



Summary of 1994 Budget Actions

March 1994

**Prepared by the Staff of the
Senate Finance Committee**

Introduction

This document was prepared by the staff of the Senate Finance Committee to summarize the 1994 budget actions of the General Assembly. The summary captures all budget amendments enacted by the General Assembly during the regular session, including actions proposed by the Governor and the legislature.

Senate Finance Committee Members

Hunter B. Andrews, Chairman
Stanley C. Walker
Charles J. Colgan
Elmo G. Cross, Jr.
Joseph V. Gartlan, Jr.
Virgil H. Goode, Jr.
Richard J. Holland
Benjamin J. Lambert, III
Madison E. Marye
Edward M. Holland
Elliot S. Schewel
Clarence A. Holland
John H. Chichester
William C. Wampler, Jr.
Walter A. Stosch

Senate Finance Committee Staff

John M. Bennett, Staff Director
Jayne S. Burn
Pamela A. Currey
Elizabeth B. Daley
William E. Echelberger, Jr.
Stephen W. Harms
Richard E. Hickman, Jr.
Neal Menkes
James J. Regimbal, Jr.

Table of Contents

OVERVIEW.....	O-1
REVENUES.....	1
BUDGET ACTIONS BY AREA	
Legislative.....	14
Judicial.....	16
Executive.....	20
Administration.....	21
Commerce and Trade.....	33
Public Education.....	41
Higher Education and Other Education Agencies.....	60
Finance.....	96
Health and Human Resources.....	105
Natural Resources.....	116
Public Safety.....	122
Transportation.....	137
Central Appropriations.....	142
Independent Agencies.....	151
Non-State Agencies.....	154
Capital Outlay.....	157
AMENDMENTS TO 1992-94 BUDGET.....	174
APPENDIX	

Summary of Budget Actions for 1994-96

Overview

The adopted budget for 1994-96 reflects the fundamental budget situation which has faced the Commonwealth since the 1990-92 recession. Continuing slow economic growth, coupled with increases in Medicaid clients and costs, adult prison inmates, and public school enrollment have produced a budget situation in which non-discretionary and high priority spending requirements exceed available revenues.

Although this is the same basic situation which has confronted the Commonwealth for the past three biennia, an improved economic outlook and slightly lower growth rates in entitlement programs have provided more budget flexibility than in the recent past. As a result, the budget, as adopted, shows signs of greater budget stability than was evident in 1990-92 and 1992-94.

To bring revenues and appropriations into balance, the General Assembly has adopted three basic strategies:

- (1) ***Budget Reductions.*** Reducing agency budgets by varying percentages, in order to achieve savings of \$211.7 million. Cabinet secretaries initially allocated reduction targets between and among agencies according to differing criteria. Some agencies were initially exempted, while others received cuts approaching double digit percentages. The General Assembly altered those targets as it deemed appropriate.
- (2) ***More Aggressive Collection of Moneys Owed.*** Implementing an Enhanced Collection System and other programs to improve the revenue yield from taxes, fines and other moneys owed the Commonwealth, to produce \$149.4 million.
- (3) ***Tax Policy Changes.*** Deferring scheduled changes in the Code provisions regarding individual income tax withholding, non-prescription drugs, the Neighborhood Assistance tax credit, and the low-income housing tax credit, to produce \$59.6 million. Eliminating the preferential tax treatment provided Blue Cross/Blue Shield for insuring small businesses, in recognition of recent statutory changes which required other insurers to offer such coverage, produced \$5.5 million.

Resources produced from these actions are used to meet required increases in costs and caseloads for Medicaid; fully fund the Standards of Quality for public education; fund the operating costs and debt service associated with new prisons opening in 1994-96; provide increased debt service for general obligation bonds;

and, provide a Maintenance Reserve for state buildings, along with a modest capital outlay program. It also allowed the General Assembly to provide significant funding for four principal priorities:

- (1) ***Educational Opportunity Initiatives.*** About \$102.7 million was provided to: reduce class sizes in grades K through 3, in schools with high concentrations of students in poverty; expand access to educational technology; expand access to programs for at-risk 4-year olds, in the second year, and take steps to increase parental involvement.
- (2) ***Anti-Crime Initiative.*** About \$54.4 million was provided to strengthen all parts of the criminal justice system. Key elements of the anti-crime initiative include restoring general revenue sharing for localities with police departments; strengthening the court system, Commonwealth's Attorney's Offices, and the State Police Anti-Crime Strike Force; implementing new legislation designed to strengthen Virginia's serious juvenile offender statutes; providing additional facilities and programs to supervise adult and juvenile offenders; and, expanding work, education and treatment for offenders.
- (3) ***Salary Increases for State and State-Supported Employees.*** About \$253.6 million was provided for salary increases for state and state-supported employees.

Classified employees are eligible for salary increases between 0 and 6.9 percent, based on their performance evaluations, effective December 1, 1994. This Incentive Pay Plan has also been extended to those constitutional officers' employees who have performance-based pay plans in place as of February, 1994. Other state-supported local employees will receive a 2.25 percent increase, effective December 1, 1994.

Full-time faculty have been funded to receive 3.4 percent salary increases, effective December 1, 1994. Teachers have been funded to receive 3.25 percent increases, effective December 1, 1994.

All employee groups are also funded to receive a 2.25 percent salary increase, effective December 1, 1995.

- (4) ***Additional Funding for Higher Education and Mental Health.*** For higher education, funding was provided to hold tuition increases for in-state students to 3 percent per year, provide \$20.2 million in additional student financial assistance, and provide additional funding for instructional equipment, library materials, new facilities coming on-line in 1994-96, and enrollment increases.

For the mental health system, funding is provided to reduce waiting lists for community services, as well as to serve additional clients returning to their communities from state institutions.

Economic and Revenue Outlook

Virginia's economy is expected to under-perform the nation throughout the next biennium. Although the outlook is better than anticipated earlier in the year, slow employment growth, actual and impending defense cutbacks, continuing corporate restructuring, and weak demand for exports continue to constrain economic growth.

The revenue forecast underlying the budget assumes that Virginia will continue to see modest economic growth in the next biennium. Employment growth is expected to remain at or below 2 percent for the biennium, and income growth will track the nation's moderate increases.

Estimated revenue growth of 5.8 percent for FY 1995 and 5.6 percent for FY 1996 is better than the forecast for the past two biennia, but well below historical norms.

General Fund Revenue Available for Appropriation (\$ millions)	
Available Balances	\$ 253.9
Official Revenue Estimates	14,099.1
Transfers	<u>741.1</u>
Total General Fund Revenues Available for Appropriation	\$ 15,094.1

Available Revenues. When transfers and proposed tax changes are included, the budget assumes that \$15,094.1 million in general fund revenues, transfers, and balances will be available for appropriation. This total includes \$14,099.1 million in taxes and other revenues; \$741.1 million in Lottery profits, ABC profits, and appropriation transfers; and \$253.9 million in undesignated balances to be carried forward from 1992-94.

Included in this total is an increase of \$149.4 million from implementation of a more aggressive and systematic effort to collect funds owed the Commonwealth. Use by the Department of Taxation of a computerized enhanced

collection system (ECS), the 101 additional positions provided in 1992, and a courts collection unit established this session, is projected to produce the additional revenue.

Also included in total revenue available for appropriation is deferral of four tax policy changes which were slated to go into effect for 1994-96. A change in withholding policy for individual income taxes, the sales tax exemption for non-prescription drugs, the increased credits for the Neighborhood Assistance Act, and the low-income housing credit were all deferred for the 1994-96 biennium. These four deferrals increase general fund revenues by \$59.6 million.

An additional \$5.5 million will accrue from eliminating the preferential tax treatment provided Blue Cross/Blue Shield for insuring small businesses. Recent statutory changes require all insurers to offer such coverage, making the preferential tax treatment unnecessary.

Two other tax policy changes will go into effect as scheduled. These are the ACRS subtraction for corporations (\$44.7 million) and the Social Security subtraction for self-employed taxpayers (\$64.2 million).

The budget bill, as introduced, assumed enactment of fees or increases to fees for some services. The principal fee increase proposed was an increase to \$12.00 in fees for service of process in state courts. This fee increase would have provided \$9.9 million to the general fund and about \$25.0 million to localities, to offset a proposed reduction in support of constitutional officers. The proposed fee did not pass, and fringe benefits for constitutional officers and their employees are unfunded in the second year.

