical Assistance Services shall have the authority to amend the State Plan for Medical Assistance to convert the current cost-based reimbursement methodology for outpatient hospitals to an Enhanced Ambulatory Patient Group (EAPG) methodology. Reimbursement for laboratory services shall be included in the new outpatient hospital reimbursement methodology. The new EAPG reimbursement methodology shall be implemented in a budget-neutral manner. The department shall have the authority to implement this action effective January 1, 2012, and shall promulgate regulations to become effective within 280 days or less from the enactment of this act."

Explanation:

(This amendment authorizes the Department of Medical Assistance Services to adopt a new prospective payment system for outpatient hospital services, similar to the current system for inpatient services. The current cost-based reimbursement system is antiquated and inefficient, whereas a prospective payment system will provide better incentives for hospitals.)

Item 297 #11h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 267, after line 35, insert:

"i. In fulfillment of this item, the department may seek the federal authority through amendment to the State Plan under Title XIX of the Social Security Act, and any necessary waivers, to allow for the implementation of a Health Home Program for Chronic Kidney Disease utilizing available funding included in the Patient Protection

and Affordability Care Act of 2010. The Department shall report on the progress of seeking the necessary changes to implement the program to the Chairmen of the House Appropriations and Senate Finance Committees by November 30, 2011."

Explanation:

(This language amendment allows the Department of Medical Assistance Services to implement a specialized program to manage the chronic health care needs of individuals with kidney disease who are already enrolled in the Medicaid program. State funding for the program is matched by 90 percent federal funding.)

Item 297 #12h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 265, after line 14, insert:

"4. The Director of the Department of Medical Assistance Services shall work with the Dental Advisory Committee to identify the most appropriate services which would comply with any reductions in funding for the Smiles for Children program included in the current paragraph."

Explanation:

(This language amendment requires the Director of the Department of Medical Assistance Services to work with Medicaid's dental profession to ensure that children continue to receive the most appropriate dental care services. Chapter 874 of the Acts of Assembly of 2010 includes a four percent reduction for dental services beginning July 1, 2011.)

Item 297 #13h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 268, after line 55, insert:

"YYYY. The Department of Medical Assistance Services shall develop a methodology for home- and community-based care utilization and review audits in

collaboration with the provider groups that participate in the service delivery of home- and community-based care, including waiver programs, by June 30, 2011. The methodology shall include provisions to ensure that retractions be assessed when the provider is not in substantial compliance and shall only be for the unit(s) not deemed in compliance."

Explanation:

(This amendment requires the Department of Medical Assistance Services to develop a methodology for home- and community-based care utilization and review audits in collaboration with provider groups. A recent JLARC interim report on fraud and error in Virginia's Medicaid program found while reviewing these audits that an entire claim can be denied if records are erroneous, even if reasonable service was provided. Further, the report stated the Department's claims review process may need to be improved. This budget language requires that the audit methodology include provisions that retractions be assessed when the provider or medical record is not in substantial compliance with regulations and that such retraction be only for the unit(s) deemed not in compliance.)

Item 297 #14h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 266, strike lines 31 through 56.

Page 267, strike lines 1 through 35 and insert:

"MMMM.1. The Department of Medical Assistance Services shall seek federal authority through the necessary waiver(s) and/or State Plan authorization under Titles XIX and XXI of the Social Security Act to expand principles of care coordination to all geographic areas, populations, and services under programs administered by the department. The expansion of care coordination shall be based on the principles of improving the value of services which will be determined by measuring outcomes, enhancing quality, and monitoring expenditures. The department shall engage stakeholders, including beneficiaries, advocates, providers, and health plans, during the development and implementation of the care coordination projects. Implementation shall include precise requirements for data collection to ensure the ability to monitor utilization, quality of care, outcomes, costs, and cost savings. Findings related to such data and monitoring shall be reported by November 1 of

each year to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees. When care coordination is provided in conjunction with the provision of services, there will be financial incentives, such as shared savings, performance benchmarks, and/or risk. Unless otherwise delineated, the department shall have authority to implement necessary changes upon federal approval and prior to the completion of any regulatory process undertaken in order to effect such change. The intent of this item may be achieved through several potential steps, including, but not limited to the following:

a. In fulfillment of this item, the department may seek any necessary federal authority through amendment to the State Plans under Title XIX and XXI of the Social Security Act, and appropriate waivers to such, to expand the current managed care program, Medallion II, to the Roanoke/Alleghany area by January 1, 2012, and far Southwest Virginia by July, 2012. The department shall have authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act.

b. In fulfillment of this item, the department may seek federal authority through amendment to the State Plans under Title XIX and XXI of the Social Security Act, and appropriate waivers to such, to allow, on a pilot basis, foster care children under the custody of the City of Richmond Department of Social Services to be enrolled in Medicaid managed care (Medallion II) effective July 1, 2011. The department shall have the authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment date of this act.

c. In fulfillment of this item, the department may seek federal authority to implement a care coordination program for Elderly or Disabled with Consumer Direction (EDCD) waiver participants effective October 1, 2011. This service would be provided to adult ED CD waiver participants on a mandatory basis. The department shall have authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act.

d. In fulfillment of this item, the department may seek federal authority through amendment to the State Plan under Title XIX of the Social Security Act, and any necessary waivers, to allow individuals enrolled in Home and Community Based Care (HCBC) waivers to also be enrolled in contracted Medallion II managed care organizations for the purposes of receiving acute and medical care services effective January 1, 2012. The department shall have authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment

of this act.

e. In fulfillment of this item, the department and the Department of Behavioral Health and Developmental Services, in collaboration with the Community Services Boards and in consultation with appropriate stakeholders, shall develop a blueprint for the development and implementation of a care coordination model for adult individuals in need of behavioral health services not currently provided through a managed care organization. The overall goal of the project is to improve the value of behavioral health services purchased by the Commonwealth of Virginia without compromising access to behavioral health services for vulnerable populations. Targeted case management services will continue to be the responsibility of the Community Services Boards. The blueprint shall (i) describe the steps for development and implementation of the program model(s) including funding, populations served, services provided, timeframe for program implementation, and education of clients and providers; (ii) set the criteria for medical necessity for community mental health rehabilitation services; and (iii) include the following principles:

1. Improves value so that there is better access to care while improving equity.
2. Engages consumers as informed and responsible partners from enrollment to care delivery.
3. Provides consumer protections with respect to choice of providers and plans of care.
4. Improves satisfaction among providers and provides technical assistance and incentives for quality improvement.
5. Improves satisfaction among consumers by including consumer representatives on provider panels for the development of policy and planning decisions.
6. Improves quality, individual safety, health outcomes, and efficiency.
7. Develops direct linkages between medical and behavioral services in order to make it easier for consumers to obtain timely access to care and services, which could include up to full integration.
8. Builds upon current best practices in the delivery of behavioral health services.
9. Accounts for local circumstances and reflects familiarity with the community where services are provided.
10. Develops a service capacity and payment system that reduces the need for involuntary commitments and prevents default (or diversion) to state hospitals.
11. Reduces and improves the interface of vulnerable populations with local law enforcement, courts, jails, and detention centers.
12. Supports the responsibilities defined in the Code of Virginia relating to Community Services Boards and Behavioral Health Authorities.
13. Promotes availability of access to vital supports such as housing and supported

employment.

14. Achieves cost savings through decreasing avoidable episodes of care and hospitalizations, strengthening the discharge planning process, improving adherence to medication regimens, and utilizing community alternatives to hospitalizations and institutionalization.

15. Simplifies the administration of acute psychiatric, community mental health rehabilitation, and medical health services for the coordinating entity, providers, and consumers.

16. Requires standardized data collection, outcome measures, customer satisfaction surveys, and reports to track costs, utilization of services, and outcomes. Performance data should be explicit, benchmarked, standardized, publicly available, and validated.

17. Provides actionable data and feedback to providers.

18. In accordance with federal and state regulations, includes provisions for effective and timely grievances and appeals for consumers.

f. The department may seek the necessary waiver(s) and/or State Plan authorization under Titles XIX and XXI of the Social Security Act to develop and implement a care coordination model that is consistent with the principles in Paragraph e for adult individuals in need of behavioral health services not currently provided through managed care to be effective July 1, 2012. This model may be applied to adult individuals on a mandatory basis. The department shall have authority to promulgate emergency regulations to implement this amendment within 280 days or less from the enactment date of this act.

g. The provision of paragraph MMMM. shall not apply to children or youth receiving Medicaid mental health rehabilitation services, including intensive in-home, therapeutic day treatment, residential levels A, B and C services and mental health support services that are considered a target population and subject to the provisions of the Comprehensive Services Act (CSA) for At-Risk Youth and Families under Item 274 of this act.

h. The department may seek the necessary waiver(s) and/or State Plan authorization under Title XIX of the Social Security Act to develop and implement a care coordination model for individuals dually eligible for services under both Medicare and Medicaid to be effective April 1, 2012. The department shall have authority to implement necessary changes upon federal approval and prior to the completion of any regulatory process undertaken in order to effect such change."

Explanation:

(This amendment replaces language in the introduced budget to expand care coordination to additional Medicaid recipients and services by further defining quality of care, specifying the involvement of stakeholders, modifying time lines for the expansion of Medallion II (Medicaid's managed care program) to unserved areas of the Commonwealth, and specifying a blueprint with principles for care coordination of adults in need of behavioral health services. Language excludes children's mental health rehabilitation services that are subject to the provisions of the Comprehensive Services Act for At-Risk Youth and Families from the managed care provisions outlined in these paragraphs.)

Item 297 #15h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 268, after line 55, insert:

"YYYY. The Department of Medical Assistance Services and the Department of Behavioral Health and Developmental Services, in consultation with appropriate stakeholders and national experts, shall research and work to improve and/or develop Medicaid waivers for individuals with intellectual disabilities and developmental disabilities that will increase efficiency and cost effectiveness, enable more individuals to be served, strengthen the delivery of person-centered supports, enable individuals with high medical needs and/or high behavioral support needs to remain in the community setting of their choice, and provide viable community alternatives to institutional placement. This initiative shall include a review of the current Intellectual Disabilities (ID), Day Support and Individual and Family Developmental Disabilities Supports (IFDDS) waivers to identify any improvements to these waivers that will achieve these same outcomes. The Department of Behavioral Health and Developmental Services and the Department of Medical Assistance Services shall report on the proposed waiver changes and associated costs to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by October 1, 2011."

Explanation:

(This amendment requires Department of Medical Assistance Services and the Department of Behavioral Health and Developmental Services to examine ways to improve or develop Medicaid waivers for individuals with intellectual disabilities and

developmental disabilities to strengthen services, enable more individuals to be served, and increase efficiency and cost effectiveness to allow more individuals to remain in the community setting of their choice.)

Item 297 #16h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 260, line 8, strike "1.94" and insert "1.91".

Explanation:

(This technical amendment corrects language in the introduced budget to reflect the percentage reduction to nursing facility Medicaid direct and indirect care payment rates and specialized care operating rates in fiscal year 2012. The percentage reduction to nursing facility Medicaid operating rates in fiscal year 2012 is changed from 1.94 percent to 1.91 percent to reflect the additional funding contained in the introduced budget provided for nursing facility Medicaid operating payments.)

Item 297 #17h

Health And Human Resources

Department Of Medical Assistance
Services

Language

Language:

Page 268, after line 55, insert:

"YYYY. Notwithstanding Item 297 GG of this act, the department shall seek federal authority to move the family planning eligibility group from a demonstration waiver to the State Plan for Medicaid Assistance, effective April 2011. The department shall seek approval of coverage under this new state plan option for individuals with income up to 200 percent of the federal poverty level. For the purposes of this section, family planning services shall not cover payment for abortion services and no funds shall be used to perform, assist, encourage or make direct referrals for abortions. The department shall have authority to implement necessary changes upon federal approval and prior to the completion of any regulatory process undertaken in order to effect such change.

ZZZZ. Effective July 1, 2011, the Department of Medical Assistance Services (DMAS) shall have the authority to amend the State Plan for Medical Assistance to enroll and reimburse freestanding birthing centers. Provider qualifications for enrollment shall be determined by DMAS. Reimbursement shall be based on the Enhanced Ambulatory Patient Group methodology applied in a manner similar to the reimbursement methodology for Ambulatory Surgery Centers. The department shall have authority to implement necessary changes upon federal approval and prior to the completion of any regulatory process undertaken in order to effect such change."

Explanation:

(This amendment authorizes the Department of Medical Assistance Services (DMAS) to move family planning services under the "Plan First" program (which covers men and women not eligible for full-Medicaid coverage) from a waiver to the State Plan for Medical Assistance. The federal Patient Protection and Affordable Care Act (P.L. 111-148) adds these optional services to Medicaid and will no longer allow Virginia to operate Plan First as a demonstration waiver. Therefore, DMAS must make any family planning services eligible under the state plan if they are to be continued. In addition, the same federal law requires states to reimburse freestanding birthing centers under Medicaid. It is anticipated that these new federal requirements will have a negligible impact on Medicaid expenditures.)

Item 300 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Medical Assistance	\$0	\$100,000	GF
Services	\$0	\$100,000	NGF

Language:

Page 269, line 36, strike "\$143,101,529" and insert "\$143,301,529".

Explanation:

(This amendment provides funding for the Department of Medical Assistance Services to make administrative and systems changes to transition assessments and care coordination of Medicaid-funded Mental Health Rehabilitation Services for children and adolescents to the Comprehensive Services Act for At-Risk Youth and Families.)

Item 301 #1h

Health And Human Resources

Department Of Behavioral Health
And Developmental Services

Language

Language:

Page 271, after line 28, insert:

"The Director, Department of Planning and Budget, shall unallot and transfer to the general fund an amount estimated at \$337,876 on or before June 30, 2011."

Explanation:

(This amendment transfers \$337,876 to the general fund in the first year from balances in the regulatory program at the Department of Behavioral Health and Developmental Services.)

Item 304 #1h

Health And Human Resources

Department Of Behavioral Health
And Developmental Services

Language

Language:

Page 273, line 2, strike the second "\$878,050" and insert "\$1,388,423".

Page 273, line 4, strike the second "\$506,250" and insert "\$642,700".

Page 273, line 8, strike the second "\$260,200" and insert "\$529,465".

Page 273, line 9, strike the second "\$111,600" and insert "\$216,258".

Explanation:

(This amendment adjusts the embedded earmarks for community monitoring of sexually violent predators to reflect reductions in previous years and account for a recommended increase in funding in the second year.)

Item 304 #2h

Health And Human Resources

Department Of Behavioral Health
And Developmental Services

Language

Language:

Page 274, after line 50, insert:

"P. The Director, Department of Planning and Budget, shall unallot and transfer to

the general fund an amount estimated at \$773,568 on or before June 30, 2011."

Explanation:

(This amendment transfers \$773,568 to the general fund in the first year from administrative balances in the Department of Behavioral Health and Developmental Services.)

Item 305 #1h

Health And Human Resources

FY 10-11

FY 11-12

Grants To Localities

\$0

(\$4,000,000) GF

Language:

Page 275, line 8, strike "\$303,624,510" and insert "\$299,624,510".

Page 277, strike lines 29 through 31.

Explanation:

(This amendment level funds crisis stabilization funding by reducing an additional \$4.0 million from the general fund in the second year that was included in the introduced budget.)

Item 305 #2h

Health And Human Resources

FY 10-11

FY 11-12

Grants To Localities

\$0

(\$2,500,000) GF

Language:

Page 275, line 8, strike "\$303,624,510" and insert "\$301,124,510".

Page 277, line 23, strike "5,000,000" and insert "2,500,000".

Page 277, line 24, strike "each region" and insert:

"health planning regions served by Central Virginia Training Center and Southside Virginia Training Center".

Explanation:

(This amendment reduces funding by \$2.5 million from the general fund the second year and targets the remaining \$2.5 million added in the introduced budget for community crisis services for individuals with intellectual disabilities and co-occurring mental health or behavioral disorders in those regions served by Central Virginia Training Center and Southside Virginia Training Center. The provision of these services is intended to enhance care to ensure these individuals remain safely in

their communities and reduce emergency admissions at these two training centers, which are under federal scrutiny.)

Item 305 #3h

Health And Human Resources	FY 10-11	FY 11-12	
Grants To Localities	\$0	(\$1,000,000)	GF

Language:

Page 275, line 8, strike "\$303,624,510" and insert "\$302,624,510".

Page 277, line 26, strike "2,400,000" and insert "1,400,000".

Page 277, line 28, after "placement", insert:
", or provide discharge assistance for patients".

Explanation:

(This amendment reduces \$1.0 million from the general fund the second year, thereby providing \$1.4 million for community mental health services in Health Planning Region V (Hampton Roads and Tidewater) to assist in diverting or discharging patients at Eastern State Hospital. The hospital has been recently rebuilt and downsized from 280 to 150 adult civil mental health beds. The introduced budget contained \$2.4 million for these services.)

Item 309 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Mental Health Treatment Centers	\$0	(\$1,000,000)	GF

Language:

Page 278, line 11, strike "\$188,180,547" and insert "\$187,180,547".

Explanation:

(This amendment reduces the general fund by \$1.0 million the second year that was contained in the introduced budget and maintains funding to continue operations of one 20-bed adult/geriatric unit at the Southwestern Virginia Mental Health Institute in Marion. Chapter 874 of the 2010 Virginia Acts of Assembly reduced funding for fiscal year 2012 based on the closure of the geriatric unit at the Institute effective July 1, 2010. Discharges and transfers have taken place since that time which has enabled the Department of Behavioral Health and Developmental Services to close one 20-bed unit.)

Health And Human Resources	FY 10-11	FY 11-12	
Intellectual Disabilities Training Centers	\$0	(\$2,000,000)	GF

Language:

Page 280, line 7, strike "\$161,548,761" and insert "\$159,548,761".

Page 280, line 37, strike "7,125,000" and insert "5,125,000".

Page 280, line 38, strike "training centers" and insert:

"Central Virginia Training Center and Southside Virginia Training Center".

Page 280, line 40, after "staff.", insert:

"Funding shall be used to avert planned layoffs in fiscal year 2012, reduce the use of overtime through the use of part-time or contract staff, and contract for specialized positions until staffing ratios can be improved through resident discharges to appropriate community placements."

Explanation:

(This amendment adds language to target bridge funding in the second year to Central Virginia Training Center and Southside Virginia Training Center to improve care resident care through better staff to resident ratios, reduced use of overtime and the use of specialty staff to address resident needs. It reduces funding in the introduced budget by \$2.0 million from the general fund in the second year, thereby providing \$5.1 million which is targeted at these two training centers which have been under federal scrutiny to improve care. Language is added to ensure that the funding is provided to avert planned layoffs of staff in fiscal year 2012, and hire temporary or contract staff to reduce overtime and provide specialty services for residents, until staffing ratios can be improved through additional discharges to community placements. A companion amendment provides 100 additional Medicaid waiver slots to assist with these discharges.)

Health And Human Resources	FY 10-11	FY 11-12	
Virginia Center For Behavioral Rehabilitation	\$0	(\$10,085,921)	GF
	0.00	-298.00	FTE

Language:

Page 282, line 2, strike "\$24,779,453" and insert "\$14,693,532".

Page 282, strike lines 13 through 15 and insert:

"A.1. The Department of Behavioral Health and Developmental Services (DBHDS) shall implement a plan to double bunk up to 150 sexually violent predators committed to the Virginia Center for Behavioral Rehabilitation (VCBR). The department shall not reopen a temporary facility for the housing, confinement and treatment of civilly committed sexually violent predators at the Southside Virginia Training Center in Dinwiddie County. Further, the department shall not undertake a capital project to expand or construct additional units or facilities for the housing, confinement and treatment of these individuals until a comprehensive review of the current program for the civil commitment of sexually violent predators is completed. The Department of Corrections shall assist DBHDS in developing the plan to double bunk residents and shall provide risk assessment data of the affected population.

2. In the event that services are not available in Virginia to address the specific needs of an individual committed for treatment at the VCBR or conditionally released, or additional capacity cannot be met after double bunking up to 150 beds at the VCBR, the Commissioner is authorized to seek such services from another state.

3. The Department of Behavioral Health and Developmental Services, in cooperation with the House Appropriations and Senate Finance Committees, the Department of Corrections, the Virginia Criminal Sentencing Commission, and the Office of the Attorney General, shall undertake a comprehensive review of the civil commitment of sexually violent predators at the Virginia Center for Behavioral Rehabilitation (VCBR) and the conditional release program administered by the department. The review shall examine current law and sentencing practices related to the incarceration of sexually violent predators currently committed to the VCBR, including convictions and time served for predicate crimes; the screening and assessment process for identifying those individuals who could be eligible for civil commitment as sexually violent predators, including the use of the current risk assessment instrument; the commitment review process; and the impact of these factors on the projected numbers of individuals likely to be civilly committed. In addition, the review shall examine other states' programs for the involuntary civil commitment of sexually violent predators and conditional release programs and determine how their operations and costs compare to the current program operated in Virginia.

4. In addition, the Department shall examine the costs of providing for the civil commitment of sexually violent predators at the Virginia Center for Behavioral

Rehabilitation, including an analysis of security and treatment staff ratios, and the provision of other services, as well as a comparison of these cost elements with those of other states with institutional civil commitment programs. As part of this examination, the Department of Corrections shall conduct a risk assessment of the security needs for the facility, and supply information on risk assessments of the population at the time of their discharge from custody in the Department of Corrections.

