

Administration

Proposed Adjustments as Introduced				
(\$ in millions)				
	FY 2019 Proposed		FY 2020 Proposed	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2016-18 Base Budget, Ch. 836	\$715.4	\$2,341.6	\$715.4	\$2,341.6
Proposed Increases	24.0	689.0	27.2	695.2
Proposed Decreases	(2.8)	(113.0)	(3.1)	(12.5)
\$ Net Change	21.2	576.0	24.1	682.7
HB/SB 30, as Introduced	\$736.7	\$2,917.6	\$739.6	\$2,261.5
% Change	3.0%	24.6%	3.4%	29.2%
FTEs	354.96	492.04	354.96	492.04
# Change	9.50	(7.50)	9.50	(7.50)

- **Compensation Board**

- *Provide Operating Funding for Expanded Jail Capacity.* Adds \$1.5 million GF the second year for staffing costs associated with the expansion of the Prince William/Manassas Adult Detention Center.
- *Additional Funding for Per-Diem Payments to Local and Regional Jails.* Proposes \$374,114 GF the first year and \$1.4 million GF the second year for per-diem payments to local and regional jails based on expected costs.
- *Revert Excess Funding from Sheriff Salary Compression Initiative.* Reverts excess funding of \$1.4 million GF each year related to the targeted salary initiative for Sheriffs’ office employees, based on a revised estimate of the number of local and regional jail office employee recipients. Funding of \$7.3 million GF was provided in Chapter 836 of the 2017 Acts of Assembly for a targeted salary initiative for sworn and non-sworn Sheriffs’ office employees, effective August 1, 2017.
- *Provide Funding for Technology Improvements in Circuit Court Clerk Offices.* Proposes \$500,000 GF the second year to support information technology improvements in Circuit Court Clerks’ offices. In prior years, approximately \$3.0 million in general fund appropriations for technology improvements had been

reduced, and supplanted with Technology Trust Fund, nongeneral fund appropriations. In Chapter 780 of the 2016 Acts of Assembly, \$1.0 million GF was provided each year to reintroduce general fund dollars for technology improvements.

- **Department of General Services**

- *Adjust ISF Appropriation for the Division of Real Estate Services.* Adds \$757,869 NGF the first year and \$1.5 million NGF the second year to increase appropriation for the Division of Real Estate Services consistent with projected expenditures related to lease payment obligations and changes in fringe benefit costs.
- *Adjust Appropriation for the Division of Consolidated Laboratory Services.* Proposes \$648,259 NGF each year in additional federal appropriation for the Division of Consolidated Laboratory Services consistent with projected federal grant expenditures.
- *Adjust Internal Service Fund Appropriation for Fleet Management.* Adds \$453,818 NGF the first year and \$841,153 NGF the second year to align appropriation for the Fleet Management internal service fund with projected expenditures related with the replacement of aging vehicles and changes in fringe benefit rates.
- *Provide Appropriation for Parking Deck Maintenance.* Adds \$462,155 NGF the first year and \$553,765 NGF the second year for Parking Facilities Management to conduct parking deck maintenance and repairs. The appropriation represents funds currently retained by Parking Facilities Management and would not require an adjustment to the parking rate charged to users.
- *Add Funding and Position for Retention of Physical Evidence Recovery Kits.* Proposes \$106,120 GF and one position the first year and \$84,640 GF and one position the second year for the Division of Consolidated Laboratory Services for one-time and ongoing costs related to storage space and tracking software to track and retain Physical Evidence Recovery Kits (PERK), as well as a new evidence custodian position. The proposed funding and position is in response to an increase in the volume of kits and legislative change that allows an additional 10-year storage period for PERK's at the victim's request.
- *Remove Appropriation for One-Time Costs to Assess the Central Virginia Training Center Property.* Proposes reducing by \$260,000 GF each year appropriation provided to the Division of Real Estate Services to assess the Central Virginia Training Center property, which was a one-time cost in 2018.
- *Provide Funding to Replace Drinking Water Testing Equipment.* Adds \$278,035 GF the first year and \$410,861 GF the second year to replace drinking water testing

equipment that is 10 years or older through the Master Equipment Leasing Program and maintenance service agreements to maintain the equipment.