Budget Reductions

The budget as adopted also includes a total of \$211.7 million in budget reductions allocated to state agencies. No standard reduction percentages were used. Reductions therefore ranged from 0 percent for some agencies, to reductions greater than 10 percent for others.

As in the past, exemptions were granted for most aid to localities, aid to individuals, student financial assistance, debt service, and nongeneral fund agencies. These reductions are primarily budgeted to a "reversion clearing account" within each agency's budget. The table below summarizes the reductions for each area.

Reductions Allocated to Each Area (\$ in millions)

	<u>Reduction</u>
Legislative	\$ 1.1
Judicial	4.7
Executive Offices	0.5

Administration	27.2
Commerce and Trade	14.5
Education	53.5
Finance	3.7
Human Resources	50.0
Natural Resources	9.8
Public Safety	30.3
Central Accounts-All Agencies	<u>16.4</u>
Total	\$ 211.7

To implement these reductions, agencies were required to submit reduction plans to each Cabinet secretary for approval. The plans will be subject to continuing administrative changes throughout the biennium. A more detailed description of how the agencies intend to implement the reductions is included in each section of this document.

Recommended Spending in SB 30, as Adopted

Savings produced from budget reductions and from additional revenues are combined to support new spending. A table summarizing major spending increases is included on the next page.

Major Spending Increases in the Budget, As Adopted (Increases Above Base Budget)	
Human Resources	
Medicaid Utilization and Inflation	\$234.3
Medicaid Support for Organ Transplants for Children	7.6
Medicaid Rate Increases	2.6
Two-tier Homes for Adults (DMAS & DSS)	12.1
MHMR Increased Drug Costs	3.1
Aid to Families with Dep. Children Caseload (ADC)	3.2
NVMHI Bed Expansion	3.4
Treatment Improvement at NVTC	1.7
Central State-Forensic Unit & Accreditation	4.9
Services for Physically Disabled	2.2
Community Services Boards--Waiting Lists	1.5
Welfare Reform/JOBS Program	1.5
Community Services for the Elderly	1.0

Social Services Automation	4.6
Public Education	
SOQ Funding for Public Schools	\$170.7
Sales Tax Increase/Basic Aid Offset	50.5
Reduce Class Sizes in Grades K-3	76.0
Educ. Technology Grants to Middle/Secondary Schools	15.9
Expand Programs for At-Risk 4-Year Olds	10.3
Reduce Literary Fund Transfer for Teacher Retirement	92.6
Increased Funding for Special Education Tuition	15.4
Increased Funding for At-risk Students	10.9
Comprehensive Services Act Increase	11.5
State Support for Free Textbooks	8.7
Fully Fund Remedial Summer School	8.3
Hospitals, Clinics, Detention Homes	3.2
Class Size Reduction for Educable Mentally Retarded	1.4
Reduced Caseloads for Speech Pathologists	1.7
Homework Assistance Program	1.3
Increased Cost of Homebound Instruction	1.0
Higher Education	
Student Financial Assistance	\$ 20.2
Higher Education Equipment Trust	12.2
Increased Support for Eminent Scholars	1.0
Guaranteed Assistance Program	1.3
VCCS-Support for Increased Enrollment	2.5
GMU-Support for Increased Enrollment	1.5
Generalist Physician Initiative	3.4
Expanded Library Sharing	4.5
Norfolk Campus of TCC	2.0
New Colleges at James Madison and Radford	6.0
TELETECHNET Program at ODU	4.6
Other Education	
Indigent Care	\$ 5.0
Aid to Local Libraries	4.5
Aid to Local Arts Organizations	1.0
Commerce and Trade	
Industrial Training	4.2
Industrial Advertising	1.0
Defense Retention & Conversion	3.0

Economic Opportunity/"Deal Closing" Fund	8.5
Solar Photovoltaic Incentive Grant	3.0
Housing for Homeless & Low Income	2.0
Regional Economic Development Efforts	1.5
Natural Resources	
Support for Historical Societies	\$ 3.0
Increased Operations in Parks and Natural Areas	2.3
Buena Vista Flood Wall	1.8
Increased Rent Costs for DEQ	1.2
Public Safety/Courts	
Operating Costs for New Prisons	\$ 37.3
Additional Positions for Sheriffs and Jails	21.0
Replacement of Federal Anti-crime Funds	8.1
New Judges and Court Positions	5.0
Involuntary Mental Commitment Fund/Criminal Fund	3.5
Automation of Probation and Parole Offices	4.0
State Share of Local and Regional Jail Reimbursement	10.1
Minimum Security Pre-release Center	2.1
Additional Public Defender Positions	1.9
Inmate Health Services Improvement	1.9
Corrections Agribusiness Expansion	1.7
Pilot Program for Serious Juvenile Offenders	1.7
Alternatives to Incarceration	4.6
Additional Commonwealth Attorneys and Staff	4.5
Part-time to Full-time Commonwealth Attorneys	2.3
Petersburg, Lynchburg Disaster Relief	1.8
Compensation	
Salary Increase for Classified Employees, Faculty, Teachers, and Other State-supported Local Employees	\$253.6
Increased Cost of Fringe Benefits	21.0
Job Class Salary Regrades	7.2
Master Deputy Program	1.5
Competitive Pay for Commonwealth Attorneys	1.9
Other Operating	
Recordation Tax Distribution to Localities	40.0
Revenue Stabilization Fund	79.9
Route 58 Development Fund	35.5
Debt Service on GO & VPBA Bonds	35.8

ABC Profits/Rolling Stock Taxes/TVA Payments	2.8
Court Fines Collection Unit	.9
Capital Outlay	
Maintenance Reserve for State Buildings	50.5
Other Capital Outlay Projects	81.7

Summaries by Secretarial Area

The following sections summarize the major actions included in the budget bill, as adopted, by secretarial area.

Education

Direct Aid to Public Education. A net increase of \$609.8 million (GF) has been provided for Direct Aid to Public Education for the 1994-96 biennium, for a total (GF) appropriation of \$5,330.6 million, a 12.9 percent increase above the base budget.

The budget, as adopted, includes \$216.0 million to provide full funding for the state's share of the Standards of Quality (SOQ). Increases in the cost of the SOQ result from 40,574 projected additional students over the biennium, increased per pupil costs, and an increase in the projection of the sales tax revenues dedicated to public education.

A total of \$102.7 million has been provided by the General Assembly to increase educational opportunities in the 1994-96 biennium. The package of programs and spending includes: \$76.0 million for targeted funding of lower class sizes in kindergarten through third grade in schools with high concentrations of students living in poverty; \$15.9 million to expand access to educational technology; and \$10.3 million to expand the availability of comprehensive pre-school programs for at-risk four-year-old children in the second year.

An additional \$113.0 million has been included to fund a 3.25 percent salary increase for public school employees on December 1, 1994 and a 2.25 percent increase on December 1, 1995. Language is included which requires these funds to be matched by the local government based on the composite index of local ability-to-pay.

The budget also includes a \$92.6 million reduction in the total of Literary Fund revenues diverted for teacher retirement. By using a combination of direct loans and Literary Fund subsidy grants, approximately \$145.0 million in capital projects for public schools can be funded in the 1994-96 biennium.

SB 30, as introduced, proposed the elimination of funding for the Maintenance Supplement (\$17.8 million) and Enrollment Loss (\$3.7 million) programs, and the reduction in the cost of competing differential for school divisions in Planning District 8 from 12.89 percent to 8.00 percent (\$15.3 million). The General Assembly restored \$12.1 million to the Maintenance Supplement program, \$2.8 million to the Enrollment Loss program, and increased funding for the cost of competing differential by \$5.2 million, to reflect the current cost of competing for instructional personnel.

Higher Education. General Assembly action in higher education focused on setting explicit policy regarding tuition increases, and providing sufficient general funds to meet basic operating needs, salary increases, and projected enrollment increases. The 1994-96 general fund budget, as adopted, provides \$1,789.0 million for Virginia's public colleges and universities, an increase of about 3 percent above the base budget appropriation of \$1,736.8 million. The budget also includes an increase of 507 positions.