5. The Department shall provide an interim report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees on the results of its programmatic and fiscal review by July 1, 2011, with a final report to be completed by November 1, 2011."

Explanation:

(This amendment requires the Department of Behavioral Health and Developmental Services to conduct a comprehensive review of the civil commitment of sexually violent predators, prior to proceeding with the expansion or construction of additional units or facilities for the housing, confinement and treatment of these individuals. The amendment reduces \$10.1 million from the general fund and 298 positions in the second year to reflect a delay in reopening a temporary facility in Dinwiddie County to confine, house and treat civilly committed sexually violent predators, the implementation of more efficient staffing ratios, and the use of double bunking. Authority is provided to seek services from other states for involuntarily civilly committed violent sexual predators or those conditionally released, if certain conditions are met. Language also requires the Department of Corrections (DOC) to assist DBHDS in developing a plan to double bunk the population at the current facility, provide risk assessment data and conduct a risk assessment of the security needs of the facility, including the provision of risk assessments of the population at the time they were discharged from DOC custody.)

Item 329 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Social Services	(\$238,550)	(\$137,542)	GF

Language:

Page 290, line 14, strike "\$764,587,590" and insert "\$764,349,040".

Page 290, line 15, strike "\$764,515,398" and insert "\$764,377,856".

Explanation:

(This amendment reduces the general fund for Child Support Enforcement operations in the Department of Social Services to reflect a revised estimate of Temporary Assistance to Needy Families (TANF) child support collections.)

Item 333 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Department Of Social Services	\$0	(\$500,000)	GF

Language:

Page 294, line 10, strike "\$30,663,448" and insert "\$30,163,448".

Page 295, line 44, strike "and \$500,000 the second year".

Explanation:

(This amendment removes additional funding for the Federation of Virginia Food Banks contained in the introduced budget in the second year.)

Item 341 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Department For The Blind And Vision Impaired	\$0	\$120,163	GF

Language:

Page 299, line 41, strike "\$900,831" and insert "\$1,020,994".

Explanation:

(This amendment transfers money used to fund radio reading services for the blind provided by Virginia Voice from Secretary of Education to the Department of Blind and Vision Impaired.)

Item 343 #1h

Health And Human Resources	FY 10-11	FY 11-12	
Department For The Blind And Vision Impaired	(\$1,000,000)	(\$1,000,000)	GF

Language:

Page 300, line 7, strike "\$15,932,474" and insert "\$14,932,474".

Page 300, line 7, strike "\$15,932,474" and insert "\$14,932,474".

Explanation:

(This amendment reduces funding provided in the introduced budget for vocational rehabilitation services provided through the Department of the Blind and Vision Impaired.)

Item 349 #1h

Natural Resources

Secretary Of Natural Resources

Language

Language:

Page 303, after line 29, insert:

"C. The Secretary of Natural Resources shall evaluate the expiration of leases for office space assigned to state agencies under his purview to determine the possibility of relocating any of the offices or staff within a renovated facility developed to serve as a Center for Coldwaters Restoration along the South River in downtown Waynesboro.

2. The Secretary may approach public colleges and universities about the possibility of locating any of those institutions' freshwater species, habitat, or pollution research activities to the renovated facility."

Explanation:

(This amendment directs the Secretary of Natural Resources to evaluate any leases that may be expiring to determine if those agencies or staff under his purview could be relocated in a facility renovated to serve as a Coldwaters Restoration facility. The Secretary may also approach public colleges and universities to determine if they would be amenable to locating their freshwater species, habitat, or pollution research programs to this facility.)

Item 351 #1h

Natural Resources

Department Of Conservation And
Recreation

FY 10-11

\$0

FY 11-12

\$311,777 NGF

Language:

Page 304, line 3, strike "\$62,595,053" and insert "\$62,906,830".

Page 305, line 27, after "year", insert "and \$311,777 the second year".

Explanation:

(This amendment provides special funds in the second year from the sale of "Friend of the Chesapeake" license plates for the provision of grants to local elementary, middle, and high schools, soil and water conservation districts, localities, colleges, and non-profit environmental organizations. In total, the Chesapeake Bay Restoration Fund Advisory Committee has recommended the provision of 58 grants for these various organizations, ranging in value from \$1,651 to \$14,000.)

Item 351 #2h

Natural Resources**FY 10-11****FY 11-12**

Department Of Conservation And
Recreation

\$0

\$1,000,000 GF

Language:

Page 304, line 3, strike "\$62,595,053" and insert "\$63,595,053".

Page 304, line 12, strike the second "\$3,487,091" and insert "\$4,487,091".

Explanation:

(This amendment provides additional general fund support for Virginia's 47 soil and water conservation districts to support staffing and office expenses. Office expenses include rent, computer services, communications, and other office support. Soil and water conservation districts perform an important role in the implementation of agricultural best management practices.)

Item 351 #3h

Natural Resources

Department Of Conservation And
Recreation

Language

Language:

Page 305, line 37, after "1997.", strike the remainder of line.

Page 305, strike lines 38 through 40, and insert:

"Of the total amount deposited, \$4,919,805 shall be deposited to the Virginia Water

Quality Improvement Fund Reserve pursuant to paragraph B. of Item 349 of this act."
Page 305, line 42, strike "\$14,000,000" and insert "\$22,878,895".

Explanation:

(This amendment serves two purposes. First, the amendment eliminates language that prohibited any portion of the year-end general fund surplus deposited into the Water Quality Improvement Fund from being transferred to the Water Quality Improvement Fund Reserve Fund. This reserve fund was established as a means to continue improving Virginia's water quality when either year-end general fund surpluses or other appropriations were unavailable. The amount to be transferred to the WQIF Reserve Fund from year-end general fund surpluses is 15 percent, which totals \$4.9 million. It should be noted that this WQIF Reserve Fund has been a primary source of funding for implementation of agricultural best management practices in recent years. Second, the amendment increases the amount of the year-end general fund surplus transferred to the Virginia Natural Resources Commitment Fund. This Natural Resources Commitment Fund is dedicated to the implementation of agricultural best management practices. Dedicating more of the year-end general fund surplus deposited into the WQIF to the Natural Resources Commitment Fund is in keeping with the Secretary of Natural Resources description of how the WQIF deposit would be actually spent.)

Item 351 #4h

Natural Resources

Department Of Conservation And
Recreation

Language

Language:

Page 305, after line 48, insert:

"M. The Department of Conservation and Recreation shall report on the number of farmers active in Virginia by region and type of farming operation, the number of acres farmed by region and type of farming operation, how many of those acres are using one of the five priority agricultural best management practices by type of farming operation, the total percentage of agricultural best management practices in use on the number of acres by type of farm operation, and the increased need and type of agricultural best management practices that would be required to be implemented on the number and type of acres farmed to achieve the nutrient and sediment reductions required by the Watershed Implementation Plan. This report shall be provided to the Chairmen of the House Appropriations and Senate Finance

Committees by November 15, 2011."

Explanation:

(This amendment requires the Department of Conservation and Recreation to report on the number of farms in Virginia, the number of acres farmed, and the use of agricultural best management on those acres farmed by the type of farming operation and by region and the types of additional best management practices that would be required to achieve the nutrient and sediment reductions proposed in the Watershed Implementation Plan.)

Item 352 #1h

Natural Resources

FY 10-11

FY 11-12

Department Of Conservation And
Recreation

\$0

(\$1,000,000) GF

Language:

Page 305, line 50, strike "\$54,942,744" and insert "\$53,942,744".

Page 305, line 52, strike "\$14,521,573" and insert "\$13,521,573".

Page 306, line 41, unstrike "\$500,000" and strike "\$1,500,000".

Explanation:

(This amendment eliminates the proposed addition of \$1.0 million for the Virginia Land Conservation Fund. The Commonwealth has met its land preservation goals under the Chesapeake Bay Agreement as well as overall commitment to 15 percent of Virginia's land area. HB 1500 does provide \$1.0 million for Civil War Historic Site Preservation.)

Item 353 #1h

Natural Resources

FY 10-11

FY 11-12

Department Of Conservation And
Recreation

\$0

(\$142,536) GF

Language:

Page 307, line 16, strike "\$7,717,904" and insert "\$7,575,368".

Page 307, line 18, strike "\$7,717,904" and insert "\$7,575,368".

Page 307, after 18, insert:

"The department shall reduce its general fund budget by \$142,536 by shifting previously general fund supported costs and expenditures to nongeneral fund sources.

In doing so, the department shall not use fee increases to achieve these savings."

Explanation:

(This amendment directs the Department of Conservation to reduce its general fund expenditures by about \$143,000. To achieve these savings the department may move the costs of personnel and other expenditures to the agency's nongeneral fund sources, but cannot use fee increases to offset these general fund reductions. This strategy was a component of the department's strategies to achieve the Governor's 2-4-6% reductions. The amount specifically omits the use of fees to offset general fund expenses.)

Item 355 #1h

Natural Resources	FY 10-11	FY 11-12	
Department Of Environmental Quality	\$0	\$80,000	GF

Language:

Page 308, line 24, strike "\$44,464,690" and insert "\$44,544,690".

Explanation:

(This amendment moves a reduction in funding for local water quality supply planning grants to the correct program. This adjustment, and the companion amendment in Item 357, net to zero.)

Item 355 #2h

Natural Resources	FY 10-11	FY 11-12	
Department Of Environmental Quality	(\$3,644,300)	\$0	GF

Language:

Page 308, line 24, strike "\$48,383,207" and insert "\$44,738,907".

Explanation:

(This amendment moves the Water Quality Improvement Fund deposit provided in the Introduced Budget Bill to the correct program. This amendment, and a companion amendment in Item 357, net to zero.)

Item 355 #3h

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 308, line 26, strike "\$8,245,075" and insert "\$8,439,292".

Page 308, line 31, strike "\$7,542,445" and insert "\$7,348,228".

Explanation:

(This amendment moves a reduction for water quality monitoring contained in the introduced budget bill to the correct service area. This adjustment nets to zero.)

Item 356 #1h

Natural Resources

Department Of Environmental
Quality

FY 10-11

\$0

FY 11-12

\$827,815 NGF

Language:

Page 309, line 14, strike "\$16,075,806" and insert "\$16,903,621".

Page 309, line 15, strike "\$4,672,868" and insert "\$5,500,683".

Page 309, line 25, strike the second "\$3,274,614" and insert "4,102,429".

Page 309, line 29, before "The", insert "A."

Page 309, after line 33, insert:

"B. Notwithstanding any other provision of law, the Department of Environmental Quality is hereby authorized to use up to \$1,828,000 the second year from the Vehicle Emissions Inspection Program Fund to support this program. Of this amount, up to \$1,000,000 of cash balances from the Vehicle Emissions Inspection Program Fund may be transferred to the Operating Permits Program Fund the second year. The agency is hereby provided nongeneral fund appropriation in the amount of \$827,815 the second year for the Air Protection Permitting service area."

Explanation:

(This amendment provides authority for the use of nongeneral fund balances in the Vehicle Emissions Inspection Program Fund (fund 0919) to support the Air Protection program. Specific uses include: (i) a nongeneral fund appropriation in the amount of \$827,815 for Vehicle Emissions Inspection Program Fund to support a

savings strategy in which the agency utilizes fund balances to support program costs; and (ii) a cash transfer from the Vehicle Emissions Inspection Program Fund to the Operating Permits Program Fund (fund 0510) in the amount of \$1,000,000 to support the agency's air emissions program. A proposed permit fee increase for the air emissions program will not go into effect as planned, so this nongeneral fund appropriation and language authorizing a cash transfer from the Vehicle Emissions Inspection Program Fund would maintain the emissions program at current levels and help the state maintain enforcement of the Title V Clean Air Act permit program.)

Item 357 #1h

Natural Resources	FY 10-11	FY 11-12	
Department Of Environmental Quality	\$0	(\$80,000)	GF

Language:

Page 309, line 34, strike "\$57,373,759" and insert "\$57,293,759".

Explanation:

(This amendment moves a reduction in funding for local water quality supply planning grants to the correct program. This adjustment, and the companion amendment in Item 355, net to zero.)

Item 357 #2h

Natural Resources	FY 10-11	FY 11-12	
Department Of Environmental Quality	\$3,644,300	\$0	GF

Language:

Page 309, line 34, strike "\$57,373,759" and insert "\$61,018,059".

Explanation:

(This amendment moves the Water Quality Improvement Fund deposit provided in the introduced budget bill to the correct program. This amendment, and a companion amendment in Item 355, net to zero.)

Item 357 #3h

Natural Resources

Department Of Environmental
Quality

Language

Language:

Page 310, line 9, after "1997.", strike remainder of line.

Page 310, strike lines 10 through 12, and insert:

"Of this amount, \$546,645 shall be deposited to the Virginia Water Quality Improvement Fund Reserve pursuant to paragraph B. of Item 349 of this act."

Explanation:

(This amendment eliminates language that prohibited any portion of the year-end general fund surplus deposited into the Water Quality Improvement Fund from being transferred to the Water Quality Improvement Fund Reserve Fund. This reserve fund was established as a means to continue improving Virginia's water quality when either year-end general fund surpluses or other appropriations were unavailable. The amount to be transferred to the WQIF Reserve Fund from year-end general fund surpluses is 15 percent, which totals \$546,645.)

Item 358 #1h

Natural Resources

Department Of Environmental
Quality

FY 10-11

0.00

FY 11-12

-6.00 FTE

Language:

Page 310, line 40, strike "396.50" and insert "390.50".

Page 310, line 43, strike "900.00" and insert "894.00".

Explanation:

(This amendment adjusts the agency's position level to correctly reflect a budget reduction strategy contained in the introduced budget bill. In the introduced budget bill positions were increased by three, but should have been reduced by three.)

Item 377 #1h

Public Safety

Department Of Corrections

Language

Language:

Page 322, after line 23, insert:

"G.1. The Department of Corrections shall reassess the appropriate staffing ratios for the Piedmont Regional Jail. The Department of Corrections shall complete this assessment by October 1, 2011.

2. Notwithstanding the provisions of paragraph H. of Item 67.90, the Compensation Board may approve funds for the operational costs, including salaries, for local and regional jail capacity previously constructed with federal funds, where the contract for housing federal inmates under which such capacity was built has expired, and provided such local or regional jail is not exempted from the cost recovery provisions in paragraph H. of Item 67.30 for housing federal and out-of-state inmates. Funds for operational costs, including salaries, shall only be approved under this provision subject to appropriations by the General Assembly in Item 67.20 for this purpose."

Explanation:

(This amendment requires the Department of Corrections to assess whether the Piedmont Regional Jail has the appropriate staffing. It also provides authority to the Compensation Board to staff jail bed capacity housing state and local responsible inmates in beds formerly built for housing federal inmates, where federal contracts under which the beds were previously built with federal funds have expired. The Commonwealth recovers an inmate per diem for federal inmates housed in the jail in order to recover state funded staffing costs.)

Item 379 #1h

Public Safety**FY 10-11****FY 11-12**

Department Of Corrections

\$0

\$150,000 NGF

Language:

Page 322, line 48, strike "\$827,716,927" and insert "\$827,866,927".

Page 325, after line 33, insert:

"P. Included in the appropriation for this item is \$150,000 the second year from nongeneral funds for a culinary arts program in which inmates are trained to operate food service activities serving agency staff and the general public. The source of the funds shall be revenues generated by the program. Any revenues so generated by the program shall not be subject to § 4-2.02 of this act and shall be used by the agency for the costs of operating the program."

Explanation:

(This amendment provides a nongeneral fund appropriation for the Department of Corrections to use in operating a culinary arts program in which inmates are trained to operate food service activities serving agency staff and the general public. The source of the funds will be the revenue generated by the program.)

Item 380 #1h

Public Safety	FY 10-11	FY 11-12	
Department Of Corrections	\$0	\$50,000	GF

Language:

Page 325, line 35, strike "\$80,949,774" and insert "\$80,999,774".

Page 327, after line 33, insert:

"N. Included in the appropriation for this item is \$50,000 the second year from the general fund for the estimated net increase in the operating costs of adult correctional centers resulting the enactment of House Bill 1777 by the 2011 Session of the General Assembly. This amount shall be paid into the Corrections Special Reserve Fund, established in accordance with § 30-19.1:4, Code of Virginia."

Explanation:

(This amendment provides for the expected increase in correctional beds necessary from an increase in the penalties associated with the manufacturing, selling, or transferring of fictitious birth certificates from a Class 1 misdemeanor to a Class 6 felony.)

Item 380 #2h

Public Safety	FY 10-11	FY 11-12	
Department Of Corrections	\$0	\$32,029	GF

Language:

Page 325, line 35, strike "\$80,949,774" and insert "\$80,981,803".

Page 327, after line 33, insert:

"N. Included in the appropriation for this item is \$32,029 the second year from the general fund for the estimated net increase in the operating costs of adult correctional centers resulting from the enactment of House Bill 1516 by the 2011 Session of the General Assembly. This amount shall be paid into the Corrections Special Reserve Fund, established in accordance with § 30-19.1:4, Code of Virginia."

Explanation:

(This amendment provides for the expected additional number of prison beds required by making assault and battery of alcoholic beverage control agents subject to the same penalties that apply when the victim is a law enforcement officer, correctional officer, firefighter, emergency medical service provider, or judge.)

Item 380 #3h

Public Safety

Department Of Corrections

Language

Language:

Page 326, line 1, strike "\$484,250" and insert "\$984,250".

Page 326, line 1, strike "\$585,400" and insert "\$1,585,400".

Explanation:

(This amendment changes amounts embedded in the budget language to reflect the additional nongeneral fund appropriation for the development of the inmate information system.)

Item 380 #4h

Public Safety

Department Of Corrections

FY 10-11

FY 11-12

\$0

\$50,000 GF

Language:

Page 325, line 35, strike "\$80,949,774" and insert "\$80,999,774".

Page 327, after line 33, insert:

"N. Included in the appropriation for this item is \$50,000 the second year from the general fund for the estimated net increase in the operating costs of adult correctional centers resulting from the enactment of House Bill 1898 by the 2011 Session of the General Assembly. This amount shall be paid into the Corrections Special Reserve Fund, established in accordance with § 30-19.1:4, Code of Virginia."

Explanation:

(This amendment provides for the expected increase in correctional beds necessary from expanding the definition of abduction to preclude abduction of any minor or adult for the purpose of manufacturing pornography as well as enacting a prohibition against the procuring of a person for forced labor, prostitution or

manufacturing pornography.)

Item 380 #5h

Public Safety

Department Of Corrections

FY 10-11

\$0

FY 11-12

\$50,000 GF

Language:

Page 325, line 35, strike "\$80,949,774" and insert "\$80,999,774".

Page 327, after line 33, insert:

"N. Included in the appropriation for this item is \$50,000 the second year from the general fund for the estimated net increase in the operating costs of adult correctional centers resulting from the enactment of House Bill 2066 by the 2011 Session of the General Assembly. This amount shall be paid into the Corrections Special Reserve Fund, established in accordance with § 30-19.1:4, Code of Virginia."

Explanation:

(This amendment provides for the expected increase correctional beds necessary from prohibiting violent sex offenders from being on any school bus.)

Item 384 #1h

Public Safety

Department Of Criminal Justice
Services

Language

Language:

Page 329, after line 40, insert:

"e. The Board of Criminal Justice Services may approve a new criminal justice academy for the City of Hampton, to be supported with local funds, consistent with an agreement established by and between the City of Hampton, the City Manager of Hampton, and the Hampton Roads Criminal Justice Training Academy."

Explanation:

(This amendment provides for the Board of Criminal Justice Services to approve the creation of a criminal justice training academy for the City of Hampton, to be paid for by local funds, pursuant to an agreement between the City of Hampton and the Hampton Roads Criminal Justice Training Academy.)

Item 384 #2h

Public Safety	FY 10-11	FY 11-12	
Department Of Criminal Justice Services	\$0	(\$31,694)	GF

Language:

Page 328, line 40, strike "\$76,738,415" and insert "\$76,706,721".

Page 329, line 21, strike "\$528,240" and insert "\$496,546".

Explanation:

(This amendment reduces the general fund support for regional criminal justice training academies. Currently there are 10 regional criminal justice training academies, so this reduction equals slightly more than \$3,000 per academy. In recent years, a number of localities have pulled out of these training academies. This was a strategy proposed by the agency as part of its response to the 2, 4, and 6 percent budget reductions.)

Item 384 #3h

Public Safety	FY 10-11	FY 11-12	
Department Of Criminal Justice Services	\$0	(\$470,141)	GF

Language:

Page 328, line 40, strike "\$76,738,415" and insert "\$76,268,274".

Page 330, line 40, strike the second "\$878,988" and insert "\$408,847".

Explanation:

(This amendment eliminates general fund support for school resource officer grants. Presently, only 21 localities receive general fund support for school resource officer grants. All of the grants expire at the end of fiscal year 2011. This amendment does not affect the general fund support for the school resource officer training provided by the Department of Criminal Justice Services.)

Item 386 #1h

Public Safety	FY 10-11	FY 11-12	
Department Of Criminal Justice Services	\$0	(\$238,637)	GF

Language:

Page 331, line 28, strike "\$160,012,837" and insert "\$159,774,200".

Explanation:

(This amendment removes the House Bill 599 payments associated with the City of Covington's police department. The City of Covington is merging with Allegheny County to become the City of Allegheny Highlands, a city without a police force. A companion amendment provides four additional law enforcement deputies for the new city, which will be consolidated on July 1, 2011.)