- **Department of Human Resource Management**

- *Adjust Appropriation for Administration of The Local Choice Health Insurance Program.* Proposes reducing the nongeneral fund appropriation for The Local Choice health insurance program by \$500,000 each year to align appropriation with projected expenditures.
- *Adjust Appropriation for Administration of the State Health Insurance Program.* Proposes reducing the nongeneral fund appropriation for the state health insurance program by \$500,000 each year to align appropriation with projected expenditures.
- *Increase Appropriation to Administer Line of Duty Act (LODA) Health Benefits Program.* Proposes increasing nongeneral fund appropriation by \$64,369 each year to cover the administrative costs of the LODA Health Benefits Program, established pursuant to Chapter 667 of the 2016 Acts of Assembly, which transferred the administration of the health benefits program to the Department of Human Resource Management effective July 1, 2017.
- *Establish Appropriation for Workers' Compensation Claims and Program Expenses.* Proposes \$85.0 million NGF the first year and \$90.0 million NGF the second year to establish an appropriation for risk management claims and administrative costs, in accordance with federal Department of Health and Human Services' guidelines for recording internal service funds. The appropriation is required to reflect estimated claims in relation to revenues received to satisfy claims and administrative costs in accordance with federally prescribed guidelines and to avoid a potential rebate to the federal government for non-compliance.
- *Provide Funding to Administer New Local Health Insurance Program.* Proposes \$1.1 million NGF each year to administer the new optional local health insurance program COVA Local, pursuant to Chapter 512 of the 2016 Acts of Assembly. The health insurance program is similar to the state employee health insurance program, and is provided for localities, local school divisions, and other political subdivisions.
- *Add Appropriation for Position to Support Local Health Insurance Program.* Proposes \$139,826 NGF for appropriation for an existing position in the Office of Health Benefits that will provide support for the new COVA Local health insurance program.

- *Provide Funding for Information Technology Security Position.* Adds \$70,385 GF and \$70,383 NGF and one position, each year, for a data security position. The position would be responsible for overseeing the implementation of information technology policies and procedures identified by the Commonwealth’s Information Security Standards.
- *Increase Appropriation for Commonwealth of Virginia Campaign (CVC) Pledge Processing System.* Provides \$20,000 NGF each year to support ongoing licensing costs of the CVC pledge processing system, which will electronically store and recall pledge cards.
- *Reduce General Fund Appropriation and Convert FTEs to Nongeneral Funded Positions.* Reduces general fund appropriation by \$303,220 the first year and \$606,439 the second year, and converts 4.00 FTEs previously supported by general funds to nongeneral funded positions. The funding and positions are associated with the Time, Attendance, and Leave (TAL) system, which will be decommissioned. The FTEs will be re-deployed to support the state personnel information system and its subsystems after TAL has been decommissioned.

- **Administration of Health Insurance**

- *Adjust Appropriation of State Health Insurance Program.* Proposes reducing by \$100.0 million NGF in the first year of the appropriation to support claims and administrative costs of the state employee health insurance program, based on recent projections by the agency’s actuary.
- *Establish Appropriation for New Local Health Insurance Program.* Proposes adding \$500.0 million NGF each year to establish appropriation for the claims and administrative costs of the local health insurance program, COVA Local, pursuant to Chapter 512 of the 2016 Acts of Assembly. The health insurance program is similar to the state employee health insurance program, and is provided for localities, local school divisions, and other political subdivisions.
- *Increase Appropriation for Line of Duty Act (LODA) Health Benefits Program.* Proposes increasing nongeneral fund appropriation by \$23.4 million each year to cover the claims and administrative costs of the LODA Health Benefits Program, established pursuant to Chapter 667 of the 2016 Acts of Assembly, which transferred the administration of the health benefits program to the Department of Human Resource Management effective July 1, 2017.
- *Increase Appropriation for The Local Choice Health Insurance Program.* Increases by \$74.8 million NGF each year the appropriation for The Local Choice (TLC) health benefits program to support anticipated claims and administrative costs. The TLC program is an optional program that offers health benefit coverage

to employees and retirees, and their dependents, of localities, local school divisions, and other political subdivisions.

- **Department of Elections**

- *Remove Nongeneral Fund Appropriation for Help America Vote Act.* Proposes removing \$7.1 million NGF and 12.00 FTEs each year related to the federal Help America Vote Act (HAVA), the funding for which will be fully depleted in FY 2018. There is a companion action that adds \$5.2 million GF and 12.00 FTEs to continue elections activities that have been supported with HAVA funds.
- *Continue HAVA Related Elections Activities with General Fund Support.* Adds \$5.2 million GF and 12.00 FTEs each year to continue the federal Help America Vote Act (HAVA) funded elections activities, the nongeneral fund support for which will be fully depleted in FY 2018. There is a companion action that removes the nongeneral fund appropriation and 12.00 FTEs due to the depletion of funding.
- *Provide Funding for Elections Inquiry Call Center.* Proposes \$105,000 GF each year to fund call center to respond to elections related inquiries such as voting locations, voter registration status, voter eligibility, and other aspects of the voting process, prior to November elections each year.
- *Fund Costs to Continue Military and Overseas Ballot Delivery System.* Proposes \$100,000 GF each year to cover ongoing costs of the online ballot delivery system that is used to provide ballots electronically to military and other overseas voters. One time funding of \$570,000 GF the second year was provided in Chapter 836 to continue support for the electronic ballot delivery system, due to the expiration of the Department of Defense's Federal Voting Assistance Program grant funding on October 31, 2016.