Funding for the 1994-96 higher education budget is based on limiting tuition to 3 percent for in-state students, and capping non-resident tuition at 7.5 percent. Sufficient general fund support was provided to enable the colleges and universities to limit tuition increases to this level. In recognition of the increased tuition, student financial aid was increased by \$20.2 million, or a 22 percent increase over the previous biennium.

In the budget as introduced, total general fund reductions over the base ranged as high as 8.5 percent for some institutions of higher education. These cuts included targeted elimination or reduced general fund support of several research and public service institutes. General Assembly action restored a number of targeted reductions, and provided additional general funds for technology initiatives, with the intent of reducing the general fund cuts. As a result, the general fund increases in the budget as adopted range from one to fifteen percent for FY 1995, with an overall increase of 2.8 percent. For FY 1996, general fund budget changes range from a reduction of 3.8 percent to an increase of 22 percent. Overall, the second year general fund increase was 1.4 percent.

Priority funding items in higher education include a 3.4 percent salary increase in the first year for full-time instructional and administrative faculty (\$29.1 million GF); operating support for new facilities (\$13.8 million NGF); and acquisition of library books and materials (\$13.6 million NGF). An allocation of \$50 million in instructional equipment from the Higher Education Equipment Trust Fund is also provided in the budget, as adopted.

In addition, \$23.6 million is provided to support change and restructuring initiatives, such as those at the new colleges at James Madison University and Radford University, the statewide telecommunications network developed by Old Dominion University, and the development of new campuses at Mary Washington College, George Mason University, and John Tyler and Tidewater Community Colleges.

Other initiatives include \$1.5 million GF to help George Mason support projected enrollment levels, \$2.5 million GF for the Community Colleges to reflect revised enrollment estimates, and \$2.8 million GF to increase support per student at Christopher Newport University.

Other Educational Agencies. The budget as adopted provides a general fund budget of \$190.6 million for cultural and educational agencies in the Education Secretariat. Out of the \$79.9 million in reductions, \$72.4 million comes

from shifting indigent care at the teaching hospitals to Medicaid. The remainder comes from selected budget reductions in each year.

Net increases include \$5.0 million GF in support of indigent patients served by the Medical College of Hampton Roads, additional funding of \$4.5 million for aid to local libraries, and \$1.0 million for aid to local arts organizations.

At the Council of Higher Education, \$3.1 million is provided to facilitate library sharing among Virginia's public colleges and universities, \$1.0 million is appropriated for the state match on Eminent Scholars gifts, and \$1.3 million is provided for the Guaranteed Assistance Program. In support of independent colleges, \$0.7 million of additional funds is provided for the Tuition Assistance Grant, and \$350,000 for a pilot project involving the two-year colleges and independent colleges.

Health and Human Resources

The recommended 1994-96 budget for Health and Human Resources totals \$3.6 billion (GF), an 8.8 percent increase in the base budget. Additional spending of \$345.3 million is recommended, coupled with reductions of \$50.0 million.

Most of the increase is recommended to fund rising costs of health, mental health, and social services. The largest increase (\$293.1 million) is budgeted for Medicaid, a federal entitlement program. (Savings through cost containment and reimbursement changes to the teaching hospitals reduce the general fund cost to \$194.3 million.)

Included in the Medicaid increase is support for court-ordered transplants in Medicaid-eligible children (\$7.6 million). A \$12.1 million (GF) increase is recommended for a new, two-level system of care in homes for adults, adopted by the 1993 General Assembly. Funds to address treatment deficiencies and capacity increases in mental health hospitals and retardation centers are also recommended (\$10.0 million). Slight growth is projected in AFDC caseloads, with an increase of \$3.2 million in costs.

Most of the reductions would be achieved through cost containment in Medicaid and downsizing in mental health and retardation facilities. The length of hospital stays reimbursed by Medicaid would be reduced (for a \$8.0 million savings), managed care would be implemented statewide (for a savings of \$7.0 million), and other controls would be instituted (for a savings of \$5.7 million). Projected Medicaid balances of \$10.5 in FY 1994 would partially offset increased 1994-96 costs. Reimbursement changes to the state teaching hospitals would save \$30.2 million in general fund costs.

The operational capacity of Eastern and Western State Hospitals would be reduced by 105 beds. Central and Southside Training Centers for mentally retarded persons would be reduced by 97 beds. General fund savings from facility downsizing would total 202 positions and \$10.2 million, but \$5.8 million

of this amount would be disbursed to community services boards for treating discharged patients. The introduced budget assumed savings in the first year, but the General Assembly restored funds for a more gradual facility downsizing in the second year.

Commerce and Trade

The recommended budget for Commerce and Trade totals \$251.2 million (GF), a 0.6 percent increase in the base budget. Additional spending of \$16.2 million is recommended, offset by \$14.6 million in reductions. However, a \$9.5 million increase for economic development programs is also included in Central Appropriations.

Most of the increase is recommended for programs intended to spur business development. These programs include training incentives for expanding businesses (\$4.2 million), regional projects for industrial expansion (\$1.5 million), and industrial advertising (\$1.0 million). Funding for other economic development programs are included in Central Appropriations: \$8.5 million for infrastructure and other "deal closing" incentives, \$3.0 million in credits for manufacturers of solar photovoltaic panels, \$2.0 for retention of defense-related business in Newport News, and \$1.0 million for defense conversion assistance to localities and businesses.

A reduction of 54 positions is recommended in commerce and trade agencies, mostly in DED (14 positions) and the Department of Agriculture and Consumer Services (22 positions). Agency reorganization and elimination of certain administrative and support functions may be necessary.

Natural Resources

The budget adopted for Natural Resources agencies totals \$139.6 million. During the 1994 session, a net general fund increase of \$5.0 million for the biennium was approved, a four percent increase above the base budget. General fund reductions total \$11.4 million and 87 FTE positions. General fund increases total \$16.4 million and 202 FTE positions.

The major increases include \$3.0 million in general fund support for historical societies, increased support of \$2.3 million for additional operations in park and natural area projects funded through the 1992 General Obligation bonds, and continued funding of \$3.0 million for the Buena Vista Floodwall. An additional \$1.2 million has been approved to support the increased cost of privately leased space for the offices of the Department of Environmental Quality.

Major reductions include: elimination of general fund support for Waste Water Treatment loan funds (\$2.0 million); decreases in funding for the statewide soil survey (\$0.6 million); and elimination of the EcoMaps program (\$0.3 million). Finally, the approved budget prohibits shifting the cost of several programs from

general fund sources to the Marine Fishing Improvement Fund and the Virginia Saltwater Recreational Fishing Development Fund.

Public Safety

The budget adopted for the Office of Public Safety totals \$1.57 billion in general funds for the 1994-96 biennium. This represents a net 3.5 percent increase over the base budget, and includes total reductions of \$30.3 million and total increases of \$83.7 million.

Increasing numbers of adult and juvenile offenders are the driving force behind the increases in the budget for Public Safety. For example, the General Assembly has approved construction of nine new prisons since 1990, providing over 7,000 new beds. The base budget for 1994-96 has been adjusted by \$17.4 million to account for full-year operation of three of these new facilities which are opening during fiscal year 1994 (Dillwyn, Indian Creek, and Haynesville). Another \$37.3 million is added to the base budget to open three additional prisons (Culpeper, Deerfield, and Lunenburg).

The budget, as introduced, proposed closing Mecklenburg Correctional Center due to its high cost of operation. The adopted budget for Mecklenburg Correctional Center is adjusted to reflect a closing date of July 1, 1995.

Funds are included to initiate private contracts for 2,000 beds in minimum-security facilities, along with \$100,000 for options on land for additional prisons. Another \$50,000 is provided to the Department of Youth and Family Services for acquiring options on land for additional secure learning centers. More juvenile beds will be required as a result of the serious juvenile offender legislation adopted by the 1994 General Assembly (SB 520/HB 1243).

Other major initiatives in the Public Safety field include: (1) the addition of 24 state troopers to expand the State Police Anti-Crime Strike Force, which works with local police in high-crime areas; (2) funding to expand intermediate sanctions such as pre-trial release, home electronic monitoring, and day reporting centers; and, (3) funding to expand inmate work and treatment programs.