Item 387 #1h

Public Safety

Department Of Criminal Justice
Services

Language

Language:

Page 332, after line 17, insert:

"The Director, Department of Planning and Budget, shall unallot and transfer to the general fund an amount estimated at \$17,500 on or before June 30, 2011, representing general fund balances unspent as of June 30, 2010."

Explanation:

(This amendment captures a June 30, 2010, balance of \$17,500 from the Department of Criminal Justice Services.)

Item 399 #1h

Public Safety

Department Of Juvenile Justice

Language

Language:

Page 338, line 18, after "localities.", insert:

"Localities participating in the provision of services and programs for which VJCCCA funding may be expended, and that contribute more in local funding or matching funds than they receive from the Commonwealth, are authorized, but not required, to provide a contribution greater than Commonwealth general fund contributions for VJCCCA programs and services. Such localities' local funding or

matching funds shall not be less than the Commonwealth's share of funding for these programs and services."

Explanation:

(This amendment provides authorization, but does not require, that localities receiving Virginia Juvenile Community Crime Control Act funding from the Commonwealth and which contribute more to support these programs and services than the Commonwealth provides, to provide a greater contribution than the Commonwealth. The amendment also ensures that participating localities will not provide less than the amount in matching VJCCCA contributions from the Commonwealth.)

Item 406 #1h

Public Safety	FY 10-11	FY 11-12	
Department Of Military Affairs	\$0	(\$2,000)	GF

Language:

Page 341, line 22, strike "\$5,028,855" and insert "\$5,026,855".

Page 341, line 24, strike "\$2,148,729" and insert "\$2,146,729".

Explanation:

(This amendment eliminates news clipping service costs for the Department of Military Affairs. This reduction was a component of the agency's strategies to achieve the Governor's 2, 4, and 6 percent budget reductions. This reduction has no impact on the agency's ability to fulfill its missions.)

Item 407 #1h

Public Safety	
Department Of State Police	Language

Language:

Page 346, line 4, strike "2,451.00" and insert "2,463.00".

Page 346, line 6, strike "398.00" and insert "386.00".

Explanation:

(This amendment is a technical adjustment that transfers STARS positions from nongeneral fund to general fund since the STARS maintenance activity is to be supported with general fund dollars.)

Item 407 #2h

Public Safety	FY 10-11	FY 11-12	
Department Of State Police	\$0	\$91,377	GF

Language:

Page 342, line 4, strike "\$53,008,595" and insert "\$53,099,972".

Page 342, line 5, strike the second "\$14,475,284" and insert "\$14,566,661".

Page 343, after line 6, insert:

"H. Included in the amounts provided for this item is \$91,377 the second year from the general fund for the costs of database administration associated with the establishment of an information exchange program by the Secretary of Public Safety with those states sharing a border with Canada or Mexico about transnational gangs; the production, transportation, or distribution of illegal drugs, explosives, or firearms; and the activities of international or domestic terrorists. "

Explanation:

(This amendment provides general fund support for the database administration costs associated with the creation of an information exchange program by the Secretary of Public Safety with those states bordering Canada and Mexico to learn more about transnational gangs, the illegal production or distribution of drugs, firearms, or explosives, and terrorist activities.)

Item 408 #1h

Public Safety	FY 10-11	FY 11-12	
Department Of State Police	\$0	\$5,977,590	GF

Language:

Page 343, line 9, strike "\$212,708,179" and insert "\$218,685,769".

Page 343, line 18, strike "\$122,405,151" and insert "\$128,382,741".

Explanation:

(This amendment provides compensation for State Police officers working between 40 and 43 hours in any seven-day period. Currently, officers, who are classified according to the Fair Labor Standards Act as non-exempt positions, receive compensatory time for these hours. These compensatory hours must be used within 12 months or are lost. Additional hours worked over 43 hours in any period are compensated using overtime leave at one and one-half hours for each hour worked.

The State Police manage compensatory time in order to limit the need for overtime leave. In order to do so, officers must take leave periodically, resulting in other officers needing to work overtime hours.)

Item 408 #2h

Public Safety

Department Of State Police

Language

Language:

Page 343, line 14, strike "\$19,999" and insert "2,423,085".

Page 343, line 20, strike "\$8,126,897" and "\$8,126,897" and insert:
"\$8,126,897" and "\$5,723,901".

Explanation:

(This amendment is a technical adjustment that transfers the appropriation reduction due to insufficient revenue from the Help Eliminate Auto Theft (HEAT) service area to the Insurance Fraud Program service area in the second year. The approved action was to reduce the appropriation for the Insurance Fraud service area but by mistake, the action was applied to the HEAT service area.)

Item 413 #1h

Public Safety

Department Of Veterans Services

FY 10-11

\$0

FY 11-12

\$166,089 GF

Language:

Page 346, line 38, strike "\$5,753,032" and insert "\$5,919,121".

Page 346, line 41, strike "\$5,753,032" and insert "\$5,919,121".

Page 347, after line 8, insert:

"D. Included in the appropriations for this item is \$248,395 the second year from the general fund to ensure that the department provides one veterans claims officer for every 26,212 veterans residing in the Commonwealth."

Explanation:

(This amendment provides general fund support for the addition of four veterans claims officers to ensure that the Department of Veterans Services provides one veterans claims officer for every 26,212 veterans residing in the Commonwealth. This level of service was approved by the General Assembly during its 2005 Session, but the number of veterans living in the Commonwealth has increased from 786,000

to 823,000. The amendment redirects new funding for a training position to the provision of veterans claims officers.)

Item 431 #1h

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 352, line 36, strike the second "\$2,734,309" and insert "\$6,734,309".

Page 352, line 38, strike the second "\$30,540,251" and insert "\$27,740,251".

Page 352, line 42, strike the second "\$6,191,968" and insert "\$4,991,968".

Explanation:

(The introduced budget included an amendment to redistribute funds among three E-911 service areas in the second year. This was done to conform to recently established policy set by the Wireless Emergency-911 Services Board, where E-911 grant program funds are to be taken from the core service area rather than spread amongst the three service areas. Associated language changes were made, but erroneously, the changes to service area amounts were not reflected in the bill. This amendment correctly redistributes E-911 appropriations based on policy approved by the Wireless Emergency-911 Services Board. Though the redistributions result in a zero-sum, they will ensure the transparent allocation of service grants to E-911 service centers and wireless providers.)

Item 433 #1h

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 354, line 16, after "CGI.", insert:

"Executive Department agencies and institutions may also enter into additional Statements of Work with CGI pursuant to § 2.2.4 of the Enterprise Applications Master Services Agreement for services supporting projects in the five towers of enterprise-level endeavors."

Page 354, line 16, after "recoveries", insert:

"or enterprise-level endeavors".

Explanation:

(This amendment provides the option for Executive Department agencies and institutions to enter into work agreements with private companies for services supporting enterprise level endeavors, such as financial management, human resource management, administrative management, supply chain management, and applications development and management. However, no such work may proceed if it would commit the Commonwealth to expanding or significantly altering any existing federal or state program without the review and approval of the Governor and General Assembly.)

Item 433 #2h

Technology

Virginia Information Technologies
Agency

Language

Language:

Page 354, strike lines 3 and 4.

Explanation:

(This amendment eliminates two service areas from Item 433 that were moved to Item 434 in the 2010 session, but are shown in both locations in the introduced bill.)

Item 437 #1h

Transportation

Department Of Aviation

Language

Language:

Page 379, after line 11, insert:

"E.1. Out of the amounts included in this item \$1,379,095 the second year shall be provided to the Virginia Commercial Space Flight Authority.

2. The Department of Aviation, in its role supporting the Virginia Aerospace Advisory Council, shall take the necessary steps to develop and publish a Virginia Strategic Plan for Aerospace. The plan shall be prepared for the Virginia Aerospace Advisory Council and delivered to its Chairman by December 1, 2011.

3. In support of the Virginia Strategic Plan for Aerospace, the Department will also include the aerospace industry in its competitive analysis of the aviation industry. The Virginia Aviation and Aerospace Industry Competitive Analysis will compare the Commonwealth's competitive standing for these two industry sectors within the region and nationally."

Explanation:

(This amendment transfers the Virginia Commercial Space Flight Authority's pass-through grant funding from the Virginia Economic Development Partnership to the Virginia Department of Aviation to reflect the joint goals of these entities and the linkage between general aviation and commercial space flight. A companion amendment to Item 114 eliminates the funding in the VEDP.)

Item 447 #1h

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 383, line 33, strike "Rail".

Page 383, line 34, after "Virginia." insert:

"Notwithstanding any other provision of law, funds allocated to Metro under this program may be disbursed by the Department of Rail and Public Transportation directly to Metro or to any other transportation entity that has an agreement to provide funding to Metro as deemed appropriate by the Department."

Explanation:

(This amendment authorizes the Department of Rail and Public Transportation to make payments directly to the Washington Area Metropolitan Transit Authority or other eligible entities.)

Item 447 #2h

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 383, after line 39, insert:

"E. Notwithstanding any other provision of law, the Commonwealth Mass Transit Fund shall only be used for public transportation purposes as outlined in § 58.1-638.4, subparagraphs b through g, or in § 58.1-638.5."

Explanation:

(This amendment specifies that no Commonwealth Mass Transit Funds may be used for any purpose not included in the uses of those funds as Codified.)

Item 447 #3h

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 383, line 15, strike the second "\$2,500,000" and insert "\$1,500,000".

Explanation:

(This amendment reduces public transportation funding that is set aside for paratransit capital projects to allow for the flow-through of these funds in the transit formula to all transit properties across the state. Requests for grants from this program have been under-subscribed and the funds can be put to immediate use for transit formula assistance.)

Item 447 #4h

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 383, line 33, strike "Rail".

Page 383, line 34, after "Virginia." insert:

"In appointing the Virginia members of the board of directors of the Washington Metropolitan Area Transit Authority (WMATA), the Northern Virginia Transportation Commission shall include the Secretary of Transportation or his designee as a principal member on the WMATA board of directors."

Explanation:

(This amendment requires the Northern Virginia Transportation Commission to

appoint the Secretary of Transportation or his designee to the Board of Directors of the Washington Metropolitan Area Transit Authority.)

Item 448 #1h

Transportation

Department Of Rail And Public
Transportation

Language

Language:

Page 384, after line 19, insert:

"F. Of the funds available in the second year for Rail Industrial Access pursuant to § 33.1-221.1:1, Code of Virginia, up to \$325,000 in the second year is hereby authorized for the development of rail access in Caroline County to serve the Army special passenger troop train shuttle operation between Fort Lee and Fort A.P. Hill. In the allocation of funds for this project by the Commonwealth Transportation Board, the requirements of § 33.1-221.1:1, Code of Virginia, with the exception of § 33.1-221.1:1F., are waived. The provisions of this paragraph shall take effect only if the U.S. Army enters into a service agreement with Amtrak and the serving railroad."

Explanation:

(This amendment directs up to \$325,000 of the existing rail access funds to be used to develop rail access at Fort A.P. Hill to allow for train operations to move troops between Fort Lee and Fort A.P. Hill as long as the Army is successful in entering into an agreement with Amtrak and CSX.)

Item 452 #1h

Transportation

Department Of Transportation

Language

Language:

Page 386, line 28, strike "\$50,000,000" and insert:

"an amount determined by the Commonwealth Transportation Board, not less than \$15,000,000 and not to exceed \$200,000,000."

Page 386, line 29, strike "§".

Explanation:

(This amendment corrects the reference to the funding level of the VDOT revenue sharing program to reflect changes to the program size adopted pursuant to House

Item 462 #1h

Transportation

Virginia Port Authority

Language

Language:

Page 395, line 50, after "407-17513." insert:

"Such bonds may also be used for the purpose of constructing warehouses at the Newport News Marine Terminal."

Explanation:

(This amendment authorizes the Virginia Port Authority to use proceeds from the planned July 2011 issuance of Commonwealth Port Fund bonds for the construction of warehouses at the Newport News Marine Terminal.)

Item 462 #2h

Transportation

Virginia Port Authority

Language

Language:

Page 395, line 49, strike "\$155,000,000" and insert "\$125,000,000".

Explanation:

(This amendment reduces the authority provided in House Bill 1500 to issue up to \$155.0 million in Virginia Port Authority bonds to \$125.0 million based on reported reduced issuance needs of the Authority in light of the new capacity arising from the purchase of the APM Terminal in Portsmouth.)

Item 465 #1h

Central Appropriations

Central Appropriations

FY 10-11

\$0

FY 11-12

\$898,000 NGF

Language:

Page 399, line 5, strike "\$7,863,990" and insert "\$8,761,990".

Page 399, line 25, after "first year", insert:

"and \$898,000 from nongeneral funds in the second year".

Explanation:

(This is a technical amendment which provides nongeneral fund authority that reflects estimated interest earnings distribution for the four institutions--College of William and Mary, the University of Virginia, Virginia Commonwealth University and Virginia Tech--that are governed under Level 3 management agreements.)

Item 465.10 #1h

Central Appropriations**FY 10-11****FY 11-12**

Central Appropriations

\$0

(\$50,000,000) GF

Language:

Page 400, line 2, strike "\$50,000,000" and insert "\$0".

Page 400, strike lines 1 through 33 and insert "Omitted".

Explanation:

(This amendment distributes funding in central accounts to public colleges and universities to address access and affordability, increasing the number of degrees, STEM (Science, Technology, Engineering and Mathematics) and health-related initiatives and research. Companion amendments in higher education distribute these funds.)

Item 466 #1h

Central Appropriations**FY 10-11****FY 11-12**

Central Appropriations

\$0

(\$250,000) GF

Language:

Page 400, line 35, strike "\$250,000" and insert "\$0".

Page 400, after line 48, insert:

"B. The Director, Department of Planning and Budget, shall unallot and transfer to the general fund an amount estimated at \$500,000 on or before June 30, 2011, representing general fund balances unspent as of June 30, 2010."

Page 400, strike lines 49 through 54.

Page 401, strike lines 1 through 5.

Explanation:

(This amendment eliminates funding for the Productivity Investment Fund, for which no report of success or failure has been provided, and new money for the

evaluation of similar proposals submitted by citizens or any other source. State agencies and the Government Reform Commission's members can evaluate any ideas citizens, other interested parties, or the members themselves, suggest.)

Item 468 #1h

Central Appropriations

Central Appropriations

Language

Language:

Page 401, line 30, after "Code of Virginia.", insert:

"From the amounts provided in this paragraph, such funds as shall be necessary shall be provided for the costs of the salaries, expenses and operation of the Inspector General's Office that relate to review of the Tobacco Indemnification and Community Revitalization Commission pursuant to the provisions of House Bill 2076, 2011 General Assembly."

Explanation:

(This amendment provides that the Tobacco Indemnification and Community Revitalization Commission shall pay the costs of the Inspector General's Office created pursuant to House Bill 2076, 2011 General Assembly, that relate to review of the TICRC's operations from the existing revenues available to the Commission.)

Item 469 #1h

Central Appropriations

Central Appropriations

FY 10-11

FY 11-12

\$0

(\$10,533,020) GF

Language:

Page 402, line 7, strike "\$27,327,805)" and insert "(\$37,860,825)".

Page 411, after line 9, insert:

"V. The Director, Department of Planning and Budget, shall withhold and transfer to this item, amounts estimated at \$10,533,020 the second year from the general fund and various nongeneral fund appropriations of state agencies representing savings associated with the freeze on new hires in Executive Department agencies. The Secretary of Finance shall establish the procedures to be used in determining the amounts to be reverted from impacted agencies."

Explanation:

(This amendment reflects savings resulting from a hiring freeze for Executive

branch agencies.)

Item 469 #2h

Central Appropriations	FY 10-11	FY 11-12	
Central Appropriations	\$0	\$11,016,586	GF

Language:

Page 402, line 7, strike "\$27,327,805" and insert "\$16,311,219".

Page 411, after line 9, insert:

"V. Included in this appropriation is \$11,061,586 the second year from the general fund for the state share required to provide all locally elected constitutional officers and their full-time employees a one-time bonus equal to two percent of their base pay on December 1, 2011."

Explanation:

(This amendment provides funding for a 2% salary bonus for employees in the constitutional offices on December 1, 2011.)

Item 469 #4h

Central Appropriations	FY 10-11	FY 11-12	
Central Appropriations	\$0	\$410,000	GF

Language:

Page 402, line 7, strike "\$27,327,805" and insert "\$26,917,805".

Page 403, line 29, strike "\$11,817,009" and insert "\$12,227,009".

Page 403, after line 46, insert:

"6. Included in this appropriation in the second year is funding to adjust the employer premiums for the state employee health insurance program to reflect the enactment of House Bill 2467 of the 2011 General Assembly Session."

Explanation:

(This amendment provides \$410,000 general fund pursuant to the enactment of House Bill 2467 of the 2011 General Assembly. House Bill 2467 mandates health insurance plans in Virginia, including the state employee health insurance plan, provide benefits for the diagnosis and treatment of autism spectrum disorder for children ages two through six. As a result of this mandate, it is estimated that the cost to the state health insurance program will increase slightly more than \$1.0 million in total funds (\$0.4 million general fund). This equates to a premium for the state

employee health insurance plan of slightly less than one-tenth of one percent.)

Item 469 #5h

Central Appropriations	FY 10-11	FY 11-12	
Central Appropriations	\$0	\$7,147,767	GF

Language:

Page 402, line 7, strike "\$27,327,805" and insert "\$20,180,038".

Page 410, strike lines 15 through 23.

Page 410, strike lines 34 through 38.

Explanation:

(This amendment deletes language included in the introduced budget decreasing the employer contribution for Plan 1 employees, in the system prior to July 1, 2010, in the optional retirement plan for higher education faculty, from 10.4% to 8.5%. The amendment restores the funding to continue the contributions at the 10.4% rate.)

Item 469 #6h

Central Appropriations	FY 10-11	FY 11-12	
Central Appropriations	\$0	\$32,991,493	GF

Language:

Page 402, line 7, strike "\$27,327,805" and insert "\$5,663,688".

Page 410, strike lines 3 through 14.

Page 410, strike lines 24 through 33.

Explanation:

(This amendment deletes language included in the introduced budget requiring, effective July 1, 2011, Plan 1 state employees to pay the 5% employee retirement contribution that the state has been paying on their behalf since 1983 in lieu of a pay raise. The introduced budget would have provided a partial salary offset of 3% to be implemented concurrently. The amendment restores the \$33.0 million general fund removed from the introduced budget as a result of this proposal. In addition, the amendment deletes language which proposed transferring \$18.2 million in nongeneral fund savings to the general fund, \$11.8 million of which would have come from the higher education institutions.)

Central Appropriations	FY 10-11	FY 11-12	
Central Appropriations	\$0	\$15,057,664	GF

Language:

Page 402, line 7, strike "\$27,327,805)" and insert "\$12,270,141)".

Page 410, strike lines 3 through 14 and insert:

"T.1. Every "state employee," except elected officials, who is not a "person who becomes a member on or after July 1, 2010," as those terms are defined in § 51.1-124.3, Code of Virginia, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation, effective June 25, 2011, if the employee is (i) a member covered by the defined benefit plan of the Virginia Retirement System established under Chapter 1 of Title 51.1 (§ 51.1-100 et seq.), (ii) a member of the State Police Officers' Retirement System under Chapter 2 of Title 51.1 (§ 51.1-200 et seq.), or (iii) a member of the Virginia Law Officers' Retirement System under Chapter 2.1 of Title 51.1 (§ 51.1-211 et seq).

2. The base salary of employees described in subparagraph T.1. above shall be increased by five percent effective on June 25, 2011.

3. Out of the general fund appropriation for this item, \$15,057,664 in the second year shall be transferred to state agencies and institutions of higher education to support the net general fund cost as a result of the actions described in paragraphs 1 and 2 above."

Explanation:

(This amendment reinstitutes the 5% employee contribution for Plan 1 state employees effective June 25, 2011, and provides a 5% salary offset concurrently. The amendment includes \$15.1 million general fund to reflect a slight increase in federal tax and fringe benefit expenditures as a result of this action.)

Central Appropriations	FY 10-11	FY 11-12	
Central Appropriations	\$0	\$41,725,458	GF

Language:

Page 402, line 7, strike "\$27,327,805)" and insert "\$14,397,653".

Page 405, line 15, strike "6.08%" and insert "2.08%".

Page 405, line 18, strike "11.73%" and insert "7.73%".

Page 405, line 21, strike "9.07%" and insert "5.07%".

Page 405, line 24, strike "32.65%" and insert "28.65%".

Page 406, after line 4, insert:

" 2. For pay periods effective December 10, 2011, through February 9, 2012, the payments to VRS for the retirement programs as shown in I.1. above shall be increased by 1.5%.

3. For pay periods effective February 10, 2012, through April 9, 2012, the payments to VRS for the retirement programs as shown in I.1. above shall be increased by 2.5%.

4. For pay periods effective on or after April 10, 2012, the payments to VRS for the retirement programs as shown in I.1. above shall be increased by 4.5%."

Page 406, line 5, strike "2." and insert "5."

Page 406, line 10, strike "3." and insert "6."

Page 406, line 12, strike "3 and 4" and insert "1 and 2".

Page 406, line 13, strike "\$135,467,080" and insert "\$214,818,255".

Page 406, line 17, strike "4." and insert "7."

Page 406, line 21, strike "5." and insert "8."

Page 406, line 31, strike "7.16" and insert "5.16".

Page 407, line 31, after "paydays", strike the remainder of the line and insert:
"fiscal year 2011 to fiscal year 2012."

Page 407, line 32, strike "respectively."

Page 407, line 32, after "2011" strike ", and July 10," and insert "."

Page 407, strike line 33.

Page 407, after line 37 insert:

"3. Out of the general fund appropriation for this item, \$41,725,458 in the second year is available to be transferred to state agencies and institutions of higher education to support the general fund cost, and if necessary to offset any one-time non-general fund cost incurred by the institutions of higher education, related to eliminating the delay in the transfer of employer paid retirement payments beginning in fiscal year 2012."

Explanation:

(This amendment provides \$41.7 million general fund to eliminate the deferral, to fiscal year 2013, assumed in Chapter 874, Acts of Assembly of 2010, for the 4th quarter fiscal year 2012 VRS payments. In addition, this amendment authorizes a phase-in increase in the contribution rates paid to the VRS during fiscal year 2012. During the last quarter of the fiscal year, the payments for the regular VRS program will be the full VRS rate. The increased VRS rates will result in \$43.5 million in

additional payments to the VRS that would be transferred to the general fund under Chapter 874. In total, this amendment will increase payment to the VRS for state employee retirement by more than \$120 million in fiscal year 2012. In addition, this amendment sets the VRS contribution rate for the teacher's retirement system at 5.16% as adopted in Chapter 874.)

Item 469 #9h

Central Appropriations

Central Appropriations

Language

Language:

Page 407, line 48, after "least", strike "three" and insert "five".

Page 407, after line 53, insert:

"3. Each county, city, town, local public school board, or other local employer who has elected to pay an equivalent amount in lieu of all or a portion of member contributions required of an employee who is a person who becomes a member on or after July 1, 2010, shall continue to have the option pursuant to § 51.1-144.F.2, Code of Virginia, regarding employees becoming members of the retirement system between July 1, 2010, and June 30, 2011.

4. The increase in base salary described in paragraph 1 of this section shall not be required of any county, city, town, local public school board, or other local employer who already requires an employee to pay the full member contribution on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code."

Explanation:

(This amendment clarifies that localities and school boards may reinstate the 5% employee contribution for plan 1 employees only if they provide a 5% salary offset consistent with the proposal for state employees.)

Item 470 #1h

Central Appropriations

Central Appropriations

FY 10-11
(\$1,500,000)

FY 11-12
(\$1,500,000) GF

Language:

Page 411, line 12, strike "\$29,586,976" and insert "\$28,086,976".

Page 411, line 12, strike "\$31,903,439" and insert "\$30,403,439".

Page 412, line 49, strike "\$28,086,116" and insert "\$26,586,166".

Page 412, line 49, strike "\$30,158,439" and insert "\$28,658,439".

Page 413, after line 5, insert:

"2.a. Should the provision of the general fund support for addressing the costs incurred from changes in service rates for information technology services provided by the Virginia Information Technologies Agency be insufficient to address all of the anticipated needs of the impacted state agencies, no changes shall be made to the allocation of any amounts provided for state agencies receiving less than \$1,000,000 in additional funding to address the impact of such service rate changes."

Page 413, line 6, strike "2.a." and insert "2.b."

Page 413, line 10, strike "b." and insert "c."

Page 413, line 27, strike "c." and insert "d."

Page 413, line 30, strike "d." and insert "e."

Explanation:

(This amendment reduces the general fund support provided in the introduced budget to assist state agencies to address the impact of additional VITA charges for information technology services by \$1.5 million each year. The amendment also includes language to ensure that if any pro-ration of funding is necessary because of this reduction, that such pro-ration is limited to the 10 agencies receiving more than \$1.0 million in allocations from this Central Appropriations item. In the introduced budget, \$28.1 million general fund the first year and \$30.2 million general fund the second year was included to assist state agencies affected by increased VITA charges. 10 agencies receive about 87 percent of all funding provided.)

Item C-0 #1h

General Conditions

General Conditions

Language

Language:

Page 429, after line 4, insert:

"S. All Agencies of the Commonwealth and Institutions of Higher Education shall provide information and/or use systems and processes in the method and format as directed by the Director, Department of General Services, on behalf of the Six-Year Capital Outlay Plan Advisory Committee to provide necessary information for Commonwealth-wide reporting. This requirement shall apply to all projects, including those funded from general and nongeneral fund sources.

T. The Director, Department of General Services, and the Director, Department of

Planning and Budget shall report to the Chairmen of the House Appropriations and Senate Finance Committees by March 1, 2012, on the impact of increasing capital outlay project thresholds from \$1,000,000 to \$2,000,000 and energy-efficiency projects thresholds from \$3,000,000 to \$7,000,000 as provided in Item 4-4.01 of this act."

Explanation:

(This amendment requires all agencies and institutions to standardize the reporting of capital outlay data, including budget and expenditures, as part of the six-year planning process. The amendment also requires that the Department of General Services and the Department of Planning and Budget report on the impact of increasing project thresholds for capital outlay and energy efficiency projects.)

	Item	C-5.10 #1h
Education: Higher Education	FY 10-11	FY 11-12
Christopher Newport University	\$0	\$1,000,000 NGF

Language:

Page 429, line 37, strike "\$0" and insert "\$1,000,000".

Page 430, line 3, strike "\$500,000" and insert "\$1,500,000".

Explanation:

(This amendment requests additional nongeneral fund authority to complete planning through working drawings for the construction of a Student Success Center.)

	Item	C-5.30 #1h
Education: Higher Education	FY 10-11	FY 11-12
Christopher Newport University	\$0	\$1,515,000 NGF

Language:

Page 430, line 10, strike "\$3,235,000" and insert "\$4,750,000".

Explanation:

(This amendment requests additional nongeneral fund 9(d) revenue bond authority for the dining facility project.)

Item C-5.40 #1h

Education: Higher Education
Christopher Newport University

FY 10-11
\$0

FY 11-12
\$2,500,000 NGF

Language:

Page 430, after line 11, insert:

"C-5.40. New Construction: Construct Bell
Tower

\$0 \$2,500,000

Fund Sources: Higher Education Operating

\$0". \$2,500,000".

Explanation:

(This amendment requests nongeneral fund authority to construct a bell tower on campus. The tower will exhibit the bell from the USS United States. The source of the nongeneral funds is private gifts and university reserves.)

Item C-5.40 #2h

Education: Higher Education
Christopher Newport University

Language

Language:

Page 430, after line 11, insert:

"C-5.40. New Construction: Construct
Radcliffe Hall Addition (17567)

Christopher Newport University is authorized to increase the scope of the Radcliffe Hall addition project (17567) such that subproject 2 is authorized to proceed with 10,473 square feet of new construction and 5,880 square feet of renovation."

Explanation:

(This amendment is self-explanatory.)

Item C-5.40 #3h

Education: Higher Education
Christopher Newport University

FY 10-11
\$3,000,000

FY 11-12
\$0 NGF

Language:

Page 430, after line 11, insert:

"C-5.40. New Construction: Construct and Renovate Band Rehearsal Hall and Connector	\$3,000,000	\$0
Fund Sources: Higher Education Operating	\$3,000,000".	\$0".
This project may be new construction and/or renovation."		

Explanation:

(This amendment requests nongeneral fund authority to construct and/or renovate a band rehearsal hall and connecting breezeway located in the Ferguson Center for the Arts. The source of the nongeneral funds are university reserves.)

Item	C-5.40 #4h
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Education: Higher Education

Christopher Newport University

Language

Language:

Page 430, after line 11, insert:

"C-5.40. New Construction: Parking Deck II and Surface Parking (17046)

Christopher Newport University is authorized to increase/change the scope of the Parking Deck II and Surface Parking project (17046) to include new surface parking."

Explanation:

(This amendment is self-explanatory.)

Item	C-10.40 #1h
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Education: Higher Education

Richard Bland College

Language

Language:

Page 430, after line 38, insert:

"§ 2-4.10 Richard Bland College (241)

"C-10.40. Ernst Hall

Richard Bland College is hereby authorized to enter into a comprehensive agreement with Southside Medical Center to lease Ernst Hall to the Nursing School for educational purposes. The College, in consultation from the Office of the Attorney General and the Department of General Services, may develop an agreement whereby

the hospital shall renovate Ernst Hall and then occupy the facility rent-free for a number of years based on the cost of the renovation. The lease agreement shall be approved by the Office of the Attorney General and the Department of General Services."

Explanation:

(This amendment is self-explanatory.)

	Item	C-37.10 #1h
Education: Higher Education	FY 10-11	FY 11-12
University Of Mary Washington	\$0	\$45,000,000 NGF

Language:

Page 434, after line 28, insert:

"C-37.10. New Construction: Construct Dining and Student Center (17909) \$45,000,000

Fund Sources: Bond Proceeds \$45,000,000".

"The General Assembly authorizes the University of Mary Washington to enter into a written agreement with a public or private entity to finance, design, construct, demolish or renovate a facility or facilities for a dining and student center on its campus. Such agreement(s) may include a short term ground lease to a private entity during a period of demolition and construction and the use of 9(d) revenue bond proceeds to purchase a newly constructed or renovated facility from a private entity. The project(s) shall be consistent with the guidelines of the Department of General Services and comply with Treasury Board Guidelines issued pursuant to Section 23-19(d)(4) of the Code of Virginia."

Explanation:

(This amendment authorizes the university to construct a dining and student center to be funded with school-supported 9(d) bond proceeds.)

	Item	C-37.20 #1h
Education: Higher Education	FY 10-11	FY 11-12
University Of Mary Washington	\$0	\$5,000,000 NGF

Language:

Page 434, after line 28, insert:

"C-37.20. Acquisition: Blanket Property Acquisition (17910)	\$5,000,000
Fund Sources: Higher Education Operating	\$5,000,000".

Explanation:

(This amendment authorizes the use of school-generated funds to purchase properties that become available for future campus expansion.)

	Item	C-39.10 #1h
Education: Higher Education	FY 10-11	FY 11-12
Norfolk State University	\$0	\$1,000,000 NGF

Language:

Page 435, after line 1, insert:

"C-39.10. Improvements: Signage, Roads and Campus Site Improvements	\$0	\$1,000,000
Fund Sources: Higher Education Operating	\$0".	\$1,000,000".

Explanation:

(This amendment provides nongeneral fund authority for signage, roads and campus site improvements.)

	Item	C-39.10 #2h
Education: Higher Education		
Norfolk State University		Language

Language:

Page 435, after line 1, insert:

"C-39.10.

Norfolk State University is authorized to enter into a written agreement with the City of Norfolk, the Transportation District Commission of Hampton Roads, operating as Hampton Roads Transit, and the Norfolk Redevelopment and Housing Authority, relating to the Norfolk Light Rail Transit Project, pursuant to which the university will convey to the City fee simple title to a parcel of land containing 0.98 acres, more or less, and will grant a number of easements to the City to serve the operational needs of Norfolk's light rail transit system. The transit system extends along, and

adjacent to, the entire southern boundary of the university’s campus. As part of the consideration and in exchange, and at no additional cost to the Commonwealth, the university is authorized to acquire from the City of Norfolk fee simple title to certain properties now comprising the McDemmond Center’s improved parking lot, located at the southeast corner of the intersection of Reservoir and Claiborne Avenues, as well as various remnant parcels as described in the agreement, including parcels containing 1.373, 0.198, and 0.124 acres, more or less, and a parcel comprised of a narrow strip of land lying, in part, between the rail line corridor and the university’s Ballentine parking lot, all primarily to serve the parking and open space needs of the university. Prior to acceptance thereof, assurances to the satisfaction of the Governor or his designee shall be obtained through an environmental study indicating that the properties to be acquired are free from hazardous materials and conditions."

Explanation:
(This amendment is self-explanatory.)

	Item	C-55.05 #1h
Education: Higher Education		
Virginia Commonwealth University		Language

Language:
Page 436, after line 28, insert:
"1. The Director, Department of Planning and Budget, may transfer the \$3,300,000 funding provided in this item to the university's operating budget (Item 198) if deemed appropriate to meet the final settlement for the property associated with this project."

Explanation:
(This amendment adds language that provides authority for the Director, Department of Planning and Budget, to transfer the funding included in this item to the university's operating budget to comply with the final settlement for the property associated with this project.)

	Item	C-55.30 #1h
Education: Higher Education	FY 10-11	FY 11-12
Virginia Commonwealth University	\$0	\$13,650,650 NGF

Language:

Page 436, after line 33, insert:

"C-55.30. Improvements: Ackell Residence Center (16093)

\$0

\$13,650,650

Fund Sources: Bond Proceeds \$0". \$13,650,650".

Virginia Commonwealth University is hereby authorized to refinance indebtedness of \$13,650,650 incurred in 2000 (pursuant to Part 2-23, Item C-81, Chapter 1073, Acts of Assembly of 2000) through the Industrial Development Authority of the City of Richmond to finance Ackell Residence Center on the Monroe Park Campus by the issuance of nongeneral fund revenue bonds, through the Virginia College Building Authority or otherwise, and to enter into appropriate agreements with the VCU Real Estate Foundation in connection therewith."

Explanation:

(This amendment requests nongeneral fund 9(d) bond authority to refinance the Ackell Residence Center.)

Item C-55.30 #2h

Education: Higher Education

Virginia Commonwealth University

Language

Language:

Page 436, after line 33, insert:

"C-55.30. New Construction: Satellite Dental Clinic (17684)

The Secretary of Finance shall eliminate the \$5.0 million debt authorization associated with the VCU Satellite Dental Clinic (17684) contained in Chapter 1 and 2, Acts of Assembly of 2008 Special Session I."

Explanation:

(This amendment eliminates the debt authorization for the VCU Satellite Dental Clinic (17684) contained in Chapter 1 and 2, 2008 Special Session I. The project has been abandoned by Virginia Commonwealth University. A companion amendment in Health and Human Services requires the identification of public-private partnerships that could be established to deliver dental services to Southwest Virginia.)

Item C-55.30 #3h

Education: Higher Education	FY 10-11	FY 11-12
Virginia Commonwealth University	\$0	\$250,000 NGF

Language:

Page 436, after line 33, insert:

"C-55.30. Planning: New Virginia	\$0	\$250,000
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Treatment Center for Children

Fund Sources: Special	\$0".	\$250,000".
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1. The Director, Department of Planning and Budget, and the Comptroller shall reimburse Agency 949, Central Capital Planning Fund (17777), amounts connected with planning the projects contained in Item C-85 B. once construction of the projects commences in accordance with C-85 C. and C-85 D. of Chapter 874, Acts of Assembly of 2010, and as required by § 2.2-1520, Code of Virginia.

2. The Director, Department of Planning and Budget, and the Comptroller shall allocate \$250,000 from Agency 949, Central Capital Planning Fund (17777), to Virginia Commonwealth University to begin preplanning for a replacement facility for the Virginia Treatment Center for Children."

Explanation:

(This amendment plans a replacement facility for the Virginia Treatment Center for Children.)

Item	C-72.10 #1h
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Education: Higher Education

Virginia Cooperative Extension
And Agricultural Experiment
Station

Language

Language:

Page 439, after line 31, insert:

"C-72.10. Northern Virginia 4-H

Educational and Conference Center

Renovation and restoration of the Remount Depot (Horse Center) at the Northern Virginia 4-H Educational and Conference Center located at 600 4-H Center Drive, Front Royal, Virginia 22630, shall proceed and shall not be subject to the approval or involvement of Virginia Tech or Virginia Tech Extension."

Explanation:

(This amendment is self-explanatory.)

	Item	C-76.10 #1h
Health And Human Resources	FY 10-11	FY 11-12
Department Of Behavioral Health And Developmental Services	\$0	(\$43,500,000) NGF
Language:		
Page 440, line 28, strike "\$43,500,000" and insert "\$0".		
Page 440, strike lines 27 through 35 and insert "Omitted".		
Explanation:		
(This amendment eliminates the proposed tax-supported bonds for a new sexually violent predator facility.)		

	Item	C-76.82 #1h
Natural Resources		
Department Of Game And Inland Fisheries		Language
Language:		
Page 441, strike lines 3 through 8 and insert "Omitted".		
Explanation:		
(This amendment eliminates the proposed use of \$10 million in tax-supported debt to construct a new headquarters for the Department of Game and Inland Fisheries. Authority to proceed with this project under the Public-Private Educational Facilities and Infrastructure Act of 2002 utilizing agency nongeneral fund revenues was previously provided in Chapter 872, Acts of Assembly of 2010.)		

	Item	C-84 #1h
Central Appropriations		
Central Capital Outlay		Language
Language:		
Page 443, line 37, strike "\$95,573" and insert "\$3,095,573".		
Page 444, line 37, strike "\$6,981,875" and insert "\$3,981,875".		
Page 445, after line 38, insert:		

"L.1. Out of this appropriation, the Director, Department of Planning and Budget, shall transfer \$250,000 in the second year from the Central Capital Outlay for Contingency of this item to the Southwest Virginia Higher Education Center (16499) to repair a water detention pond.

2. Out of this appropriation, the Director, Department of Planning and Budget, shall transfer \$435,000 in the second year from the Central Capital Outlay for Contingency of this item to the Roanoke Virginia Higher Education Center (935) to remediate roof water leakage and masonry repairs."

Page 445, line 39, strike "L." and insert "3."

Page 445, line 39, strike "\$2,000,000" and insert "\$1,315,000".

Page 445, after line 44, insert:

"M.1. Out of this appropriation, \$3,600,000 the second year in the Department of Military Affairs is designated to implement the first phase of armory repairs across the Commonwealth. However, prior to funds being allocated for this purpose, the Department of Military Affairs and the Department of General Services shall review all armory repair projects and identify whether they qualify as an energy-efficiency project under § 4-4.01 u. of this act. If a project qualifies under § 4-4.01 u., then the Department of Military Affairs shall utilize that option before expending funds under this item. The Department of Military Affairs and the Department of General Services shall report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2011, on each armory repair project's eligibility for financing under § 4-4.01 u. of this act. The Department of Military Affairs and the Department of General Services shall include in their report whether a project eligible for financing under § 4-4.01 u. was not financed under the program and provide a justification for using maintenance reserve funds for such project.

2. Out of this appropriation, \$3,000,000 the second year in the Virginia School for the Deaf and Blind at Staunton is designated to the Department of General Services and Virginia School for the Deaf and Blind at Staunton to stabilize Main Hall on the Virginia School for the Deaf and Blind at Staunton campus."

Explanation:

(This amendment makes several technical changes to the maintenance reserve allocations for fiscal year 2012. The changes include (i) utilizing \$250,000 of the central capital maintenance reserve contingency to repair a water retention pond at the Southwest Virginia Higher Education Center; (ii) utilizing \$435,000 of the central capital maintenance reserve contingency to remediate roof water leakage and masonry repairs; (iii) reducing the allocation for the Department of Military Affairs by \$3.0 million; and (iv) increasing the allocation for the Virginia School for the Deaf and the Blind at Staunton by \$3.0 million.)

Item C-85 #1h

Central Appropriations	FY 10-11	FY 11-12
Central Capital Outlay	\$0	\$6,675,000 NGF

Language:

Page 445, line 47, strike "\$1,132,050,000" and insert "\$1,138,725,000".

Page 446, line 16, strike "\$44,462,000" and insert "\$51,137,000".

Page 446, after line 34, insert:

"James Madison University (216)

Construct Biotechnology/Centennial Hall (17673)

Radford University (217)

Construct College of Business (17618)".

Explanation:

(This amendment funds equipment for previously approved capital projects at James Madison University and Radford University that are scheduled to open this biennium.)

Item C-86 #1h

Central Appropriations	FY 10-11	FY 11-12
Central Capital Outlay	(\$35,200,000)	\$0 NGF

Language:

Page 449, line 12, strike "\$35,200,000" and insert "\$0".

Page 449, strike lines 12 through 37 and insert "Omitted".

Explanation:

(This amendment eliminates the authority to issue \$35.2 million in tax-supported debt associated with energy conservation projects. Agencies already have the authority to improve state-owned facilities for the purpose of energy efficiency using operating dollars under the energy-efficiency program coordinated by the Department of General Services and the Department of Mines, Minerals and Energy.)

Item C-89 #1h

Central Appropriations
9(D) Revenue Bonds

Language

Language:

Page 451, line 6, strike "\$227,999,293" and insert "\$272,999,293".

Page 451, after line 42, insert:

"Construct Dining and Student Center C-37.10 17909 \$45,000,000".

Page 452, line 11, strike "\$227,999,293" and insert "\$272,999,293".

Explanation:

(This amendment amends the 9(d) bond table to properly account for the addition of the University of Mary Washington capital project Construct Dining and Student Center.)

Item C-89.10 #1h

Central Appropriations

9(D) Revenue Bonds

Language

Language:

Page 452, line 22, strike \$50,800,000" and insert "\$7,300,000".

Page 452, delete lines 29 through 32.

Page 452, line 34, strike \$50,800,000" and insert "\$7,300,000".

Explanation:

(This amendment removes the debt authority for the new sexually violent predator facility.)

Item 3-1.01 #1h

Transfers

Interfund Transfers

Language

Language:

Page 460, strike lines 32 through 33.

Page 460, line 34, strike "VV." and insert "UU."

Page 460, line 38, strike "WW." and insert "VV."

Page 460, line 41, strike "XX." and insert "WW."

Explanation:

(This amendment strikes language included in the introduced budget which authorized the transfer of \$5.0 million in nongeneral fund cash balances to the general fund in fiscal year 2011. This action would reduce the total General Fund Resources

available for appropriation by \$5.0 million in fiscal year 2011.)