Transportation

The budget, as adopted, generally continues current services with available nongeneral fund revenues. Additional revenues will allow transportation base budgets to increase by 2.3 percent -- about \$93 million (NGF) for the 1994-96 biennium. A February, 1994 revenue re-forecast, which is not reflected in the budget, will increase transportation programs by another \$53.3 million. Included in the base budget is the full \$40 million per year from the general fund for the Route 58 Corridor Development Program.

Other significant nongeneral fund increases include \$58.5 million for highway construction and \$10 million for public transit operating and capital support. An additional \$0.5 million has been budgeted to the Department of Rail and Public Transit, for expanded industrial rail access support and to fund a passenger rail study to Bristol. The Department of Motor Vehicles is budgeted for an additional \$26.9 million above its base, including \$17.6 million for automation of labor intensive tasks and \$6.2 million to operate their new integrated computer system. An additional 30 positions are budgeted for DMV, including 14 positions for lease/purchase of branch offices in South Hill and Abingdon.

Compensation and General Government

The budget, as adopted, includes \$79.9 million for a constitutionally required deposit into the Revenue Stabilization Fund. Debt service in the Treasury Board for general obligation and VPBA bonds is increased by \$35.8 million. Funding for the state portion of regional jail construction projects is increased by \$8.9 million.

An increase of \$34.4 million is provided for the Compensation Board, primarily to fund additional positions for new jail capacity, staffing overcrowded jails, minimum staffing guidelines, increased staffing for Commonwealth's Attorneys, and the automation of constitutional offices.

The budget, as approved, also includes reductions for most agencies in the general government area. Most significant of these is the elimination in the second year of state funding for the cost of fringe benefits paid to constitutional officers and their employees. The \$24.9 million savings from this action will be borne by the localities.

An increase of \$285.2 million is included for a series of compensation actions. Of this amount, \$111.5 million is designated for classified employees and state-supported local employees, who will benefit from continuation of performance pay increases ranging from 0 to 6.9 percent for the first year of the biennium. The actual salary increase each employee will receive will be determined by a performance evaluation. A 2.25 percent salary increase is budgeted for the second year.

Faculty are budgeted to receive salary increases of 3.4 percent on December 1, 1994 and 2.25 percent on December 1, 1995, at a general fund cost of \$29.1 million.

Teachers are budgeted to receive salary increases of 3.25 percent on December 1, 1994 and 2.25 percent on December 1, 1995, at a general fund cost of \$113.0 million. Other state-supported local employees not subject to a performance pay plan will receive a 2.25 percent increase, effective December 1, 1994.

Job specific salary increases totaling \$10.6 million are approved for certain employees of the Departments of General Services and Health, Senior Corrections Officers, and full-time Commonwealth's Attorneys and their employees.

Capital Outlay

The budget, as adopted, includes \$132.2 million in general fund support for new capital outlay projects. General fund projects include critical life/safety corrections or hazardous materials disposal, the correction of infrastructure problems that cannot be deferred, and a limited number of planning projects.

Biennial funding for capital outlay includes \$50.5 million for a maintenance reserve, to address repairs and replacement of roofs, mechanical systems, and other deferred maintenance at state agency buildings.

The budget also provides \$128.5 million for projects funded with either 9(c) or 9(d) bonded debt. An additional \$196.5 million is provided for projects funded from other nongeneral fund sources.

The Virginia Public Building Authority bill includes \$34.5 million of new projects, including equipment for the Lunenburg Correctional Center, construction of regional agriculture laboratories, improvements to administrative buildings in the seat of government, and correction of life/safety and infrastructure deficiencies at public safety and mental health facilities. Funding of \$4.7 million was also provided to renovate the Education and Outreach Center of the Virginia Museum of Fine Arts.

Anti-Crime Initiative

The 1994 General Assembly has adopted a comprehensive set of budget actions totaling \$54.4 million above the 1994-96 budget, as introduced. These funds are intended to make Virginia's criminal justice system work more effectively, by focusing additional resources on the most serious problem areas and on those areas where the workload is greatest. Key elements include:

- ***Restoration of House Bill 599 Funding.*** A total of \$8.9 million is provided to restore general revenue sharing for localities with police departments. The budget, as introduced, included reductions of about 10 percent each year for the program. With the restoration, the allocation formula is frozen. No locality will receive less than it received in fiscal 1994. A six percent cut remains in the second year .
- ***Judges and Court Staff.*** An additional \$8.2 million is provided for ten additional judges, 39 additional positions for Circuit Court Clerks, 30 positions for District Courts, 29.6 positions for Juvenile Courts, and four Magistrate Positions. These positions will enable the courts to manage

their increasing workload. Another \$1.6 million is added to restore positions proposed for elimination in juvenile court services units, and to automate the juvenile court services units.

- ***Commonwealth's Attorneys.*** An additional \$6.8 million is provided for 22 senior-level, violent crime prosecutors and 22 paralegal assistants in those jurisdictions with the highest rates of violent crime; six assistant prosecutors; conversion of 30 currently part-time Commonwealth's Attorneys to full-time status; and competitive pay increases effective January 1, 1995.
- ***Serious Juvenile Offenders.*** A total of \$1.0 million is added to begin to implement provisions of Senate Bill 520 and House Bill 1243 of 1994, which strengthen sentencing provisions for serious juvenile offenders. This legislation lowers the age at which juveniles can be tried as adults and provides for determinate sentencing of up to seven years in state learning centers, based on specific criteria.
- ***Enforcement of Court Fines and Costs.*** An additional \$1.4 million and six positions are provided to strengthen collection of unpaid court fines and costs. The State Compensation Board and the Department of Taxation will be in charge of this effort, pursuant to SB 293. The Tax Department's new Enhanced Collection System will be used to collect overdue accounts.
- ***State Police Anti-Crime Strike Force.*** An additional \$1.7 million and 24 positions are provided to expand the State Police anti-crime strike force which works closely with local police in high-crime areas.
- ***Additional Adult and Juvenile Facilities.*** Additional adult prisons and juvenile learning centers will be needed over the next several years. Funds are provided to initiate private contracts for 2,000 minimum security beds for adult offenders, options on land for new adult prisons, and options on land for additional secure learning centers for juveniles.
- ***Enhanced Supervision of Adult Offenders.*** An additional \$3.3 million is included to expand pre-trial release and home electronic monitoring programs for low-risk offenders, to establish day reporting centers for parole violators, and to expand public inebriate centers.
- ***Competitive Pay for Correctional Officers.*** An additional \$2.6 million is provided the second year to raise salaries for senior state correctional officers from grade 7 to grade 8, effective July 1, 1995.
- ***Master Deputies.*** An additional \$1.5 million is provided to create a new position of Master Deputy, also effective July 1, 1995.
- ***Work, Education, and Treatment.*** A total of \$3.6 million is included for expanding prison farm work programs, vocational education for adult and

juvenile offenders, and a specialized drug treatment facility. Another \$2 million is added to the Comprehensive Services Act for treatment of juvenile offenders in private facilities.

Key Elements of the Anti-Crime Initiative

Enhanced Law Enforcement

State Aid to Localities with Police Depts. (HB 599)	\$ 8,907,900
State Police Anti-Crime Strike Force (24 FTE)	1,700,000
Law Enforcement Deputies	753,056
Security Equipment for Probation Officers	225,000
DNA Data Bank Testing-Phase II	1,741,000
New State Police Fingerprint Staff	97,600
Law Enforcement Job Task Analysis	98,000
Regional Law Enforcement Training Academies	394,422

Sub-Total, Law Enforcement **\$ 13,916,978**

Enhanced Criminal Prosecution

Full-time Commonwealth's Attorneys (15/30)	\$ 2,300,955
Competitive Pay for Prosecutors (1/1/95)	1,904,927
Senior Violent Crime Prosecutors (22)	1,875,562
Paralegal Assistants-Violent Crime Prosecution (22)	903,399
Assistant Prosecutors (6)	318,383
Anti-Drug Prosecutor-Suffolk	80,000
PT to FT Assistant Prosecutors-Halifax & Spotsylvania	58,060
Court of Appeals Positions (2 FTE)	169,000
Circuit Court Judges (SB 71) (2 FTE)	559,600
Circuit Court Clerks' Positions (39 per SB 310)	2,888,745
General District Court Judges (SB 71) (2 FTE)	521,192
General District Court Personnel (30 FTE)	1,000,000
Magistrate System Personnel (4 FTE)	138,250
Juvenile Court Judges (SB 71) (6 FTE)	1,563,576
Juvenile Court Personnel (29.6 FTE)	926,000
Juvenile Court Services Units (positions and automation)	1,600,000
Victim-Witness Assistance Programs	232,414