Item 3-1.01 #2h

Transfers

Interfund Transfers

Language

Language:

Page 460, line 38, strike "\$300,000" and insert "\$475,000".

Explanation:

(This amendment accounts for the final proceeds from the sale of the Richmond Women's Diversion Center. This surplus property was authorized for sale in the past biennium, but was not sold until this year. The proposed budget had an estimated amount from the proceeds of the sale of \$300,000. The final amount is \$475,000 after accounting for sale-related costs.)

Item 3-1.01 #3h

Transfers

Interfund Transfers

Language

Language:

Page 458, line 59, strike "Juvenile Justice" and insert "Corrections".

Explanation:

(This amendment corrects a technical error.)

Item 3-1.01 #4h

Transfers

Interfund Transfers

Language

Language:

Page 460, after line 42, insert:

"YY. On or before June 30, 2012, the State Comptroller shall transfer to the general fund an amount estimated at \$250,000 from the amounts provided in Item 84,

paragraph D., of this act to reimburse the costs resulting from credits claimed pursuant to House Bill 1837, 2011 Session of the General Assembly."

Explanation:

(This amendment implements the provisions of the vineyards and wineries tax credits from the increased revenues provided to the Virginia Wine Board.)

Item 3-1.01 #5h

Transfers

Interfund Transfers

Language

Language:

Page 459, strike lines 38 through 40, and insert:

"GG. The Brunswick Correctional Center operated by the Department of Corrections shall be sold and the proceeds of such sale deposited into the general fund, notwithstanding the provisions of § 2.2.-1156, Code of Virginia. The estimated amounts of the proceeds to be received is \$11,250,000. The Commonwealth may enter into negotiations with (i) the Virginia Tobacco Indemnification and Community Revitalization Commission, (2) regional local governments, and (3) regional industrial development authorities for the purchase of this property as an economic development site."

Explanation:

(This amendment provides for the sale of the Brunswick Correctional Center property. The language also provides that the Commonwealth will enter into negotiations with the Tobacco Indemnification and Community Revitalization Commission and local governments or industrial development authorities in the region to sell the property for use as an economic development site.)

Item 3-1.01 #6h

Transfers

Interfund Transfers

Language

Language:

Page 460, strike lines 27 through 31.

Page 460, line 32, strike "UU." and insert "TT".

Page 460, line 34, strike "VV." and insert "UU."
Page 460, line 38, strike "WW." and insert "VV."
Page 460, line 41, strike "XX." and insert "WW."

Explanation:

(This amendment deletes language transferring \$18.2 million from nongeneral fund sources to the general fund pursuant to savings from the proposal in the introduced budget to reinstate the 5% employee contribution with a 3% salary offset. This proposal has been eliminated and therefore the transfer will not occur.)

Item 3-5.08 #1h

Adjustments and Modifications to Tax Collections

Accelerated Sales Tax

Language

Language:

Page 469, line 25, after "G.", strike the remainder of the line and insert:
"Beginning with the tax payment that would be remitted on or before June 25, 2011, if the payment is made by other than electronic transfer, and by June 30, 2011, if payments are made by electronic fund transfer, the provisions of § 3-5.08 of Chapter 874, 2010 Acts of Assembly, shall apply only to those dealers or permit holders with taxable sales and purchases of \$50,000,000 or greater for the 12-month period beginning July 1 and ending June 30 of the immediately preceding calendar year."

Page 469, strike lines 26 and 27.

Explanation:

(This amendment raises the threshold for vendors subject to accelerated tax payments from \$1,000,000 to \$50,000,000. This results in an estimated one-time revenue loss estimated at \$111,600,000.)

Item 3-5.10 #1h

Adjustments And Modifications To Tax Collections

TREATMENT OF CERTAIN CANCELLATION OF DEBT INCOME Language

Language:

Page 469, after line 40, insert:

"§ 3-5.10 TREATMENT OF CERTAIN CANCELLATION OF DEBT INCOME

Notwithstanding any other provision of law, income from the discharge of indebtedness in connection with the reacquisition of an "applicable debt instrument" under § 108 (i) of the Internal Revenue Code reacquired in taxable year 2010 may be included in the taxpayer's Virginia taxable income ratably over a 3-taxable-year period beginning with taxable year 2010 for transactions completed in taxable year 2010 on or before April 21, 2010. If the taxpayer does not elect to include such income ratably over the 3-taxable-year period, then such income shall be fully included in the taxpayer's Virginia taxable income for taxable year 2010."

Explanation:

(This amendment extends to taxable year 2010 a provision of tax conformity related to "cancellation of debt" that was adopted last year in Chapter 874 (2010). As part of the American Recovery and Reinvestment Act of 2009, Congress enacted a special treatment for certain "cancellation of debt" income under § 108 (i) of the IRC. Under this provision, corporations that had income that would have been recognized and treated as taxable income from certain corporate restructurings were allowed the election to defer recognition of this income for five years and then include it in income over another five years. This special federal treatment was available for taxable years 2009 and 2010, and would have the same affect on taxable income in Virginia, if Virginia elected to conform to this federal change. House Bill 30 (2010) as introduced included legislation to deconform from this federal treatment to avoid a negative impact on general fund revenue in fiscal years 2010 through 2012. The adopted budget included action to lessen the impact on any company affected by this deconformity for taxable year 2009. For taxable year 2009 only, Chapter 874 allowed any company affected by this provision to spread the impact of this increased tax over 3 years. This special treatment was available only for transactions occurring in taxable year 2009. This amendment will allow the three-year deferral to apply to taxable year 2010.)

Item 4-0.01 #1h

General Provisions

Operating Policies

Language

Language:

Page 471, after line 14, insert:

"e. No funding in this budget, or matching funds related to funding included in this budget, may be provided for human stem cell research from stem cells directly

obtained from human embryos; however, research conducted using stem cells other than embryonic stem cells may be funded.

f. No funding in this budget, or matching funds related to funding included in this budget, may be provided for research on cells or tissues derived from induced abortions on humans."

Explanation:

(This amendment would prohibit state funding of embryonic stem cell research itself, but it would also permit entities that conduct such research (without using state money) to receive state funding. Entities that receive funding for embryonic stem cell research from federal and private sources may also receive state dollars for purposes other than embryonic stem research. State funding of research on aborted fetuses would be prohibited.)

Item 4-1.05 #1h

Appropriations

Reversion of Appropriations and Reappropriations

Language

Language:

Page 476, strike lines 25 through 29 and insert:

"1.a) General fund appropriations which remain unexpended on (i) the last day of the previous biennium or (ii) the last day of the first year of the current biennium, shall be reappropriated and allotted for expenditure where required by the Code of Virginia, or where necessary for the payment of preexisting obligations for the purchase of goods or services. With the exception of the unexpended general fund appropriations of agencies in the Legislative Department, the Judicial Department, or Independent Agencies, or institutions of higher education, all other such unexpended general fund appropriations unexpended on the last day of the previous biennium or the the last day of the first year of the current biennium shall revert to the general fund."

Explanation:

(This amendment provides that all agency year-end general fund balances, except where required by the Code of Virginia to pay preexisting obligations for the purchase of goods or services, shall be reverted to the general fund. The language exempts year-end general fund balances of agencies assigned to the Legislative and Judicial Departments, the Independent Agencies, and institutions of higher education.)

Item 4-4.01 #1h

Capital Projects

General

Language

Language:

Page 489, line 6, strike "\$1,000,000" and insert "\$2,000,000".

Page 489, line 8, strike the second "\$1,000,000" and insert "\$2,000,000".

Page 490, line 15, strike the first "\$3,000,000" and insert "\$7,000,000".

Page 490, line 15, strike the second "\$3,000,000" and insert "\$7,000,000".

Explanation:

(This amendment increases project thresholds for energy-efficient projects from \$3 million to \$7 million and for higher education projects from \$1 million to \$2 million before it is governed by the capital outlay budgeting process.)

Item 4-5.01 #1h

Special Conditions and Restrictions on Expenditures

Transactions with Individuals

Language

Language:

Page 492, strike lines 49 and 50 and insert:

"C. PAYMENTS TO CITIZEN MEMBERS OF NONLEGISLATIVE BODIES

Notwithstanding any other provision of law, executive branch agencies shall not pay compensation to citizen members of board, commissions, authorities, councils, or other bodies from any fund for the performance of such members' duties in the work of the board, commission, authority, council, or other body."

Explanation:

(This amendment is a companion amendment Item 1 #1h which clarifies current policies for compensation and reimbursement of expenses for attending meetings for members of the General Assembly.)

Item 4-5.04 #1h

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 497, after line 21, insert:

"k. TELECOMMUNICATION SERVICES AND DEVICES:

1. The Chief Information Officer and the State Comptroller shall develop statewide requirements for the use of cellular telephones and other telecommunication devices by in-scope Executive Department agencies, addressing the assignment, evaluation of need, safeguarding, monitoring, and usage of these telecommunication devices. The requirements shall include an acceptable use agreement template clearly defining an employee's responsibility when they receive and use a telecommunication device. Statewide requirements shall require some form of identification on a device in case it is lost or stolen and procedures to wipe the device clean of all sensitive information when it is no longer in use.

2. In-scope Executive Department agencies providing employees with telecommunication devices shall develop agency-specific policies, incorporating the guidance provided in § 4-5.04 k 1 and shall maintain a cost justification for the assignment or a public health, welfare and safety need.

3. The Chief Information Officer shall determine the optimal number of telecommunication vendors and plans necessary to meet the needs of in-scope Executive Department agency personnel. The Chief Information Officer shall regularly procure these services and provide statewide contracts for use by all such agencies. These contracts shall require the vendors to provide detailed usage information in a useable electronic format to enable the in-scope agencies to properly monitor usage to make informed purchasing decisions and minimize costs.

4. The Chief Information Officer shall provide tools for in-scope Executive Department agencies to analyze usage and cost data to assist in determining the most cost effective plan combinations for the entity as a whole and individual users."

Explanation:

(This amendment requires the Chief Information Officer and State Comptroller to develop state-wide requirements for the issuance of cell phones and other telecommunications devices by in-scope Executive Department state agencies to employees, requires these in-scope Executive Department state agencies to develop agency-specific policies governing these devices and to maintain cost justifications for

the assignment of such devices to their employees, and requires the Chief Information Officer to determine how many telecommunication vendors should be used and the types of plans that should be offered to meet state agency needs, and to establish a requirement that billings from telecommunication providers be provided in a useable electronic format so that the Commonwealth and state agencies can make decisions to minimize their costs. This language is a response to the Auditor of Public Accounts audit of telecommunication device usage in the Commonwealth.)

Item 4-5.04 #2h

Special Conditions and Restrictions on Expenditures

Goods and Services

Language

Language:

Page 496, after line 10, insert:

"6. Notwithstanding any other provision of law, the Virginia Information Technologies Agency shall develop policies and procedures for the sale of surplus computers and laptops to in-scope Executive Department employees and officials. State agencies that do not receive computer services from the Virginia Information Technologies Agency may develop their own policies and procedures governing the sale of surplus computers and laptops to their employees or officials. Any proceeds from the sale of surplus computers or laptops shall be deposited into the general fund."

Explanation:

(This amendment permits the sale of surplus computers and laptops to state employees and agency officials. For in-scope Executive Department agencies, these policies and procedures will be developed by VITA. For other state agencies that do not receive their computer services from VITA, those agencies may develop such policies and procedures. All proceeds from the sale of these computers would be deposited to the general fund.)

Item 4-6.01 #1h

Positions and Employment

Employee Compensation

Language

Language:

Page 509, line 29, strike "three" and insert "five".
Page 509, line 29, strike "July 1" and insert "June 25".
Page 509, line 33, after the first "seq.),", insert "or".
Page 509, line 33, strike ", or" and insert "."
Page 509, strike line 34.

Explanation:

(This amendment increases the salaries of the Cabinet secretaries and agency heads listed in the General Provisions and elsewhere in the Appropriation Act by 5 percent effective June 25, 2011, as long as those Cabinet secretaries and agency heads were members of the VRS, State Police Retirement System, or Virginia Law Officers' Retirement System prior to July 1, 2010. This amendment corresponds to the treatment of state employee groups.)

Item 4-8.01 #1h

Reporting Requirements

Governor

Language

Language:

Page 514, after line 15, insert:

"4. Pursuant to requirements of § 2.2-203.1, Code of Virginia, the Secretary of Administration, in cooperation with the Secretary of Technology, shall provide a report describing the Commonwealth's telecommuting policies, which state agencies and localities have adopted telecommuting policies, the number of state employees who telecommute, the frequency with which state employees telecommute by locality, and the efficacy of telecommuting policies in accomplishing the provision of state services and completing the state functions. This report shall be provided to the Chairmen of the House Committee on Appropriations, the House Committee on Science and Technology, the Senate Committee on Finance, and the Senate Committee on General Laws and Technology each year by October 1."

Explanation:

(This amendment requires the Secretary of Administration, in cooperation with the Secretary of Technology, to provide a report on the Commonwealth's telecommuting policies, their use by state employees, and the ability of telecommuting to provide public services or complete state work.)

Additional Enactments

Language

Language:

Page 525, after line 41, insert:

"8. Be it enacted by the General Assembly of Virginia:

"1. That §§ [51.1-135](#), [51.1-138](#), [51.1-145](#), [51.1-201](#), [51.1-202](#), [51.1-212](#), [51.1-213](#), [51.1-301](#), [51.1-601.1](#), [51.1-603.1](#), [51.1-611](#), [51.1-1100](#), [51.1-1400](#), [51.1-1401](#), [51.1-1402](#), [51.1-1403](#), and [51.1-1405](#) of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered [51.1-126.5:1](#) and by adding in Title 51.1 a chapter numbered 11.1, containing articles numbered 1 through 4, consisting of sections numbered [51.1-1150](#) through [51.1-1183](#), as follows:

§ [51.1-126.5:1](#) . *Optional defined contribution retirement program.*

A. For purposes of this section, "optional defined contribution retirement program" means a retirement program covering any employee in a position covered for retirement purposes under the provisions of Chapter 1 (§ [51.1-124.1](#) et seq.), 2 (§ [51.1-200](#) et seq.), 2.1 (§ [51.1-211](#) et seq.), or 3 (§ [51.1-300](#) et seq.) for retirement purposes other than the Virginia Retirement System defined benefit retirement plan established under this chapter. Persons who are participants in, or eligible to be participants in, the optional retirement plans established under §§ [51.1-126](#) , [51.1-126.1](#) , [51.1-126.3](#) , [51.1-126.4](#) , [51.1-126.5](#) , [51.1-126.6](#) , and [51.1-126.7](#) shall not be eligible to participate in the optional defined contribution retirement program.

The Board shall maintain this optional defined contribution retirement program, and any employer is authorized to make contributions under such program to the plans for the benefit of its employees participating in such program. Every employee who is (i) a person who becomes a member on or after July 1, 2010, and (ii) hired on or after January 1, 2012, shall make an irrevocable election to participate in either (a) the otherwise applicable defined benefit retirement plan established by this title and administered by the Virginia Retirement System or (b) this optional defined contribution retirement program.

Such election shall be exercised no later than 60 days from the time of the employee's entry upon the performance of his duties. If an election is not made within such 60

days, such employee shall be deemed to have elected to participate in the otherwise applicable defined benefit retirement plan established by this title and administered by the Virginia Retirement System.

B. 1. The employer shall make a mandatory contribution on behalf of an employee participating in the optional defined contribution retirement program in the amount of five percent of creditable compensation. In addition, the employer shall make a matching contribution on behalf of the employee, based on the employee's voluntary contributions under subdivision C 2, up to a maximum of 3.5 percent of creditable compensation for the payroll period, as follows: 100 percent of up to 3.5 percent of creditable compensation contributed by the employee to such plan for the payroll period, over and above the mandatory employee contribution. The matching contribution by the employer shall be made to the appropriate cash match plan established for the employee under § [51.1-608](#) .

2. The total amount contributed by the employer under subdivision 1 shall vest to the employee's benefit according to the following schedule:

a. Upon completion of one year of continuous participation in the defined contribution retirement program, 20 percent.

b. Upon completion of two years of continuous participation in the defined contribution retirement program, 40 percent.

c. Upon completion of three years of continuous participation in the defined contribution retirement program, 60 percent.

d. Upon completion of four years of continuous participation in the defined contribution retirement program, 80 percent.

e. Upon completion of five years of continuous participation in the defined contribution retirement program, 100 percent.

If an employee terminates employment with an employer prior to the end of this vesting period, contributions made by an employer on behalf of the employee under subdivision 1 that are not vested, shall be forfeited. The Board may establish a forfeiture account and may specify the uses of the forfeiture account.

3. An employee may direct the investment of contributions made by an employer under subdivision B 1.

4. No loans or hardship distributions shall be available from contributions made by an employer under subdivision B 1.

C. 1. An employee participating in the optional defined contribution retirement program shall, pursuant to procedures established by the Board, make mandatory contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation.

2. An employee participating in the optional defined contribution retirement program may make voluntary contributions to the program, in increments of half percentages of creditable compensation, in an amount not to exceed 3.5 percent of creditable compensation or the limit on elective deferrals pursuant to § 457(b) of the Internal Revenue Code, whichever is less. The contribution by the employee shall be made to the appropriate deferred compensation plan established by the employee under § [51.1-602](#) .

3. No loans or hardship distributions shall be available from contributions made by an employee under this subsection.

D. With respect to any employee who elects, pursuant to subsection A, to participate in the otherwise applicable defined benefit retirement plan established by this title and administered by the Virginia Retirement System, the employer shall collect and pay all employee and employer contributions to the Virginia Retirement System for retirement and group life insurance in accordance with the provisions of Chapter 1 (§ [51.1-124.1](#) et seq.) for such employee.

E. 1. The Board shall develop policies and procedures for administering the optional defined contribution retirement program it maintains, including the establishment of guidelines for employee elections and deferrals under the program.

2. No employee who is an active member in the optional defined contribution retirement program maintained by the Board shall also be (i) an active member of the retirement system or beneficiary other than a contingent annuitant or (ii) an active member of any other optional retirement plan maintained under the provisions of Chapter 1 (§ [51.1-124.1](#) et seq.).

3. If a member of the optional defined contribution retirement program maintained under this section is at any time in service as an employee in a position covered for retirement purposes under the provisions of Chapter 1 (§ [51.1-124.1](#) et seq.), 2 (§

[51.1-200](#) et seq.), 2.1 (§ [51.1-211](#) et seq.), or 3 (§ [51.1-300](#) et seq.), his benefit payments under the optional defined contribution retirement program maintained under this section shall be suspended while so employed; provided, however, reemployment shall have no effect on the payment under the optional defined contribution retirement program maintained under this section if the benefits are being paid in an annuity form under an annuity contract purchased with the member's account balance.

4. Any administrative fee imposed pursuant to subdivision A 13 of § [51.1-124.22](#) on any employer for administering and overseeing the optional defined contribution retirement program established pursuant to this section shall be charged for each employee participating in such program and shall be for costs incurred by the Virginia Retirement System that are directly related to the administration and oversight of such program.

5. The creditable compensation for any employee on whose behalf employee or employer contributions are made into the optional defined contribution retirement program shall not exceed the limit on compensation as adjusted by the Commissioner of the Internal Revenue Service pursuant to the transition provisions applicable to eligible participants under state and local governmental plans under § 401(a)(17) of the Internal Revenue Code as amended in 1993 and as contained in § 13212(d)(3) of the Omnibus Budget Reconciliation Act of 1993 (P. L. [103-66](#)).

6. The Board may contract with private corporations or institutions, subject to the standards set forth in § [51.1-124.30](#) , to provide investment products as well as any other goods and services related to the administration of the optional defined contribution retirement program. The Virginia Retirement System is hereby authorized to perform related services, including but not limited to, providing consolidated billing, individual and collective recordkeeping and accountings, and asset purchase, control, and safekeeping.

F. A person who participates in the otherwise applicable defined benefit retirement plan established by this title and administered by the Virginia Retirement System under this chapter may make an irrevocable election to participate in the optional defined contribution retirement program. Such election shall be exercised no later than March 31, 2012. If an election is not made by March 31, 2012, such employee shall be deemed to have elected not to participate in the optional defined contribution retirement program and shall continue to participate in his current retirement plan. The Board is authorized to allow transfers of the amount of the accumulated contributions and interest of each member of the Virginia Retirement System defined

benefit retirement plan.

§ [51.1-135](#). Compulsory membership.

Membership in the retirement system shall be compulsory for all eligible employees who enter service after the effective date of coverage. *For purposes of this section, “membership in the retirement system” includes an eligible employee’s participation in the optional defined contribution retirement program pursuant to § [51.1-126.5:1](#) .*

§ [51.1-138](#). Benefits.

A. Employees who become members under this article and on whose behalf contributions are paid as provided in this article shall be entitled to benefits under the retirement system.

B. By resolution legally adopted and approved by the Board, the employer may elect to provide benefits equivalent to those provided under the State Police Officers' Retirement System, as set out in Chapter 2 (§ [51.1-200](#) et seq.) ~~of this title~~ except for § [51.1-209](#), and except that the employer may elect to establish the retirement allowance pursuant to the allowance provided in clause (i) or (ii) in subsection A of § [51.1-206](#), in lieu of the benefits that would otherwise be provided hereunder for any employees who are employed in (i) law-enforcement positions comparably hazardous to that of a state police officer, including any sworn law-enforcement officer who has the duty and obligation to enforce the penal and traffic laws of this Commonwealth as directed by his superior officer, if so certified by his appointing authority, (ii) positions as full-time salaried firefighters, (iii) positions as full-time salaried emergency medical technicians, or (iv) positions as regional jail superintendents and jail officers of regional jail farms, regional jails or jail authorities, as approved by the respective jail board or authority and by the participating political subdivisions of such entities. Sheriffs of political subdivisions and superintendents of regional jails which participate in the retirement system shall receive benefits equivalent to those of state police officers, except for the benefits provided under § [51.1-209](#), regardless of whether the employer has elected to provide equivalent benefits as set out in this subsection.