Sub-Total, Criminal Prosecution **\$ 17,040,063**

Enhanced Criminal Penalties

Serious Juvenile Offenders (SB 520)	\$ 1,025,120
Enhanced Supervision of Adult Offenders	1,769,654

Enforcement of Court Fines & Costs (SB 293) (6 FTE)	1,447,050
Competitive Pay for Correctional Officers (7/1/95)	2,583,000
Firearms Simulator for Corrections Training Academy	50,000
Master Deputy Program (7/1/95)	1,510,389
Additional Jail Deputies	688,645
Arlington Regional Jail	1,200,000
Private Prisons (Initiate contract for 2,000 beds)	50,000
Norfolk Day Reporting Center	575,000
Richmond Day Reporting Center	575,000
Public Inebriate Centers	418,000
Expansion of Northern Virginia Detention Home	553,425
Learning Center Security Enhancements	500,000
Expansion of Learning Centers-Options on Land	50,000
	<hr/>
<i>Sub-Total, Criminal Penalties</i>	\$ 12,995,283
<u>Enhanced Work, Education, and Treatment</u>	
Expand Prison Farm Work Programs	\$ 2,006,200
Expand Vocational Training Assessments	300,000
Expand Vocational Apprenticeship Program	250,000
Upgrade Vocational Training Equipment	200,000
Specialized Drug Treatment Prison	882,000
Juvenile Treatment Programs (Comp. Services Act)	2,000,000
Camp New Hope (Wilderness Program at Natural Bridge)	250,000
	<hr/>
<i>Sub-Total, Work, Education, and Treatment</i>	\$ 5,888,200
<u>Enhanced Crime Prevention</u>	
Juvenile Delinquency Prevention	\$ 1,823,122
Block Grant Funds for Local Juvenile Facilities	2,373,112
Expand Local Crime Prevention Programs	200,000
Family Violence Prevention (HJR 279)	150,000
Guardian Ad Litem Pilot Projects	50,000
	<hr/>
<i>Sub-Total, Crime Prevention</i>	\$ 4,596,234
TOTAL ANTI-CRIME INITIATIVE	\$ 54,436,758

1994 - 1996

Revised Revenue Projections Fiscal Year 1994-96

The budget, as adopted, anticipates the availability of \$15,094.1 million in general fund revenues, transfers, and unappropriated balances in the 1994-96 biennium. This total includes: \$253.9 million in available balances from the 1992-94 biennium, \$14,099.0 million in projected tax collections (including \$149.4 million in additional compliance revenue), and \$741.1 million in Lottery profits, ABC profits, and other transfers. At this level, biennial growth in general fund resources available for appropriation would be 11.8 percent greater than the \$13,505.4 million in resources available for appropriation in the 1992-94 biennium.

General Fund Revenue Available for Appropriation (\$ millions)	
Available Balances	\$ 253.9
Official Revenue Estimates	14,099.0
Transfers	<u>741.1</u>
Total General Fund Revenues Available for Appropriation	\$ 15,094.1

Available Balances

Unexpended balances as of June 30, 1994 are expected to be \$253.9 million. Most of these balances are the result of the FY 1993 revenue surplus of \$112.1 million and the \$79.3 million in additional FY 1994 revenues which were identified in the November and February revenue reforecasts.

Revenue Growth

The current official revenue forecast anticipates growth rates of 5.8 percent for FY 1995 and 5.6 percent for FY 1996. This reflects a slightly improved overall economic outlook and the addition of \$149.4 million from more aggressive collection of taxes owed the Commonwealth. At this level, however, projected revenue growth remains well below historical norms.

General Fund revenue growth is driven fundamentally by growth in the state's economy. Throughout the forecast period, Virginia is expected to underperform the nation economically. Current revenue forecasts expect a continuation of present conditions, with modest employment growth of about 2 percent per year, more significant defense cuts, low inflation, and weak demand for exports. As a result, revenue growth will also be modest. A more complete description of the economic assumptions underlying the revenue forecast is included later in this section.

Forecast of General Fund Tax Revenues					
	<u>FY 94</u>	<u>FY 95</u>	<u>Percent Growth</u>	<u>FY 96</u>	<u>Percent Growth</u>
Net Individual	\$3,820.1	\$4,093.1	7.1%	\$4,339.8	6.0%
Corporate	315.0	314.2	(0.3)	327.0	4.1
Sales	1,549.3	1,664.0	7.4	1,746.1	4.9
Insurance	192.3	209.6	9.0	222.6	6.2
Public Service	<u>102.9</u>	<u>114.1</u>	<u>10.9</u>	<u>124.4</u>	<u>9.0</u>
Major Taxes	\$5,979.6	\$6,395.0	6.9	\$6,759.9	5.7%
Other	<u>498.3</u>	<u>461.4</u>	<u>(7.4%)</u>	<u>482.8</u>	<u>4.6%</u>
Total Taxes	\$6,477.9	\$6,856.4	5.8%	\$7,242.7	5.6%

Legislative Revenue Changes

The adopted budget enacted a number of legislative changes to Code provisions involving either tax policy or fees. The General Assembly deferred scheduled tax policy changes involving withholding of individual income taxes, and exemption of non-prescription drugs from the sales tax. The General Assembly also deferred an income tax credit for low-income housing and a scheduled increase in tax credits for the neighborhood assistance program. In sum, the tax policy changes deferred or enacted by the General Assembly totaled \$65.1 million.

**Tax Policy Changes Affecting
General Fund Revenue in 1994-96**

	<u>\$ Millions</u>
Withholding Exemptions Deferral	\$ 26.3
Non-Prescription Drugs Deferral	23.8
Neighborhood Assistance Deferral	5.5
Insurance Premiums Increase for Blue Cross/ Blue Shield	5.5
Low-income Housing Deferral	<u>4.0</u>
 Total	 \$65.1

Additional Withholding Allowances. Current law allows individuals to withhold income taxes based on the number of personal exemptions a taxpayer is allowed. A taxpayer can ask the Tax Commissioner to administratively increase his withholding exemptions if cause can be shown.

Legislation enacted in the 1989 session changed the law to allow individuals to increase the number of personal exemptions, beginning January 1, 1991. This method allows individuals to adjust the number of exemptions claimed, according to an estimate of their final tax liability. This primarily affects withholding on taxpayers that itemize deductions.

The General Assemblies deferred this change again in 1994, as it did in 1990 and 1992.

Non-Prescription Drugs, Neighborhood Assistance, Low-Income Housing. The General Assembly also deferred for two years the scheduled implementation of the sales tax exemption for non-prescription drugs. The exemption is now slated to go into effect on July 1, 1996. The same legislation also delays for two years a scheduled increase in the total tax credits available for the Neighborhood Assistance Program. This legislation also delays for two years scheduled tax credits for low-income housing.

Insurance Premiums Increase. The General Assembly also enacted a change affecting the taxes levied on insurance premiums. HB 1195 eliminated

preferential tax treatment given Blue Cross/Blue Shield for lines of insurance offered to small businesses. This preferential treatment had originally been extended to Blue Cross/ Blue Shield at a time when it was the carrier of last resort for such firms. Recent statutory changes require all insurers to offer insurance to small businesses. The preferential treatment was therefore seen as unnecessary.

This legislation extends the lower tax rate to all BC/BS subsidiaries (0.75%), but raises the tax rate for BC/BS small business insurance to 2.25 percent, which is identical to the rate levied on other insurers.

Transfers

Transfers expected in the 1994-96 biennium total \$741.1 million. Of this total, \$615.7 million is expected from Lottery profits, including \$5.2 million expected in profits from putting lottery machines in ABC stores. In the next biennium, lottery profits are projected to grow only \$17.9 million beyond that projected for 1992-94. Alcohol Beverage Control (ABC) profits are expected to be \$5.4 million lower in the 1994-96 biennium than the current biennium.

The remaining transfers include \$9.0 million from Worker's Compensation balances, increased Medicaid and Medicare reimbursements to MHMRSAS, a transfer from ABC revenues to support substance abuse programs, and transfers for reimbursing indirect costs at nongeneral fund agencies.

Proposed Transfers in SB 30, As Introduced (\$ in millions)	
Lottery Proceeds	\$ 615.7
ABC Profits	47.4
Interfund Transfers	22.9
Mental Health Transfer	15.6
Unrefunded Marine Fuel Tax	10.3
Indirect Costs (primarily VDOT)	9.8
DGS Self-Insurance Balances	9.0
Local Sales Tax Compliance	7.0
Transportation Sales Tax Compliance	3.1
Net Other	<u>0.3</u>
Total Transfers Proposed	\$ 741.1

Compliance Revenues

The budget, as adopted, projects a substantial increase in revenues from more aggressive collection of taxes owed the Commonwealth. A total of \$149.4 million in additional compliance revenues are estimated for the 1994-96 budget. An additional \$17.3 million is included in SB 31 for FY 1994. In total, these additional compliance revenues would bring expected compliance revenues in FY 1994 and the 1994-96 budget to \$310.7 million. Compliance revenues are concentrated in individual income, corporate income, and sales and use taxes.

These additional compliance revenues are the combined result of two major new programs at the Department of Taxation. Two years ago, 101 additional positions were added by the General Assembly to implement the recommendations of a Joint Legislative Audit and Review Commission (JLARC) report concerning compliance activities at the Department of Taxation. These new positions should be fully staffed by early 1994.

The second major compliance initiative is the Enhanced Collection System (ECS), which will link the Taxation computer system files to an automated information retrieval and telephone dialing system. This system will have the capability to distribute telephone calls, as well as provide detailed information on each delinquent account to compliance staff as they speak. This ECS was recently purchased with appropriations from the 1993 Session and is expected to be on-line in January 1994.

Also included in the compliance revenues is \$7.2 million in court fines and fees that are estimated to be collected by the Department of Taxation using the enhanced compliance system and 24 additional collections staff.

The table below details the additional and total compliance revenues.

Compliance Revenues in the Adopted Budget (\$ in millions)

	<u>FY 94</u>	<u>FY 95</u>	<u>FY 96</u>
Withholding	\$ 3.4	\$ 14.1	\$ 14.1
Non-Withholding	<u>6.0</u>	<u>24.6</u>	<u>24.6</u>
Net Individual	9.4	38.7	38.7
Corporate	2.4	9.8	9.8
Sales and Use	5.5	22.6	22.6
Court Fines and Fees	<u>0.0</u>	<u>2.4</u>	<u>4.8</u>
Additional Compliance Rev.	17.3	73.5	75.9
Total Compliance Revenues	\$ 60.3	\$ 124.0	\$ 126.4

Detailed Listing of General Fund Revenue Changes Since April 1993 (\$ in millions)

	<u>1994-96</u>
<u>Additional Balances:</u>	
Unexpended Balance from 1992-94	\$ 253.9
 <u>Revenue:</u>	
Official Estimate April 1993	\$ 13,628.8
Revision to Estimate November 1993	179.4
Revision to Estimate February 1994	42.0
Additional Compliance Revenue, Including Court Fines	149.4
Public Service Corp. Taxes	11.3
Support Enforcement Collections	4.5
Labor and Industry-Increase Accts. Receivable	0.6
DMAS Liens and Estates	1.2
Investment of Public Funds	1.5
Major Business Facil. Tax Credit	(1.1)
Virginia Fertilizer Act	(0.3)
Research Deductions and Credits	(0.5)
Probation Fees	2.7
Court Fees	7.3
Insurance Premiums Increase BC/BS	5.4
Revenue from Fingerprint Checks	0.2
Medicaid Recoveries	0.7
Inmate Wages	0.1
Automated Records	(1.1)
Sale of Camp Pendleton	1.6
Defer Non-Prescription Drugs	23.8
Defer Neighborhood Assistance Act Increase	5.5
Defer Low-Income Housing Credit	4.0
Criminal History Fee	1.8
Accident Report Fee	0.1
Support Enforcement Profit	3.8
Withholding Exemptions	<u>26.3</u>
Total Revenue	\$ 14,099.0

Transfers:

Lottery Transfers	\$ 610.5
Lottery Machines in ABC Stores	5.2
ABC Profits	46.4
ABC Profits on Lottery Commissions	1.0
DHP-Reduce Recoveries	(0.1)
DGS-Internal Service Funds Excess Balances	0.5
DGS-Self Insurance Balances	9.0
MH&MR Balances	2.0
Watercraft Sales Tax to DGIF	(0.9)
Section 3-1.01A (largely from ABC)	22.9
Mental Health Transfer	15.6
Unrefunded Marine Fuels	10.3
NGF Indirect Costs (largely VDOT)	9.8
Interfund Transfers (Section 3-1.01B)	1.1
Local Sales Tax Compliance	7.0
Transportation Sales Tax Compliance	3.1
VPA Sewell's Point Financing	0.3
IHRIS Treasury Loan Repayment	<u>(2.4)</u>
Total Transfers	\$ 741.1
Total General Funds Available	\$ 15,094.1

Economic Scenario Associated With the Revenue Forecast

Virginia's revenue forecasting process is a multi-step process involving expert projections of national economic conditions, use of an econometric model to anticipate Virginia's economic outlook, and review of economic and business data by several Governor's advisory boards. The Governor's Board of Economists reviews the economic forecast that is officially adopted for use in the revenue estimates. The Governor's Advisory Council on Revenue Estimates considers whether the revenue estimates prepared by the Department of Taxation are realistic in light of current business conditions. And, the Governor's Economic Advisory Council meets and advises the Governor regarding any final changes to the revenue estimates before presentation of the budget to the General Assembly.

The U.S. and Virginia economic scenario associated with the revenue estimates is critical to the forecast process. Forecast economic variables are used as direct inputs in the revenue estimating model for Virginia. If the projected economic scenario is incorrect, then the related revenue estimates are likely to be incorrect.

In FY 1993, economic growth was slightly better than expected, both for the U. S. and Virginia. However, employment growth remained below 2 percent. There was also a one-time corporate tax payment of nearly \$90 million. The result was a year-end revenue surplus totaling \$112.1 million.

The table on the next page compares actual and forecast economic indicators for both the U. S. and Virginia. In general, the economy is expected to grow at a pace similar to that which occurred in 1993. Economic growth in 1993, while improving from the recessionary conditions of 1990-92, remained significantly below the growth of the 1980s. Some factors that have held back growth in the last few years will continue to impact the economy in 1994 -- corporate restructuring and slow job growth, defense cuts and the federal deficit, elevated debt levels, high office vacancy rates, and weak demand for exports. However, slowly improving economic conditions should continue through at least fiscal year 1995 as a result of increased productivity, improved corporate profits, and low interest rates and inflation.

Economic growth in Virginia is expected to outperform the U.S. economy in FY 1994, but as defense cuts take hold, Virginia will probably underperform the U.S. economy in fiscal years 1995 and 1996.

**Growth in Actual and Forecast
Selected U.S. and Virginia Economic Statistics
(Percent Growth Over Prior Year)**

	Actual	<u>Estimated</u>		
	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>
Real GDP	3.1%	2.8%	3.0%	2.9%
U.S. Personal Income	6.0	5.2	6.7	7.0
Va. Personal Income	6.4	6.5	6.3	6.1
Va. Employment	1.6	2.0	2.0	1.9

Source: WEFA January Standard Forecast and Virginia Department of Taxation

Effect of Tax Policy Changes on General Fund Revenues

The adopted budget does not defer two tax policy changes which will go into effect in the next biennium, as scheduled. These are the self-employment tax subtraction (effective January 1, 1994) and the ACRS addback (effective January 1, 1994). The total cost of these tax changes are expected to be \$108.9 million in 1994-96.