C. Each employer providing the benefits of subsection B for its employees prior to July 1, 1990, may elect to provide for the early retirement of employees as set forth in this subsection in lieu of the early retirement and death before retirement provisions of the State Police Officers' Retirement System. Such election must be made to the Board in writing prior to July 1, 1990. Any member in service on or after his fifty-fifth birthday

with five or more years of creditable service (i) while earning the benefits permitted by this section, (ii) as a member in the retirement system established by Chapter 2 (§ [51.1-200](#) et seq.) ~~of this title~~, or (iii) as a member in the retirement system established by Chapter 2.1 (§ [51.1-211](#) et seq.) ~~of this title~~ may retire upon written notification to the Board setting forth at what time the retirement is to become effective. The effective date shall be after his last day of service but shall not be more than 90 days prior to the filing of such notice. The member shall receive an allowance that shall be determined in the same manner as for retirement at an employee's normal retirement with creditable service and average final compensation being determined as of the date of his actual retirement. If the member has less than 30 years of service at retirement, the amount of the retirement allowance shall be reduced on an actuarial equivalent basis for the period by which the actual retirement date precedes the earlier of (a) the member's normal retirement date or (b) the first date on or after the member's fifty-fifth birthday on which the member would have completed a total of 30 years of creditable service. Effective December 31, 2003, any employee in service on June 30, 2002, and July 1, 2002, who is credited with five or more years of creditable service rendered under this chapter and earning the benefits permitted by this section, Chapter 2 (§ [51.1-200](#) et seq.), or Chapter 2.1 (§ [51.1-211](#) et seq.) ~~of this title~~ shall not be subject to the vesting requirements of this section, and §§ [51.1-205](#) and [51.1-216](#).

Members retiring under the provisions of this subsection shall be entitled to receive post-retirement supplements as provided in § [51.1-166](#). In computing the amount of any supplement, any additional allowances being paid under the provisions of subsection B of § [51.1-206](#) shall be disregarded. In the case of death before retirement, members whose employers elect to provide benefits in accordance with the provisions of this subsection and who have not attained the age of 50 on the date of death shall be assumed to be 50 years of age for the purposes of reducing the benefits on an actuarial equivalent basis.

D. Beginning July 1, 2008, each county and city participating in the Virginia Retirement System shall provide the benefit coverage described in subsection B to each deputy sheriff, regardless of whether the deputy sheriff's salary is funded or reimbursed in whole or in part by the Compensation Board.

E. Notwithstanding the provisions of subsection C, beginning July 1, 2009, the City of Danville shall provide to each deputy sheriff the benefit coverage described in subsection B.

F. Beginning July 1, 2009, each regional jail board and regional jail authority

participating in the Virginia Retirement System and each county and city participating in such board or authority shall provide the benefit coverage described in subsection B to each sworn officer of a regional jail, regardless of whether the regional jail officer's salary is funded or reimbursed in whole or in part by the State Compensation Board.

G. Beginning July 1, 2010, any county or city that (i) participates in the Virginia Retirement System pursuant to Chapter 1 (§ [51.1-124.1](#) et seq.), (ii) has in effect a retirement supplement for deputy sheriffs (in addition to the annual retirement allowance provided under the Virginia Retirement System) that exceeds the allowance set forth in subsection B of § [51.1-206](#) hereof, and (iii) provides the same level of retirement benefits to all of its deputy sheriffs, may, by resolution legally adopted, elect to provide the benefits coverage under subsection B hereof except for the allowance described in subsection B of § [51.1-206](#). Notwithstanding any other provision of law, the additional costs of such election shall be borne solely by such county or city.

H. The retirement system shall not be liable for the payment of any retirement allowances or other benefits on behalf of a member or beneficiary of a member for which reserves have not been previously created from funds contributed by the employer or the members for such benefits.

I. Notwithstanding the foregoing, any person participating in the optional defined contribution retirement program established pursuant to § [51.1-126.5:1](#) shall not be entitled to the benefits under this section.

§ [51.1-145](#). Employer contributions.

A. The total annual employer contribution for each employer, expressed as a percentage of the annual membership payroll, shall be determined in a manner so as to remain relatively level from year to year. Each employer shall contribute an amount equal to the sum of the normal contribution, any accrued liability contribution, and any supplementary contribution. The contribution rates for each employer shall be determined after each valuation and shall remain in effect until a new valuation is made. All contribution rates shall be computed in accordance with recognized actuarial principles on the basis of methods and assumptions approved by the Board.

B. The normal employer contribution for any period shall be determined as a percentage, equal to the normal contribution rate, of the total covered compensation of the members employed during the period.

C. The normal contribution rate for any employer shall be determined as the percentage represented by the ratio of (i) the annual normal cost to provide the benefits of the retirement system with respect to members employed by the employer in excess of the members' contributions to (ii) the total annual compensation of the members.

D. The accrued liability contribution for any employer for any period shall be determined as a percentage, equal to the accrued liability contribution rate, of the total compensation of the members during the period.

E. The accrued liability contribution rate for any employer shall be a percentage of the total annual compensation of the members, determined so that a continuation of annual contributions by the employer at the same percentage of total annual compensation over a period of 40 years will be sufficient to amortize the unfunded accrued liability with respect to the employer.

F. The unfunded accrued liability with respect to any employer as of any valuation date shall be determined as the excess of (i) the then present value of the benefits to be provided under the retirement system in the future to members and former members over (ii) the sum of the assets of the retirement system then currently in the members' contribution account and in the employer's retirement allowance account, plus the then present value of the stipulated contributions to be made in the future by the members, plus the then present value of the normal contributions expected to be made in the future by the employer.

G. The supplementary contribution for any employer for any period shall be determined as a percentage, equal to the supplementary contribution rate, of the total compensation of the members employed during the period.

H. Until July 1, 1997, the supplementary contribution rate for any employer shall be determined as the percentage represented by the ratio of (i) the average annual amount of post-retirement supplements, as provided for in this chapter, which is anticipated to become payable during the period to which the rate will be applicable with respect to former members to (ii) the total annual compensation of the members.

I. The Board shall certify to each employer the applicable contribution rate and any changes in the rate.

J. The employer contribution for the year shall be increased to the extent necessary to

overcome any insufficiency if the contributions for any employer, when combined with the amount of the retirement allowance account of the employer, are insufficient to provide the benefits payable during the year.

K. The appropriation bill which is submitted to the General Assembly by the Governor prior to each regular session that begins in an even-numbered year shall include the contributions which will become due and payable to the retirement allowance account from the state treasury during the following biennium. The amount of the contributions shall be based on the contribution rates certified by the Board pursuant to subsection I ~~of this section~~ that are applicable to the Commonwealth as an employer and the anticipated compensation during the biennium of the members of the retirement system on behalf of whom the Commonwealth is the employer.

L. In the case of all teachers whose compensation is paid exclusively out of funds derived from local revenues and appropriations from the general fund of the state treasury, the Commonwealth shall contribute to the extent specified in the appropriations act. In the case of any teacher whose compensation is paid out of funds derived in whole or in part from any special fund or from a contributor other than the Commonwealth or a political subdivision thereof, contributions shall be paid out of the special fund or by the other contributor in proportion to that part of the compensation derived therefrom. In the case of all state employees whose compensation is paid exclusively by the Commonwealth out of the general fund of the state treasury, the Commonwealth shall be the sole contributor, and all contributions shall be paid out of the general fund. In the case of a state employee whose compensation is paid in whole or in part out of any special fund or by any contributor other than the Commonwealth, contributions on behalf of the employee shall be paid out of the special fund or by the other contributor in proportion to that part of the employee's compensation derived therefrom. The governing body of each political subdivision is hereby authorized to make appropriations from the funds of the political subdivision necessary to pay its proportionate share of contributions on behalf of every state employee whose compensation is paid in part by the political subdivision. In the case of each person who has elected to remain a member of a local retirement system, the Commonwealth shall reimburse the local employer an amount equal to the product of the compensation of the person and the employer contribution rate as used to determine the employer contribution for state employees under this section. Each employer shall keep such records and periodically furnish such information as the Board may require and shall inform new employees of their duties and obligations in connection with the retirement system.

M. The employer contribution rate established for each employer may include the cost to administer any defined contribution plan administered by the Virginia Retirement System and available to the employer. The portion of such contribution designated to cover administrative costs of the defined contribution plans shall not be deposited into the trust fund established for the defined benefit plans but shall be separately accounted for and used solely to defray the administrative costs associated with the various defined contributions plans. This provision shall supplement the authority of the Board under §§ [51.1-124.22](#) and [51.1-602](#) to charge and collect administrative fees to employers whose employees have available the various defined contribution plans administered by the Virginia Retirement System.

N. The employer contribution rate established for each employer may include the annual rate of contribution payable by such employer with respect to employees enrolled in the optional defined contribution retirement program established under § [51.1-126.5:1](#) , to be assessed as surcharges for the amortization of unfunded liabilities of the defined benefit plans administered by the Virginia Retirement System.

§ [51.1-201](#). Definitions.

As used in this chapter, unless the context requires a different meaning:

"Employee" means a state police officer.

"Member" means any person included in the membership of the retirement system as provided in this chapter, *except that any person participating in the optional defined contribution retirement program established pursuant to § [51.1-126.5:1](#) shall not be considered a member* .

"Normal retirement date" means a member's sixtieth birthday.

"Retirement system" means the State Police Officers' Retirement System.

§ [51.1-202](#). Membership in retirement system.

Membership in the retirement system shall be compulsory for all state police officers. *However, such compulsory membership requirement shall be deemed to have been met by any employee participating in the optional defined contribution retirement*

program described under § [51.1-126.5:1](#) .

§ [51.1-212](#). Definitions.

As used in this chapter, unless the context requires a different meaning:

"Employee" means any (i) member of the Capitol Police Force as described in § [30-34.2:1](#), (ii) campus police officer appointed under the provisions of Chapter 17 (§ [23-232](#) et seq.) of Title 23, (iii) conservation police officer in the Department of Game and Inland Fisheries appointed under the provisions of Chapter 2 (§ [29.1-200](#) et seq.) of Title 29.1, (iv) special agent of the Department of Alcoholic Beverage Control appointed under the provisions of Chapter 1 (§ [4.1-100](#) et seq.), (v) law-enforcement officer employed by the Virginia Marine Resources Commission as described in § [9.1-101](#), (vi) correctional officer as the term is defined in § [53.1-1](#), and including correctional officers employed at a juvenile correction facility as the term is defined in § [66-25.3](#), (vii) any parole officer appointed pursuant to § [53.1-143](#), and (viii) any commercial vehicle enforcement officer employed by the Department of State Police.

"Member" means any person included in the membership of the Retirement System as provided in this chapter *except that any person participating in the optional defined contribution retirement program established pursuant to § [51.1-126.5:1](#) shall not be considered a member* .

"Normal retirement date" means a member's sixtieth birthday.

"Retirement System" means the Virginia Law Officers' Retirement System.

§ [51.1-213](#). Membership in Retirement System.

Membership in the Retirement System shall be compulsory for all employees. *However, such compulsory membership requirement shall be deemed to have been met by any employee participating in the optional defined contribution retirement program described under § [51.1-126.5:1](#) .*

§ [51.1-301](#). Definitions.

As used in this chapter, unless the context requires a different meaning:

"Appointing authority" means the General Assembly or the Governor.

"Creditable service" means prior service plus membership service, as further defined in and modified by § [51.1-303](#), for which credit is allowable under this chapter.

"Judge" means any justice or judge of a court of record of the Commonwealth, any member of the State Corporation Commission or Virginia Workers' Compensation Commission, any judge of a district court of the Commonwealth other than a substitute judge of such district court, and any executive secretary of the Supreme Court assuming such position between December 1, 1975, and January 31, 1976, *except that any person participating in the optional defined contribution retirement program established pursuant to § [51.1-126.5:1](#) shall not be considered a judge as provided in this chapter.*

"Normal retirement date" means a member's sixty-fifth birthday.

"Previous systems" means the systems established under the provisions of Chapters 2 (§ [51-3](#) et seq.) and 2.2 (§ [51-29.8](#) et seq.) of Title 51, and, in the case of judges of regional juvenile and domestic relations courts, the Virginia Retirement System.

"Primary social security benefit" means, with respect to any member, the primary insurance amount to which the member is entitled, for old age or disability, as the case may be, pursuant to the federal Social Security Act as in effect at his date of retirement, under the provisions of this chapter except as otherwise specifically provided.

"Retirement system" means the Judicial Retirement System.

"Service" means service as a judge.

§ [51.1-601.1](#). Participation in plan by certain employees.

All employees of the Commonwealth and its agencies commencing employment or who are reemployed on or after January 1, 2008, in a position covered by the Virginia Retirement System, and who have not elected to participate in a plan established pursuant to (i) § 403(b) of the Internal Revenue Code of 1986, as amended, or (ii) § [51.1-126.5:1](#), shall participate in the plan described in § [51.1-602](#), unless such employee elects, in a manner prescribed by the Board, not to participate in such plan. The amount of the deferral for any such employee participating in the plan shall equal, on a semimonthly basis, \$20 of otherwise payable compensation, unless the employee elects to defer a different amount.

§ [51.1-603.1](#). Participation by employees of political subdivisions in deferred compensation plan of Virginia Retirement System.

The Virginia Retirement System may enter into an agreement with any political subdivision of the Commonwealth to permit participation by the political subdivision's employees in the deferred compensation plan established and administered by the Board pursuant to § [51.1-602](#), *except that political subdivisions of the Commonwealth otherwise participating in the retirement system pursuant to Article 5 (§ [51.1-130](#) et seq.) of Chapter 1 shall participate in the deferred compensation plan established and administered by the Board pursuant to § [51.1-602](#) to the extent necessary to provide benefits under the optional defined contribution retirement program described in § [51.1-126.5:1](#) .*

§ [51.1-611](#). Participation by employees of political subdivisions in cash match plan of Virginia Retirement System.

The Virginia Retirement System may enter into an agreement with any political subdivision of the Commonwealth to permit participation by the political subdivision's employees in the cash match plan established and administered by the Board pursuant to § ~~[51.1-607](#)~~ [51.1-608](#) *except that political subdivisions of the Commonwealth otherwise participating in the retirement system pursuant to Article 5 (§ [51.1-130](#) et seq.) of Chapter 1 shall participate in the deferred compensation plan established and administered by the Board pursuant to § [51.1-608](#) to the extent necessary to provide benefits under the optional defined contribution retirement program described in § [51.1-126.5:1](#) .*

§ [51.1-1100](#). Definitions.

As used in this chapter, unless the context requires a different meaning:

"Act" means the Virginia Workers' Compensation Act (§ [65.2-100](#) et seq.).

"Company" means an insurance company issuing a long-term disability insurance policy purchased by the Board pursuant to this chapter.

"Disability" means a partial disability or total disability.

"Disability benefit" means income replacement payments payable to a participating

employee under a short-term or long-term disability benefit program pursuant to this chapter. Disability benefits do not include benefits payable under the Act.

"Eligible employee" means (i) a state employee as defined in § [51.1-124.3](#) who is a member of the retirement system, (ii) an employee as defined in § [51.1-201](#), (iii) an employee as defined in § [51.1-212](#), or (iv) a qualifying part-time employee. Any person participating in a plan established pursuant to §§ [51.1-126](#), [51.1-126.1](#), [51.1-126.4](#), [51.1-126.5](#), [51.1-126.5:1](#), [51.1-502.1](#), or ~~§~~ [51.1-502.3](#) shall not be an eligible employee. Employees of the University of Virginia Medical Center covered under the basic insurance policies purchased by the Medical Center shall not be considered eligible employees under this chapter, unless the University of Virginia Board of Visitors, or a duly authorized agent or representative of the Board of Visitors, purchases such insurance policies from the Virginia Retirement System.

"Existing employee" means an employee who elected to participate in the Virginia Sickness and Disability Program.

"Partial disability" exists during the first ~~twenty-four~~ 24 months following the occurrence or commencement of an illness or injury when an employee is earning less than ~~eighty~~ 80 percent of his predisability earnings and, as a result of an injury or illness, is (i) able to perform one or more, but not all, of the essential job functions of his own job on an active employment or a part-time basis or (ii) able to perform all of the essential job functions of his own job only on a part-time basis.

"Participating employee" means any eligible employee required or electing to participate in the program.

"Program" means the program providing sick leave, family and personal leave, short-term disability, and long-term disability benefits for participating employees established pursuant to this chapter.

"Qualifying part-time employee" means any person who would qualify as a state employee as defined in § [51.1-124.3](#) but, rather than being regularly employed full time on a salaried basis, is regularly employed part time for at least ~~twenty~~ 20 hours but less than ~~forty~~ 40 hours per week on a salaried basis.

"State service" means the employee's total period of state service as an eligible employee, including all periods of classified full-time and classified part-time service and periods of leave without pay, but not including periods during which the employee

did not meet the definition of an eligible employee.

"Total disability" exists (i) during the first ~~twenty-four~~ 24 months following the occurrence or commencement of an illness or injury if an employee is unable to perform all of his essential job functions or (ii) after ~~twenty-four~~ 24 months following the occurrence or commencement of an illness or injury if an employee is unable to perform any job for which he is reasonably qualified based on his training or experience and earning less than ~~eighty~~ 80 percent of his predisability earnings.

"Work-related injury" means an injury, as such term is defined in § [65.2-101](#), to a participating employee for which benefits are payable under the Act and the Commonwealth is the employer for purposes of the Act.

In addition to the definitions listed above, the definitions listed in § [51.1-124.3](#) shall apply to this chapter except as otherwise provided.

*CHAPTER 11.1.
DISABILITY PROGRAM FOR DEFINED CONTRIBUTION RETIREMENT
PROGRAM
PARTICIPANTS.
Article 1.
General Provisions.*

§ [51.1-1150](#) . *Definitions.*

As used in this chapter, unless the context requires a different meaning:

"Act" means the Virginia Workers' Compensation Act (§ [65.2-100](#) et seq.).

"Company" means an insurance company issuing a long-term disability insurance policy purchased by the Board pursuant to this chapter.

"Continuous service" means an uninterrupted period of service as a participating employee with the same employer.

"Disability" means a partial disability or total disability.

"Disability benefit" means income replacement payments payable to a participating employee under a short-term or long-term disability benefit program pursuant to this

chapter. Disability benefits do not include benefits payable under the Act.

"Eligible employee" means a person who is participating in the defined contribution retirement program established pursuant to § [51.1-126.5:1](#) .

"Partial disability" exists during the first 24 months following the occurrence or commencement of an illness or injury when an employee is earning less than 80 percent of his predisability earnings and, as a result of an injury or illness, is (i) able to perform one or more, but not all, of the essential job functions of his own job on an active employment or a part-time basis or (ii) able to perform all of the essential job functions of his own job only on a part-time basis.

"Participating employee" means any eligible employee required to participate in the program.

"Program" means the program providing short-term disability and long-term disability benefits for participating employees established pursuant to this chapter.

"Service" means a period of service as a participating employee.

"Total disability" exists (i) during the first 24 months following the occurrence or commencement of an illness or injury if an employee is unable to perform all of his essential job functions or (ii) after 24 months following the occurrence or commencement of an illness or injury if an employee is unable to perform any job for which he is reasonably qualified based on his training or experience and earning less than 80 percent of his predisability earnings.

"Work-related injury" means an injury, as such term is defined in § [65.2-101](#) , to a participating employee for which benefits are payable under the Act and the employer for purposes of the Act is the Commonwealth or other political subdivision through which the participating employee became eligible for the program.

In addition to the definitions listed in this section, the definitions listed in § [51.1-124.3](#) shall, as the context requires, apply to this chapter except as otherwise provided.

§ [51.1-1151](#) . Sickness and disability program; disability insurance policies.

A. The Board shall develop, implement, and administer a short-term disability and long-term disability benefits program in accordance with the provisions of this

chapter. The Board is authorized to delegate or assign to any person any of the duties required to be performed by the Board pursuant to this chapter. The Board is authorized to purchase long-term disability insurance policies for participating employees. The policies shall be purchased from and carried with a disability insurance company which is authorized to do business in the Commonwealth.

Each policy shall contain a provision stipulating the maximum expense and risk charges that are determined by the Board to be on a basis consistent with the general level of charges made by disability insurance companies under policies of long-term disability insurance issued to large employers. The Board may require that the policies have reinsurance with a disability insurance company incorporated or organized under the laws of and authorized to do business in the Commonwealth.

B. Notwithstanding the provisions of subsection A, the Board may self-insure long-term disability benefits in accordance with the standards set forth in § [51.1-124.30](#) .

§ [51.1-1152](#) . Additional powers of the Board.

In addition to any other powers granted to the Board under this title, the Board shall have the power to:

- 1. Establish policies and procedures to implement and administer the program and the provisions of this chapter;*
- 2. Contract for the provision of comprehensive case management;*
- 3. Take all other actions necessary for the implementation and administration of the program; and*
- 4. Adopt rules and policies that bring the program into compliance with any applicable law or regulation of this Commonwealth or the United States.*

§ [51.1-1153](#) . Participation in the program.

A. The effective date of participation in the program for participating employees shall be their first day of employment.

B. Notwithstanding any provision to the contrary, no participating employee shall receive benefits under Article 2 (§ [51.1-1154](#) et seq.) (Nonwork-Related Disability

Benefits) until the participating employee completes one year of continuous service.

C. Eligibility for participation in the program shall terminate upon the earliest to occur of an employee's (i) termination of employment or (ii) death. Eligibility for participation in the program shall be suspended during periods that an employee is placed on nonpay status, including leave without pay, if such nonpay status is due to suspension pending investigation or outcome of employment-related court or disciplinary action.

*Article 2.
Nonwork-Related Disability Benefits.*

§ [51.1-1154](#) . Applicability of article.

The provisions of this article shall apply only with respect to the disability programs providing disability benefits for disabilities not resulting from work-related injuries.

§ [51.1-1155](#) . Short-term disability benefit.

A. Except as provided in subsection B § [51.1-1153](#) , short-term disability benefits for participating employees shall commence upon the expiration of a seven-calendar-day waiting period. The waiting period shall commence the first day of a disability or of maternity leave. If an employee returns to work for one day or less during the seven-calendar-day waiting period but cannot continue to work, the periods worked shall not be considered to have interrupted the seven-calendar-day waiting period. Additionally, the seven-calendar-day waiting period shall not be considered to be interrupted if the employee works 20 hours or less during the waiting period. Short-term disability benefits payable as the result of a catastrophic disability shall not require a waiting period.

B. Except as provided in § [51.1-1171](#) , short-term disability coverage shall provide income replacement for (i) 60 percent of a participating employee's creditable compensation for the first 60 months of continuous service and (ii) thereafter, a percentage of a participating employee's creditable compensation during the periods specified below, based on the number of months of continuous service, that an employee is disabled or on maternity leave:

Work Days of 100% Work Days of 80% Work Days of 60%

<i>Months of Continuous Service</i>	<i>Replacement of Creditable Compensation</i>	<i>Replacement of Creditable Compensation</i>	<i>Replacement of Creditable Compensation</i>
60-119	25	25	75
120-179	25	50	50
180 or more	25	75	25

C. Creditable compensation during periods an employee receives short-term disability benefits shall include salary increases awarded during the period covered by short-term disability benefits.

D. Short-term disability benefits shall be payable only during periods of (i) total disability, (ii) partial disability, or (iii) maternity leave.

§ [51.1-1156](#) . *Successive periods of short-term disability.*

A. A participating employee's disability which is related or due to the same cause or causes as a prior disability for which short-term disability benefits were paid shall be deemed to be a continuation of the prior disability if the employee returns to his position on an active employment basis for less than 45 consecutive calendar days. If a participating employee, after receiving short-term disability benefits, immediately returns to work for less than 45 consecutive calendar days and cannot continue to work, the days worked shall be deemed to have interrupted the short-term disability benefits period, and such days worked shall not be counted for purposes of determining the maximum period for which the participating employee is eligible to receive short-term disability benefits. Days of work arranged pursuant to vocational, rehabilitation, or return-to-work programs shall not be counted in determining the duration of the period of the employee's return to work.

B. If a participating employee returns to his position on an active employment basis for 45 consecutive calendar days or longer, any succeeding period of disability shall constitute a new period of short-term disability.

C. The period of 45 days referred to in subsections A and B shall be consecutive

calendar days that the participating employee is (i) actively at work and (ii) fully released to return to work full time, full duty.

§ [51.1-1157](#) . *Long-term disability benefit.*

A. Long-term disability benefits for participating employees shall commence upon the expiration of the maximum period for which the participating employee is eligible to receive short-term disability benefits under § [51.1-1155](#) .

B. Except as provided in § [51.1-1171](#) , long-term disability benefits shall provide income replacement in an amount equal to 60 percent of a participating employee's creditable compensation.

C. Creditable compensation during periods an employee receives long-term disability benefits shall not include salary increases awarded during the period covered by long-term disability benefits.

D. Long-term disability benefits shall be payable only during periods of (i) total disability or (ii) partial disability.

E. Unless otherwise directed, to be eligible for benefits under this section, the employee must apply for Social Security disability benefits.

§ [51.1-1158](#) . *Successive periods of long-term disability.*

A. A participating employee's disability, which is related or due to the same cause or causes as a prior disability for which long-term disability benefits were paid, shall be deemed to be a continuation of the prior disability if the employee returns to a position on an active employment basis for less than 125 consecutive work days. Days of work arranged pursuant to vocational, rehabilitation, or return-to-work programs shall not be counted in determining the duration of the period of the employee's return to work.

B. If a participating employee returns to a position on an active employment basis for 125 consecutive work days or longer, any succeeding period of disability shall constitute a new period of disability.

§ [51.1-1159](#) . *Adjustments to disability benefits.*

A. Disability benefit payments shall be offset by an amount equal to any sums payable to a participating employee from the following sources:

- 1. During the first 12 months the employee receives disability benefits, an amount equal to the employee's wages and salary from any employment multiplied by the creditable compensation replacement percentage;*
- 2. After the first 12 months the employee receives disability benefits, an amount equal to 70 percent of the employee's wages and salary from any employment;*
- 3. Except as provided in subsection F, disability payments from the Social Security Administration, military disability benefits, local government disability benefits, federal civil service disability benefits or other similar governmental disability program benefits received by the employee or his family as a result of the qualifying disability;*
- 4. Benefits received from any other group insurance contract provided to the participating employee by his employer for the purpose of providing income replacement; and*
- 5. Benefits paid under any compulsory benefits law.*

B. If the plan administrator deems a participating employee to be eligible for benefits from any of the sources listed in subdivisions A 3, A 4, and A 5, the plan administrator may direct the participating employee to apply for those benefits and to pursue whatever additional steps are necessary to obtain the benefits. If a participating employee fails or refuses to pursue the available benefits as directed by the plan administrator, disability benefit payments may be offset by amounts from any of the sources listed in subdivisions A 3, A 4, and A 5 for which a participating employee is deemed eligible by the plan administrator as if the employee received such amounts. However, if the employee has applied for such benefits, and has reapplied and appealed denials of the claim as requested by the administrator of the plan, and the claim is not approved, the employee's disability payments shall not be reduced thereby.

C. If a participating employee's disability benefit payments are reduced as the result of payments from sources listed in subdivisions A 3, A 4, and A 5 or pursuant to subsection B, the employee's disability benefits shall not thereafter be further reduced on account of cost-of-living increases in payments from such sources.

D. Participating employees shall be required to repay, with interest, to the Board or their employer, any overpayments of disability benefits on account of the failure of the

employee to provide the Board or its designee with information necessary to make any of the reductions required to be made under this article.

E. Any payment to a participating employee that is later determined by the Board or by the employer to have been procured on the basis of any false statement or falsification of any record knowingly made by or on behalf of the member, or the employee's failure to make any required report of change in disability status, may be recovered from the employee by the Board, with interest, either by way of a credit against future payments due the employee, his survivor and beneficiaries or by an action at law against the employee.

F. Supplemental disability payments will not be offset for a participating employee if the employee is receiving a primary retirement benefit for service in the United States armed services, even if a percentage of that primary retirement benefit has been declared a disability payment. Any disability payment that is not a part of the primary retirement benefit will be offset.

§ [51.1-1160](#) . Rehabilitation incentive.

Disability benefits payable to a participating employee who fails to cooperate with a rehabilitation program prescribed for the employee shall be decreased by 50 percent of the amounts otherwise payable to such employee.

§ [51.1-1161](#) . Cessation of disability benefits.

Disability benefits shall cease to be paid to a participating employee upon the first to occur of the following:

1. The end of the period of disability coverage as provided in subsection D of § [51.1-1155](#) or subsection D of § [51.1-1157](#) ;
2. The date of death of the participating employee;
3. The date that the participating employee attains age 65; or
4. The date that the participating employee takes an initial distribution from the defined contribution retirement plan established pursuant to § [51.1-126.5:1](#) .

Notwithstanding the foregoing, an employee who is approved for disability benefits (i) at age 60 through 64 shall be eligible for five years of disability benefits, (ii) at age 65

through 68 shall be eligible for disability benefits to age 70, and (iii) at age 69 or older shall be eligible for disability benefits for one year. The eligibility periods include short-term disability and long-term disability.

*Article 3.
Work-Related Disability Benefits.*

§ [51.1-1162](#) . Applicability of article.

The provisions of this article shall apply only with respect to disability programs providing payment of disability benefits attributed to work-related injuries.

§ [51.1-1163](#) . Supplemental short-term disability benefit.

A. Payments of supplemental short-term disability benefits payable under this article shall be reduced by an amount equal to any benefits paid to the employee under the Act, or which the employee is entitled to receive under the Act, excluding any payments for medical, legal or rehabilitation expenses.

B. Supplemental short-term disability benefits for participating employees shall commence upon the expiration of a seven-calendar-day waiting period. The waiting period shall commence the first day of a disability. If an employee returns to work for one day or less during the seven calendar days following the commencement of a disability but cannot continue to work, the periods worked shall not be considered to have interrupted the seven-calendar-day waiting period. Additionally, the seven-calendar-day waiting period shall not be considered to be interrupted if the employee works 20 hours or less during the waiting period. Short-term disability benefits payable as the result of a catastrophic disability shall not require any waiting period.

C. Except as provided in subsection D and [51.1-1171](#) , supplemental short-term disability coverage shall provide income replacement for (i) 60 percent of a participating employee's creditable compensation for the first 60 months of continuous service and (ii) thereafter, a percentage of a participating employee's creditable compensation during the period specified below that an employee is disabled, based on the number of months of continuous service, as follows:

Work Days of 100% Work Days of 80% Work Days of 60%

<i>Months of Continuous Service</i>	<i>Replacement of Creditable Compensation</i>	<i>Replacement of Creditable Compensation</i>	<i>Replacement of Creditable Compensation</i>
60 to 119	85	25	15
120 or more	85	40	0

D. Notwithstanding the provisions of subsection C, a state police officer who is a participating employee and who incurs a work-related injury in the line of duty shall receive supplemental short-term disability coverage that provides income replacement for 100 percent of the officer's creditable compensation for the first six months and, pursuant to a certification by the Superintendent of State Police, based on a medical evaluation, that the officer is likely to return to service within another six months, up to one calendar year, that the officer is disabled, without regard to the officer's number of months of state service. Upon the expiration of the one-calendar-year period, such state police officers shall be eligible for supplemental long-term disability benefits as provided in § [51.1-1165](#) .

E. Creditable compensation during periods an employee receives supplemental short-term disability benefits shall include salary increases awarded during the period of short-term disability coverage.

F. Supplemental short-term disability benefits shall be payable only during periods of total disability or partial disability.

§ [51.1-1164](#) . Successive periods of short-term disability.

A. A participating employee's disability, which is related or due to the same cause or causes as a prior disability for which supplemental short-term disability benefits were paid, shall be deemed to be a continuation of the prior disability if the employee (i) is eligible for benefits payable under the Act, whether or not he is receiving such benefits, and (ii) returns to his position on an active employment basis for less than 45 consecutive calendar days. If a participating employee, after receiving short-term disability benefits, immediately returns to work for less than 45 consecutive calendar days and cannot continue to work, the days worked shall be deemed to have interrupted the short-term disability benefits period, and such days worked shall not

be counted for purposes of determining the maximum period for which the participating employee is eligible to receive short-term disability benefits. Days of work arranged pursuant to vocational, rehabilitation, or return-to-work programs shall not be counted in determining the duration of the period of the employee's return to work.

B. If a participating employee returns to his position on an active employment basis for 45 consecutive calendar days or longer, any succeeding period of disability shall constitute a new period of short-term disability.

C. The period of 45 days referred to in subsections A and B shall be consecutive calendar days that the participating employee is (i) actively at work and (ii) fully released to return to work full time, full duty.

§ [51.1-1165](#) . Supplemental long-term disability benefit.

A. Supplemental long-term disability benefits for participating employees shall commence upon the expiration of the maximum period for which the participating employee is eligible to receive short-term disability benefits under § [51.1-1163](#) .

B. Except as provided in § [51.1-1171](#) , supplemental long-term disability benefits shall provide income replacement in an amount equal to 60 percent of a participating employee's creditable compensation.

C. Creditable compensation during periods an employee receives supplemental long-term disability benefits shall not include salary increases awarded during the period covered by long-term disability benefits.

D. Payments of supplemental long-term disability benefits payable under this article shall be reduced by an amount equal to any benefits paid to the employee under the Act, for which the employee is entitled to receive under the Act, excluding any benefit for medical, legal or rehabilitation expenses.

E. Supplemental long-term disability benefits shall be payable only during periods of total disability or partial disability.

F. Unless otherwise directed, to be eligible for benefits under this section, the employee must apply for Social Security disability benefits.

§ [51.1-1166](#) . Successive periods of long-term disability.

A. A participating employee's disability, which is related or due to the same cause or causes as a prior disability for which supplemental long-term disability benefits were paid, shall be deemed to be a continuation of the prior disability if the employee is eligible for benefits payable under the Act, whether or not he is receiving such benefits, and returns to a position on an active employment basis for less than 125 consecutive work days. Days of work arranged pursuant to vocational, rehabilitation, or return-to-work programs shall not be counted in determining the duration of the period of the employee's return to work.

B. If a participating employee returns to a position on an active employment basis for 125 consecutive work days or longer, any succeeding period of disability shall constitute a new period of disability.

§ [51.1-1167](#) . Adjustments in supplemental disability benefits.

A. In addition to offsets equal to the amount of any benefits paid to a participating employee under the Act, supplemental disability benefit payments shall be offset by an amount equal to any sums payable to a participating employee from the following sources:

- 1. During the first 12 months the employee receives disability benefits, an amount equal to the employee's wages and salary from any employment multiplied by the income replacement percentage payable;*
- 2. After the first 12 months the employee receives disability benefits, an amount equal to 70 percent of the employee's wages and salary from any employment;*
- 3. Except as provided in subsection G, disability payments from the Social Security Administration, military disability benefits, local government disability benefits, federal civil service disability benefits or other similar governmental disability program benefits received by the employee or his family as a result of the qualifying disability;*
- 4. Benefits received from any other group insurance contract provided to the participating employee by his employer for the purpose of income replacement;*
- 5. Benefits paid under any compulsory benefits law; and*
- 6. If the participating employee receives a settlement in lieu of periodic payments for*

a disability compensable under the Act, an amount determined by dividing the workers' compensation benefit, which such employee would have received had the lump-sum settlement not been consummated into the settlement actually accepted by the employee.

B. If the plan administrator deems a participating employee to be eligible for benefits from any of the sources listed in subdivisions A 3, A 4, and A 5, the plan administrator may direct the participating employee to apply for those benefits and to pursue whatever additional steps are necessary to obtain the benefits. If a participating employee fails or refuses to pursue the available benefits as directed by the plan administrator, supplemental disability benefit payments may be reduced by amounts from any of the sources listed in subdivisions A 3, A 4, and A 5 for which a participating employee is deemed eligible by the plan administrator as if the employee received such amounts. However, if the employee has applied for such benefits, and has reapplied and appealed denials of the claim as requested by the administrator of the plan, and the claim is not approved, the employee's supplemental disability payments shall not be reduced thereby.

C. If a participating employee's disability benefit payments are reduced as the result of payments from sources listed in subdivisions A 3, A 4, and A 5 or pursuant to subsection B, the employee's disability benefits shall not thereafter be further reduced on account of cost-of-living increases in payments from such sources.

D. Participating employees shall be required to repay, with interest, to the Board or the employer any overpayments of supplemental disability benefits on account of the failure of the employee to provide the Board or its designee with information necessary to make any of the reductions required to be made under this article.

E. Any payment to a participating employee that is later determined by the Board or by the employer to have been procured on the basis of any false statement or falsification of any record knowingly made by or on behalf of the employee, or the employee's failure to make any required report of change in disability status, may be recovered from the employee by the Board, with interest, either by way of a credit against future payments due the employee or by an action at law against the employee.

F. If a participating employee's payments under the Act are adjusted or terminated for refusal to work or to comply with the requirements of § [65.2-603](#) , his disability benefits shall be computed as if he were receiving the compensation to which he would otherwise be entitled under the Act.

G. Supplemental disability payments will not be offset for a participating employee if the employee is receiving a primary retirement benefit for service in the United States armed services, even if a percentage of that primary retirement benefit has been declared a disability payment. Any disability payment that is not a part of the primary retirement benefit will be offset.

§ [51.1-1168](#) . Rehabilitation incentive.

Supplemental disability benefits payable to a participating employee who fails to cooperate with a rehabilitation program prescribed for the employee shall be decreased by 50 percent of the amounts otherwise payable to such employee. In determining the amount of any reduction in benefits under this section, the participating employee shall be presumed to continue to receive benefits payable under the Act. Failure to comply with a vocational rehabilitation assessment process at any time the employee is receiving supplemental disability benefits may constitute a failure to cooperate for purposes of this section.

§ [51.1-1169](#) . Cessation of supplemental disability benefits.

Supplemental disability benefits shall cease to be paid to a participating employee upon the first to occur of the following:

- 1. The end of the period of supplemental disability coverage as provided in subsection F of § [51.1-1163](#) or subsection E of § [51.1-1165](#) ;*
- 2. The date of death of the participating employee;*
- 3. On the date the employee attains age 65; or*
- 4. The date that the participating employee takes an initial distribution from the defined contribution retirement plan established pursuant to § [51.1-126.5:1](#) .*

Notwithstanding the foregoing, an employee who is approved for supplemental disability benefits (i) at age 60 through 64 shall be eligible for five years of supplemental disability benefits, (ii) at age 65 through 68 shall be eligible for supplemental disability benefits to age 70, and (iii) at age 69 or older shall be eligible for supplemental disability benefits for one year. The eligibility periods include supplemental short-term disability and supplemental long-term disability.

§ [51.1-1170](#) . Coordination of benefits.

The Board shall develop guidelines and procedures for the coordination of benefits and case management for participating employees entitled to benefits under the Act and supplemental disability benefits under this article. Such guidelines shall also address disability benefits for participating employees whose disability results from multiple injuries or illnesses, one or more of which is a work-related injury.

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§ [51.1-1171](#) . Supplemental benefits for catastrophic disability.

Disability benefits shall be increased to 80 percent of creditable compensation for any disabled participating employee who (i) is unable to perform at least two of the six activities of daily living due to a loss of functional capacity or (ii) requires substantial supervision to protect the employee from threats to health and safety as a result of severe cognitive impairment. Determination of whether a participating employee satisfies either of these conditions shall be made in accordance with the policies of the Board or its designee.

§ [51.1-1172](#) . Employer contributions during disability absences.

A. Employer and employee contributions to the defined contribution retirement program pursuant to subsections B and C of § [51.1-126.5:1](#) on behalf of participating employees shall continue during periods of such employees' absence covered by short-term disability benefits.

However, the calculation of such contributions shall be based on the participating employee's creditable compensation multiplied by the income replacement percentage for which the participating employee is otherwise eligible under this program.

B. In lieu of the mandatory employer and employee contributions pursuant to subdivisions B 1 and C 1 of § [51.1-126.5:1](#) , a 10 percent contribution to the defined contribution retirement program shall be paid, on behalf of participating employees during periods of such employees' absence covered by long-term disability benefits, by the Defined Contribution Retirement Program Disability Insurance Trust Fund established under § [51.1-1183](#) . However, the calculation of such contribution shall be based on the participating employee's creditable compensation multiplied by the

income replacement percentage for which the participating employee is otherwise eligible under this program.

§ [51.1-1173](#) . Health insurance coverage during disability absences.

A. Participating employees enrolled in a health insurance plan established pursuant to § [2.2-2818](#) shall continue to be covered during periods of short-term disability and shall have the option of continuing to be covered by such plan during periods of absence covered by long-term disability benefits.

B. The Commonwealth shall pay the employer's share of the cost of health insurance coverage under such plan for participating employees and for the families or dependents of such employees during periods the employee is receiving short-term disability benefits to the same extent as for other state employees covered by such plan.

C. Participating employees enrolled in such plan established pursuant to § [2.2-2818](#) shall have the option of continuing to be covered under such plan, and shall pay the full cost for coverage under such plan for themselves and for their families and dependents during periods the employee is receiving long-term disability benefits. However, for an employee as defined in § [51.1-201](#) who is receiving supplemental long-term disability benefits pursuant to Article 3 (§ [51.1-1163](#) et seq.), the Commonwealth shall continue to pay the employer's share of the cost of health insurance coverage under such plan for the participating employee and for his family and dependents until such time as the employee is approved for continued health insurance coverage as provided under Chapter 4 (§ [9.1-400](#) et seq.) of Title 9.1.

§ [51.1-1174](#) . Life and accident insurance coverage during disability absences.

A. Participating employees participating in a group life and accident insurance program established pursuant to Chapter 5 (§ [51.1-500](#) et seq.) shall continue to participate in such program during periods of absence covered by short-term and long-term disability benefits.

B. During periods of absence covered by short-term disability benefits, the amount of the life insurance benefit shall be based on the annual salary of the participating employee at the commencement of the disability and shall be adjusted to include salary increases awarded during the period covered by short-term disability benefits.