Tax Policy Changes Slated to Go Into Effect in 1994-96

	1994-96 Cost <u>\$ Millions</u>
Self-employment Tax Subtraction	\$ 64.2
ACRS Addback	<u>44.7</u>
Total	\$ 108.9

Self-Employment Tax Subtraction. Beginning in tax year 1994, Virginia will conform to federal law regarding the subtraction of contributions to social security made by self-employed filers. In tax year 1990, the federal government began to provide self employed filers a tax deduction, rather than a credit, on the employer share of social security they paid on their own wages. As a conformity state, this action would have automatically impacted Virginia. The 1990 General Assembly deferred conformity until tax year 1992, but allowed filers to reclaim their lost tax benefit in the future. The tax benefit for tax year 1990 was to have been allowed in 1992, along with the benefit for 1992. In tax year 1993, the delayed benefit for 1991 was to have been allowed, along with the benefit for 1993.

In the 1992 Session, the General Assembly again deferred conformity until tax year 1994.

In tax year 1994, filers will claim the deduction for 1994, as well as the deferred benefit from tax year 1990. In tax year 1995, filers will claim the deduction for 1995, as well as the deferred deduction from tax year 1991. And in tax year 1996, filers will claim the deduction for 1996, as well as the deferred deduction from tax year 1992.

ACRS Addback. In 1982, Virginia deconformed from federal law concerning accelerated depreciation for corporate assets. Virginia required a 30 percent addback on Virginia returns with federal depreciation. In the 1987 Virginia Tax Reform Act, the General Assembly began to allow recovery of this 30 percent addback over 2 years for individuals and over 5 years for corporations. This addback was deferred in the 1990 and 1992 sessions. Subtractions will resume in tax year 1994. Current law will allow corporations a 10 percent subtraction in tax year 1994 and a 20 percent subtraction in 1995.

Transportation Revenues

Just as with general fund revenue, transportation revenues have been slowly improving as the state's economy recovers from the 1990-92 recession. For FY 1993, state transportation revenues increased 4.7 percent -- \$27.1 million above last year's official projection. The resulting higher base of revenues and slowly improving economic conditions has produced a forecast of \$1,397.3 million for FY 1994 transportation revenues. This represents 5.9 percent growth over FY 1993 and is \$48.4 million higher than last year's official forecast. State transportation revenues for the 1992-94 biennium are now expected to total \$2,717.1 million.

For the 1994-96 biennium, growth rates for state transportation revenues are expected to drop from 5.9 percent for FY 1994 to 3.5 percent and 2.9 percent for FY 1995 and 1996. This projection reflects slowing growth in the motor vehicle sales and use tax and flat projections for motor fuels taxes. Even as the automobile fleet continues to grow, it also is continuing to become more fuel efficient. Thus, gasoline consumption is not significantly increasing. Also, WEFA is projecting lower growth rates for new car and truck sales in fiscal years 1995 and 1996.

State Transportation Revenues *
\$ Millions

	<u>Actual</u> <u>FY 93</u>	<u>Projected</u> <u>FY 94</u>	<u>Projected</u> <u>FY 95</u>	<u>Projected</u> <u>FY 96</u>
Motor Fuel Taxes	\$642.6	\$657.6	\$667.6	\$673.2
M.V. Sales Tax	266.6	307.0	326.7	346.3
M.V. License Fees	117.2	123.3	121.4	124.7
State Sales Tax	238.3	257.0	274.3	287.8
Interest Earnings	10.7	9.8	10.4	8.3
Rental Tax	3.9	4.5	4.9	5.2
Miscellaneous	<u>44.3</u>	<u>42.6</u>	<u>45.4</u>	<u>47.0</u>
Total State Taxes	\$1,319.8	\$1,397.3	\$1,445.8	\$1,487.3
Percent Growth	4.7%	5.9%	3.5%	2.9%

* Source: DMV, February 1994 Revenue Forecast

Federal transportation cash receipts are expected to increase from \$526.6 million in the current biennium to \$936.2 million in the 1994-96 biennium. Increased federal funds allocated through the 1991 federal ISTEA legislation are actually beginning to be received by the state through the federal reimbursement process. Although allocation of federal funds are expected to peak in fiscal year 1994, actual receipt of these allocated funds will not reach its peak until FY 1996, after which federal cash receipts are expected to again decline.

The table below compares the transportation revenues in fiscal year 1986, before the transportation Special Session, with actual fiscal year 1993 revenues and with the expected revenues in fiscal years 1994, 1995, and 1996. While state transportation revenues will continue to grow at a slow pace, total transportation revenues available are expected to grow rapidly in fiscal years 1994 and 1995 because of increasing federal reimbursements.

Estimated Transportation Revenues (\$ millions)

	Actual		Estimated		
	FY 1986	FY 1993	FY 1994	FY 1995	FY 1996
Highway Maintenance Fund	\$737.0	\$869.0	\$ 913.3	\$ 931.9	\$ 953.9
Transportation Trust Fund	<u>0.0</u>	<u>450.7</u>	<u>484.0</u>	<u>513.9</u>	<u>533.4</u>
Total State Sources	\$737.0	\$1,319.8	\$1,397.3	\$1,445.8	\$1,487.3
Percent Growth		4.7%	5.9%	3.5%	2.9%
Federal Grants	382.9	208.4	318.2	443.9	492.3
Other	<u>80.5</u>	<u>100.2</u>	<u>89.8</u>	<u>87.7</u>	<u>86.9</u>
Grand Total	\$1,200.4	\$1,628.1	\$1,805.3	\$1,977.4	\$2,066.5
Percent Growth		(4.4%)	10.9%	9.5%	4.5%

Legislative Department

The budget, as adopted, for the Legislative Department is \$80.8 million for the 1994-96 biennium, a net increase of 1.1 percent above the base.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	Base Budget		Reductions		Increases	
	GF	FTE*	GF	FTE*	GF	FTE*
General Assembly	\$35.1	199	(\$0.0)	(0)	\$1.5	6
Legislative Services	7.1	56	(0.0)	(0)	0.1	1
Code Commission	0.5	0	(0.0)	(0)	0.0	0
Coal & Energy Commission	<0.1	0	(0.0)	0)	0.0	0
Water Commission	<0.1	0	(0.0)	(0)	0.0	0
Commissioners on Unif. State Laws	0.1	0	(0.0)	(0)	<0.1	0
Housing Study Commission	0.3	2	(0.0)	(0)	0.0	0
State Crime Commission	0.3	2	(0.0)	(0)	0.1	1
Youth Services Commission	0.2	2	(0.0)	(0)	0.0	0
Commission on Pop. Growth & Development	0.2	0	(0.0)	(0)	0.0	0
Chesapeake Bay Commission	0.3	1	(0.0)	(0)	0.0	0
Jt. Commission on Health Care	0.7	5	(0.0)	(0)	0.0	0
Legislative Auto- mated Systems	5.6	19	(0.0)	(0)	0.0	0
JLARC	4.2	33	(0.2)	(0)	0.0	1
Auditor of Public Accounts	17.3	195	(0.0)	(7)	0.2	0
Va. Comm. on Intergov'tal Coop.	0.7	0	(0.0)	(0)	<0.1	0
VASAP Comm.	0.0	6	(0.0)	(0)	0.0	0
Capitol Police	5.2	73	(0.0)	(0)	0.1	0
Rev. Clrg. Account	2.2	0	(1.1)	(0)	0.0	0
Total	\$79.9	593	(\$1.1)	(7)	\$2.0	9

*FTE totals include both general and nongeneral fund positions.

Legislative Aides' Compensation

The annual salary for secretaries and administrative assistants to members of the General Assembly is raised from \$16,740 to \$17,700 per year. Per diem reimbursement is conformed to current policy and practice. Offices expenses are increased from \$500 to \$750 per month for each member.

DGS Rental Charges

The budget, as adopted, includes \$240,867 for the Auditor of Public Accounts and \$78,996 for the Division of Capitol Police to pay rental charges to the Department of General Services (DGS) for state-owned space in the Capital Square area. These amounts were previously budgeted to a central account.

Commission on Population Growth and Development

Funding and two positions for the Commission on Population Growth and Development are eliminated as of July 1, 1995, under the sunset provision in the statute which created the commission. (For this reason, no positions are shown in the column above for the base budget.)

Reversion Clearing Account

The Joint Rules Committee has approved a budget plan for legislative agencies which reduces base budgets by \$1.1 million. Part of this amount is reallocated to a legislative economic contingency account to fund limited addenda requests. The budget, as adopted, incorporates the Joint Rules Committee recommendations.