C. During periods of absence covered by long-term disability benefits, the amount of

the life insurance benefit shall be based on the annual salary of the participating employee at the commencement of the disability. Such amount shall not include salary increases awarded during the period covered by long-term disability benefits.

§ [51.1-1175](#) . *Optional insurance during disability absences.*

Participating employees may continue coverage under the optional insurance for themselves and their spouses and minor dependents pursuant to §§ [51.1-512](#) and [51.1-513](#) at their own expense during periods of disability.

§ [51.1-1176](#) . *Exclusions and limitations.*

A. Disability benefits shall not be payable to any participating employee (i) whose disability results from the employee's commission of a felony or (ii) during any period when the employee is incarcerated.

B. Long-term disability benefits shall not be payable to any participating employee whose disability results from the abuse of alcohol, the misuse of any prescribed medication, or the misuse of any controlled substance, unless the employee is actively receiving treatment and, in the judgment of the case manager, is fully complying with the treatment plan and is making substantial progress toward rehabilitation.

C. Disability benefits shall not be payable if the participating employee is determined by the Board or its designee to be noncompliant with the program.

§ [51.1-1177](#) . *Appeals.*

The Board may elect to develop an alternative to the process set forth in the Administrative Process Act (§ [2.2-4000](#) et seq.) to allow appeals of case decisions related to the payment of disability benefits under this chapter. This alternative process shall be modeled after the claims provisions as provided for in the federal Employee Retirement Income Security Act of 1974, as amended, and shall (i) provide for adequate notice in writing to any participant whose claim for benefits has been denied setting forth the specific reasons for such denial and (ii) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a review of the decision denying the claim. Articles 3 (§ [2.2-4018](#) et seq.) and 4 (§ [2.2-4024](#) et seq.) of the Administrative Process Act shall not apply to any portion of this alternative appeals process.

However, any person aggrieved by, and claiming the unlawfulness of, a final case

decision issued pursuant to this alternative appeals process, whether issued by the Board or by the Board's delegate, shall have a right to seek judicial review thereof. Such judicial review shall be in accordance with Article 5 (§ [2.2-4025](#) et seq.) of the Administrative Process Act.

§ [51.1-1178](#) . Board authorized to provide long-term care insurance and benefits.

A. For purposes of this section, "participating employee" means the same as that term is defined in § [51.1-1150](#) .

B. The Board is authorized to develop, implement, and administer a long-term care insurance program for participating employees. The Board may contract for and purchase such long-term care insurance or may self-insure long-term care benefits or may use such other actuarially sound funding necessary to effectuate such long-term care insurance and benefits.

C. Employers of participating employees shall pay to the Board contribution amounts, to be determined by the Board, to provide the Board with such funds as shall be required from time to time to (i) obtain and maintain long-term care insurance and benefits for participating employees and (ii) administer the long-term care insurance program, including providing case management and cost containment programs. Contributions shall be deposited in the Defined Contribution Retirement Program Disability Insurance Trust Fund established under § [51.1-1183](#) .

§ [51.1-1179](#) . Limitation on coverage.

No person shall have more than one coverage under a disability benefit program. Any person employed in more than one position, which provides coverage under a disability benefit program, shall elect one position on which his coverage shall be based by written notification to the Board. No person shall receive more than one disability benefit under this chapter at the same time.

§ [51.1-1180](#) . Keeping records and furnishing information required by Board.

Each employer whose employees are covered under the provisions of this chapter shall keep records and furnish information required by the Board.

§ [51.1-1181](#) . Benefits exempt from process.

The benefits provided for in this chapter and all proceeds therefrom shall be exempt

from levy, garnishment, attachment, and other legal process.

§ [51.1-1182](#) . Policies to provide for accounting to Board; advance premium deposit reserve.

A. Each insurance product purchased by the Board or contract for administrative services related to a self-funded product shall provide for an accounting to the Board not later than 120 days after the end of each product year. For an insurance product, the accounting shall include (i) the amounts of premiums actually accrued under the policy during the policy year, (ii) the total amount of all claim charges incurred during the policy year, and (iii) the amount of fees accrued under the policy during the year plus the total amount of all claim charges incurred during the policy year. For a self-insured product, the accounting shall include the total amount of all claim charges incurred during the product year, the total amount of third party administrator expenses, and the total amount of other charges for administrative services.

B. Any portion of the excess of the total of clause (i) of subsection A over clause (iii) of subsection A may, with the approval of the Board, be held by the insurance company in an advance premium deposit reserve to be used by the company for charges under the policy only. Any expenses incurred by the Board in connection with the administration of the disability benefits provisions of the program may be deducted from the advance premium deposit reserve. The advance premium deposit reserve shall bear interest at a rate to be determined in advance of each policy year by the insurance company. The rate shall be subject to Board approval as being consistent with the rates generally used by the company for similar funds held under other disability insurance policies. Any portion of the excess not held by the insurance company shall be held by the Board to be used for charges under the policy only. If the Board determines that the advance premium deposit reserve, together with any portion of the excess accumulated and held by the Board, has attained an amount estimated to make satisfactory provision for adverse fluctuations in future charges under the policy, any further excess shall inure to the benefit of the Commonwealth and its political subdivisions as determined by the Board.

C. For purposes of this section, the insurance company may combine and consolidate the policies issued by it as directed by the Board.

§ [51.1-1183](#) . Funding of program; Defined Contribution Retirement Program Disability Insurance Trust Fund established.

A. The costs of providing short-term disability benefits shall be paid by the respective employers of participating employees. Employers that are state agencies shall pay such costs from funds as shall be appropriated by law to state agencies.

B. Employers of participating employees shall pay to the Board contribution amounts, to be determined by the Board, to provide the Board with such funds as shall be required from time to time to (i) obtain and maintain long-term disability insurance policies under this chapter and (ii) administer the Program, including providing case management and cost containment programs. Employers that are state agencies shall make such contributions from funds as shall be appropriated by law to state agencies. Contributions shall be deposited in the Defined Contribution Retirement Program Disability Insurance Trust Fund.

C. There is hereby established the Defined Contribution Retirement Program Disability Insurance Trust Fund. The costs incurred by the Board in providing policies of long-term disability insurance and administering the Program and in administering the long-term care insurance program established under § [51.1-1178](#) , including the provision of case management and cost containment programs, shall be withdrawn from time to time by the Board from the Defined Contribution Retirement Program Disability Insurance Trust Fund. The funds of the Defined Contribution Retirement Program Insurance Trust Fund shall be deemed separate and independent trust funds, shall be segregated from all other funds of the Commonwealth and its political subdivisions, and shall be invested and administered solely in the interests of the participating employees and beneficiaries thereof. Neither the General Assembly nor any public officer, employee, or agency shall use or authorize the use of such trust funds for any purpose other than as provided in law for benefits, refunds, and administrative expenses, including but not limited to legislative oversight of the Defined Contribution Retirement Program Disability Insurance Trust Fund.

§ [51.1-1400](#). Health insurance credits for retired state employees.

A. The Commonwealth shall provide a credit toward the cost of health insurance coverage for any former state employee, as defined in § [2.2-2818](#), who retired under the Virginia Retirement System, State Police Officers' Retirement System, Judicial Retirement System, Virginia Law Officers' Retirement System, or any retirement system authorized pursuant to § [51.1-126](#), [51.1-126.1](#), [51.1-126.3](#), [51.1-126.4](#), [51.1-126.5](#), [51.1-126.5:1](#) , or [51.1-126.7](#) and who (i) rendered at least 15 years of total creditable service under the Retirement System or (ii) rendered service as a temporary employee of the General Assembly in 1972 and became a member of the retirement

system from 1972 to 1985 immediately following such temporary service. The amount of each monthly health insurance credit payable under this section shall be \$4 per year of creditable service, which amount shall be credited monthly to any retired state employee participating in the state retiree health benefits program pursuant to § [51.1-1405](#) or an alternative personal health insurance plan as provided herein. However, such credit shall not exceed the health insurance premium for retiree-only coverage as provided under such alternative personal health insurance plan. Any (i) employee participant pursuant to § [51.1-126](#), [51.1-126.1](#), [51.1-126.3](#), [51.1-126.4](#), [51.1-126.5](#), [51.1-126.5:1](#), or [51.1-126.7](#) receiving long-term disability, or (ii) retired state employee retired under the provisions of § [51.1-156](#) or [51.1-307](#), or (iii) any participating employee receiving long-term disability pursuant to § [51.1-1112](#) or [51.1-1123](#) shall receive a maximum monthly credit which is the greater of (i) \$120, (ii) \$4 per year for each year of creditable service at the time of disability retirement, or (iii) \$4 per year for each year of creditable service at the time of eligibility for long-term disability. Any person included in the membership of a retirement system provided by Chapter 1 (§ [51.1-124.1](#) et seq.), 2 (§ [51.1-200](#) et seq.), 2.1 (§ [51.1-211](#) et seq.), or 3 (§ [51.1-300](#) et seq.) of this title who elects to defer his retirement pursuant to subsection C of § [51.1-153](#), subsection C of § [51.1-205](#) or subsection C of § [51.1-305](#) shall be entitled to receive the allowable credit provided by this section on the effective date of his retirement.

B. For those retired state employees:

1. Participating in the state retiree health benefits program, such credit shall be applied to the monthly premium deducted from benefits payable to retired state employees in accordance with Chapters 1 (§ [51.1-124.1](#) et seq.), 2 (§ [51.1-200](#) et seq.), 2.1 (§ [51.1-211](#) et seq.), and 3 (§ [51.1-300](#) et seq.) of this title. In the event that either no benefit is payable or the benefit payable is insufficient to deduct the entire health care premium, the payment of the credit shall be determined in the manner prescribed by the Virginia Retirement System. Eligibility for the credit shall be determined in a manner prescribed by the Virginia Retirement System.

2. Not electing or eligible to participate in the state retiree health benefits program and who purchase an alternative personal health insurance policy from a carrier or organization of his own choosing, such retirees shall be eligible to receive a credit in the amount specified in subsection A. Eligibility for the credit and payment for the credit shall be determined in a manner prescribed by the Virginia Retirement System.

C. Any person included in the membership of a retirement system provided by Chapter

1 (§ [51.1-124.1](#) et seq.), 2 (§ [51.1-200](#) et seq.), 2.1 (§ [51.1-211](#) et seq.), or 3 (§ [51.1-300](#) et seq.) ~~of this title~~ who (i) rendered at least 15 years of total creditable service as a state employee as defined in § [2.2-2818](#) and (ii) after terminating state service, was employed by a local government that does not elect to provide a health insurance credit under § [51.1-1401](#) or [51.1-1402](#), shall be eligible for the credit provided by subsection A, provided that the retired employee is participating in a health insurance plan. The Commonwealth shall be charged with the credit as provided for in subsection D. In such case, the health insurance credit shall be determined based upon the amount of state service or service as a teacher, whichever is greater.

D. The Virginia Retirement System shall actuarially determine the amount necessary to fund all credits provided by this section to reflect the cost of such credits in the employer contribution rate pursuant to § [51.1-145](#), and prescribe such terms and conditions as are necessary to carry out the provisions of this section. The costs associated with the administration of the health insurance credit program provided for in this section shall be recovered from the health insurance credit trust fund.

E. Notwithstanding anything contained in this section to the contrary, the Virginia Commonwealth University Health System Authority shall pay the cost of coverage for employees of such Authority who (i) retired under the Virginia Retirement System or any retirement system authorized pursuant to § [23-50.16:24.1](#), [51.1-126](#), [51.1-126.1](#), or former § [51.1-126.2](#); (ii) were employed by such Authority prior to July 1, 1998, and were not subsequently rehired by such Authority on or after July 1, 1998; and (iii) served no less than 15 years of creditable service as regularly employed full-time employees of such Authority or the Commonwealth.

§ [51.1-1401](#). Health insurance credits for retired teachers.

A. A teacher, as defined in § [51.1-124.3](#), retired under the Virginia Retirement System, and any employee retired under a defined contribution plan pursuant to [51.1-126.5:1](#) or § [51.1-126.6](#) who rendered at least 15 years of total creditable service under the System or plan shall receive a health insurance credit to his monthly retirement allowance, which shall be applied to reduce the retired member's health insurance premium cost. The amount of each monthly health insurance credit payable under this section shall be \$4 for each full year of the retired member's creditable service; however, each former member whose retirement was for disability, *or a participant pursuant to [51.1-126.5:1](#) or § [51.1-126.6](#) receiving long-term disability*, shall receive a monthly health insurance credit of \$4 multiplied by the smaller of (i) twice the amount of his creditable service or (ii) the amount of creditable service he would

have completed at age 60 if he had remained in service to that age. Eligibility for the credit shall be determined in a manner prescribed by the Virginia Retirement System. Any member who elects to defer his retirement pursuant to subsection C of § [51.1-153](#) shall be entitled to receive the allowable credit provided by this section on the effective date of his retirement.

B. Those retired employees who purchase an alternative personal health insurance policy from a carrier or organization of their own choosing shall be eligible to receive a credit in the amount specified in subsection D. Eligibility for the credit and payment of the credit shall be determined in a manner prescribed by the Virginia Retirement System.

C. The credit shall be in (i) the amount provided in subsection A or (ii) the amount of premium paid for the personal health insurance policy, whichever is less.

D. Any person included in the membership of a retirement system provided by Chapter 1 (§ [51.1-124.1](#) et seq.), 2 (§ [51.1-200](#) et seq.), 2.1 (§ [51.1-211](#) et seq.), or 3 (§ [51.1-300](#) et seq.) ~~of this title~~ who (i) rendered at least 15 years of total creditable service as a teacher as defined in § [51.1-124.3](#) and (ii) after terminating service as a teacher, was employed by a local government that does not elect to provide a health insurance credit under § [51.1-1402](#), shall be eligible for the credit provided by subsection A and subsection B if provided by the school division from which the service described in clause (i) was rendered, provided that the retired employee is participating in a health insurance plan. The Commonwealth and local school division, if appropriate, shall be charged with the credit as provided for in subsection E. In such case, the health insurance credit shall be determined based upon the amount of state service or service as a teacher, whichever is greater.

E. The Virginia Retirement System shall (i) actuarially determine the amount necessary to fund all credits provided under this section, (ii) reflect the cost of such credits in the applicable employer contribution rate pursuant to §§ [51.1-145](#), [51.1-204](#), and [51.1-304](#), and (iii) prescribe such terms and conditions as are necessary to carry out the provisions of this section. The costs associated with the administration of the health insurance program provided for in this section shall be recovered from the health insurance credit trust fund.

§ [51.1-1402](#). Health insurance credits for retired local government employees.

A. Retired local government employees, whose localities have elected to participate in

the Virginia Retirement System, *including the optional defined contribution retirement program established pursuant to § [51.1-126.5:1](#)* , who have rendered at least ~~fifteen~~ 15 years of total creditable service under the System shall receive a health insurance credit to ~~his~~ *their* monthly retirement allowance, which shall be applied to reduce the retired member's health insurance premium cost, provided the retiree's employer elects to participate in the credit program. The amount of each monthly health insurance credit payable under this section shall be \$1.50 for each full year of the retired member's creditable service, not to exceed a maximum monthly credit of ~~forty-five dollars~~ \$45 ; however, each former member whose retirement was for disability, *or a participant pursuant to § [51.1-126.5:1](#) receiving long-term disability*, shall receive a monthly health insurance credit of ~~forty-five dollars~~ \$45 . Eligibility for the credit shall be determined in a manner prescribed by the Virginia Retirement System. Any member who elects to defer his retirement pursuant to subsection C of § [51.1-153](#) shall be entitled to receive the allowable credit provided by this section on the effective date of his retirement.

B. Those retired employees who purchase an alternative policy from a carrier or organization of their own choosing shall be eligible to receive a credit in the amount specified in subsection C. Eligibility for the credit and payment of the credit shall be determined in a manner prescribed by the Virginia Retirement System.

C. The credit shall be in the amount provided in subsection A or the amount of premium paid for the personal health insurance policy, whichever is less.

D. The cost of the monthly health insurance credit payable under this section shall be borne by the locality.

E. The Virginia Retirement System shall actuarially determine the amount necessary to fund all credits provided under this section, reflect the cost of such credits in the applicable employer contribution rate pursuant to § [51.1-145](#), and prescribe such terms and conditions as are necessary to carry out the provisions of this section. The costs associated with the administration of the health insurance credit program provided for in this section shall be recovered from the health insurance credit trust fund.

§ [51.1-1403](#). Health insurance credits for retired constitutional officers, employees of constitutional officers, general registrars, employees of general registrars, and local social service employees.

A. A local officer, as defined in § [51.1-124.3](#), general registrar, employee of a general

registrar, or an employee of a local social services board, retired under the Virginia Retirement System, *including the optional defined contribution retirement program established pursuant to § [51.1-126.5:1](#)* , who rendered at least 15 years of total creditable service under the System shall receive a health insurance credit to his monthly retirement allowance, which shall be applied to reduce the retired member's health insurance premium cost. The amount of each monthly health insurance credit payable under this section shall be \$1.50 for each full year of the retired member's creditable service, not to exceed a maximum monthly credit of \$45; however, each former member whose retirement was for disability, *or a participant pursuant to § [51.1-126.5:1](#) receiving long-term disability*, shall receive a monthly health insurance credit of \$45. Eligibility for the credit shall be determined in a manner prescribed by the Virginia Retirement System. Any member who elects to defer his retirement pursuant to subsection C of § [51.1-153](#) shall be entitled to receive the allowable credit provided by this section on the effective date of his retirement. The cost of such credit shall be borne by the Commonwealth.

B. In addition to the health insurance credit authorized in subsection A, localities which participate in the Virginia Retirement System may elect to provide an additional health insurance credit of \$1 per month for each full year of the retired member's creditable service, not to exceed a maximum monthly credit of \$30. The costs of such additional health insurance credit shall be borne by the locality.

C. 1. Those retired employees who purchase an alternative personal health insurance policy from a carrier or organization of their own choosing shall be eligible to receive a credit in the amount specified in subdivision C 2. Eligibility for the credit and payment of the credit shall be determined in a manner prescribed by the Virginia Retirement System.

2. The credit shall be in (i) the amount provided in subsection A, or subsection A and subsection B if the additional credit authorized by subsection B is provided or (ii) the amount of premium paid for the personal health insurance policy, whichever is less.

D. Any person included in the membership of a retirement system provided by Chapter 1 (§ [51.1-124.1](#) et seq.), 2 (§ [51.1-200](#) et seq.), 2.1 (§ [51.1-211](#) et seq.), or 3 (§ [51.1-300](#) et seq.) who (i) rendered at least 15 years of total creditable service as a local officer as defined in § [51.1-124.3](#) or as an employee of a local social services board or combined service as a general registrar or an employee of a general registrar and (ii) after terminating service as a local officer or employee of a local social services board or general registrar or as an employee of a general registrar, was employed by a local

government that does not elect to provide a health insurance credit under § [51.1-1402](#), shall be eligible for the credit provided by subsection A, provided that the retired employee is participating in a health insurance plan. The Commonwealth shall be charged with the credit as provided for in subsection A. In such case, the health insurance credit shall be determined based upon the amount of state service or service as a local officer or service as an employee of a local social services board or combined service as a general registrar or an employee of a general registrar, whichever is greater.

E. The Virginia Retirement System shall (i) actuarially determine the amount necessary to fund all credits provided under this section, (ii) reflect the cost of such credits in the applicable employer contribution rate pursuant to § [51.1-145](#), and (iii) prescribe such terms and conditions as are necessary to carry out the provisions of this section. The costs associated with the administration of the health insurance program provided for in this section shall be recovered from the health insurance credit trust fund.

§ [51.1-1405](#). Participation in the state retiree health benefits program.

A. As used in this section, unless the context requires a different meaning:

"Involuntarily separated" means separated from state service as the result of any dismissal, requested resignation, or failure to obtain reappointment, excluding a separation resulting from a conviction for a felony or crime involving moral turpitude or dishonesty or a separation related to the job performance or misconduct of the state employee.

"Retiree health benefits program" or "program" means the plan for providing health insurance coverage for retired state employees provided pursuant to subsection E of § [2.2-2818](#).

"State employee" means the same as that term is defined in § [2.2-2818](#).

"State retiree" means a state employee retired under the Virginia Retirement System, State Police Officers' Retirement System, Judicial Retirement System, Virginia Law Officers' Retirement System, or any retirement system authorized pursuant to § [51.1-126](#), [51.1-126.5](#), or [51.1-126.5:1](#), who is eligible to receive a monthly retirement annuity from that retirement system.

B. A state retiree shall be eligible to participate in the retiree health benefits program

only if he makes an election to participate in the program within ~~thirty-one~~ 31 days following the date of termination of employment with the Commonwealth. A retired state employee who fails to elect to participate in the state health plan within ~~thirty-one~~ 31 days of the effective date of retirement, or who, once having elected to participate, discontinues participation, is barred from participating in the state health plan thereafter.

C. Any state retiree who was involuntarily separated who on July 1, 1999, is participating in the retiree health benefits program and is receiving monthly retirement annuity payments may elect, by notifying the Virginia Retirement System and the Department of Human Resource Management before September 1, 1999, to cease receiving monthly retirement annuity payments until reapplying for such benefits at a later date and to continue participation in the retiree health benefits program."

Page 525, line 42, strike "8." and insert "9."

Page 525, line 43, after "sixth," strike "and seventh" and insert "seventh, and eighth".

Explanation:

(This amendment authorizes the provision of a optional defined contribution plan for employee groups covered under the VRS but not currently eligible for one of the defined contribution plans.)