Judicial Department

The budget, as adopted, for the Judicial Department is \$358.4 million for the 1994-96 biennium. This represents a net increase of 2.4 percent above the base, incorporating increases of \$17 million and decreases of \$8.5 million. The decrease represents carry-forward balances and adjustments in projected expenditures in the Criminal and Involuntary Mental Commitment Funds.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	<u>Base Budget</u>		<u>Reductions</u>		<u>Increases</u>	
	<u>GF</u>	<u>FTE*</u>	<u>GF</u>	<u>FTE*</u>	<u>GF</u>	<u>FTE*</u>
Supreme Court	\$18.6	114	(\$0.4)	(3)	\$1.9	5
Court of Appeals	7.5	44	(0.0)	(0)	0.4	2
Circuit Courts	83.9	145	(8.4)	(0)	4.2	3
General District Courts	109.7	820	(0.0)	(31)	5.1	32
Juvenile & Domestic Relat'ns District Courts	59.0	388	(<0.1)	(0)	2.5	55
Combined District Courts	21.7	176	(0.0)	(0)	0.1	11
Magistrates	24.9	367	(0.0)	(0)	0.2	4
Judicial Inquiry and Review Commission	0.6	3	(0.0)	(0)	0.1	0
Virginia State Bar	0.7	60	(0.0)	(0)	0.0	14
State Board of Bar Examiners	1.1	3	(0.0)	(0)	0.1	0
Public Defender Commission	22.3	222	(0.0)	(0)	2.8	38
Total	\$349.9	2,343	(\$8.5)	(32)	\$17.0	161

**FTE totals include both general and nongeneral fund positions.*

The budget, as adopted, includes \$1.9 million for the Judicial Branch to pay rental charges to the Department of General Services (DGS) for state-owned space in the Capital Square area. These amounts were previously budgeted to a central account.

A technical adjustment has also been made in the position levels for three judicial agencies. The Maximum Employment Level (MEL) for the General District Courts is reduced by 30.8 FTE to reflect the elimination of unfunded vacancies. These positions are reallocated to the Juvenile and Domestic Relations District Courts and Combined District Courts.

Supreme Court

Increases

- ***Inmate Time Computation.*** The budget for the Office of the Executive Secretary includes \$150,000 each year and three positions to automate the information needed by the Department of Corrections to compute the time inmates have to serve on their sentences. Companion amendments provide additional funds for Sheriffs and DOC for this purpose.
- ***Family Violence Prevention.*** The budget includes \$150,000 and matching federal funds to establish an office on family violence prevention, pursuant to House Joint Resolution 279.

Court of Appeals

Increases

- ***Additional Staff Support.*** The budget includes \$169,000 and two positions to assist the court in managing its workload, as well as \$56,000 to enable three retired judges to sit on the court, pursuant to Senate Bill 72.

Circuit Courts

Increases

- ***New Judgeships.*** An additional \$559,600 is included for two new judges in the 16th and 23rd Circuits, pursuant to Senate Bill 71.
- ***Circuit Court Records.*** An additional \$198,600 (NGF) each year is included from increased fee revenues (charged to localities) for an automated indexing system for land records, wills, marriage licenses, and other records in the clerks' offices.

Decreases

- ***Carry-Forward Balances.*** A separate reduction is budgeted to the Criminal Fund to reflect projected balances totaling \$4.7 million as of June 30, 1994, which will not be needed.

General District Courts

Increases

- ***New Judgeships.*** An additional \$521,192 is included for two new judges in Districts 12 and 2-A, pursuant to Senate Bill 71.
- ***Additional Staff Support.*** An additional \$1.0 million and 30 positions are included to assist General District Courts. The positions are allocated to the ten districts with the heaviest workload (i.e. the greatest numbers of new cases per employee).
- ***Protection from Blood-Borne Disease.*** An additional \$18,712 is included for hepatitis vaccinations and protective kits, as required by federal regulations.
- ***Involuntary Mental Commitment Fund.*** An additional \$1.0 million the first year and \$2.4 million the second year are included to cover increased expenses for the Involuntary Mental Commitment Fund. This fund pays for the medical and legal costs associated with judicial hearings to determine the need for psychiatric treatment.

Juvenile and Domestic Relations District Courts

Increases

- ***New Judgeships.*** An additional \$1.6 million is included for six new judges in Districts 14, 18, 22, 23, 24, and 26, pursuant to Senate Bill 71.
- ***Additional Staff Support.*** An additional \$926,000 and 29.6 positions are included to assist the juvenile courts in managing their increasing workload. The positions are allocated to those courts for which the Executive Secretary requested one or more positions.

Magistrate System

Increases

- ***Additional Magistrates.*** An additional \$138,250 and four positions are included to assist Magistrates in meeting their increasing workload.
- ***Protection from Blood-Borne Disease.*** An additional \$53,783 is included for hepatitis vaccinations and protective kits for Magistrates, as required by federal regulations.

Virginia State Bar

The budget, as adopted, provides an additional \$168,600 (NGF) and 13 positions from attorneys' bar dues for operating expenses of the State Bar. Eleven of the new positions were previously funded without an adjustment to the agency's Maximum Employment Level. Language is included which expresses legislative intent with respect to the use of positions and funds.

State Board of Bar Examiners

The budget, as adopted, provides an additional \$60,000 each year to increase the daily rate paid to the individuals who write and grade the Virginia State Bar Examination. The Supreme Court has approved this rate increase. Funding to cover this cost is included in the fee required to take the examination.

Public Defender Commission

The budget, as adopted, for the Public Defender Commission is \$24.3 million for the 1994-96 biennium. This represents a 9.2 percent increase above the base budget.

Increases

- ***New Leases.*** The budget includes \$168,870 over two years for the cost of new or expanded leases for public defender offices.
- ***New Positions.*** The budget includes \$1.8 million and 31 additional positions to be phased in over two years. The new positions are intended to address the current (but not projected) workload of the existing public defender offices.
- ***Charlottesville Office.*** The budget includes \$674,000 and seven positions to establish a new Public Defender office in Charlottesville, pursuant to House Bill 241. Of this amount, \$350,000 is transferred from the Criminal Fund to reflect the savings associated with use of the public defender.
- ***Guardian ad Litem Pilot Projects.*** The budget includes \$50,000 to establish three pilot projects to provide Guardian ad Litem services in child abuse and neglect cases through selected Public Defender offices. This amount is transferred from the Criminal Fund.

Executive Offices

The budget, as adopted, for the Statewide Executive Offices is \$34.8 million for the 1994-96 biennium. This represents a net increase of \$1.1 million (3.2 percent), which incorporates total increases of \$1.6 million and reductions of \$0.5 million, as shown in the chart below.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	<u>Base Budget</u>		<u>Reductions</u>		<u>Increases</u>	
	<u>GF</u>	<u>FTE*</u>	<u>GF</u>	<u>FTE*</u>	<u>GF</u>	<u>FTE*</u>
Governor	\$4.6	37	\$(0.4)	(2)	\$0.3	0
Lt. Governor	0.6	6	(<0.1)	(0)	0.0	0
Attorney General	25.6	258	(0.0)	(0)	1.0	0
Dept of Law						
Secretary of the Commonwealth	1.9	21	(0.0)	(0)	0.2	0
Va Liaison Office	0.5	5	(0.1)	(1)	0.0	0
Interstate Contributions	0.5	0	(0.0)	(0)	0.0	0
Total	\$33.7	327	(\$0.5)	(3)	\$1.6	0

**FTE totals include both general and nongeneral fund positions.*

Office of the Attorney General

A consumer and regulatory advocacy trust fund is established, setting aside special fund balances totaling \$500,000 for this purpose.

Secretary of the Commonwealth

The Secretary expects to collect an additional \$1.3 million in fiscal 1996 from increased fees for service of process. This amount is to be deposited into the general fund and is included in the projected revenues on page one of the budget bill. An additional \$47,000 is included to cover the cost of lobbyist disclosure as required by Senate Bill 498.

Administration

The budget, as approved, includes \$757.4 million for the twelve agencies in the Administration Secretariat. This represents 5.1 percent of the total general fund operating budget. This represents a net increase of \$2.6 million (GF), or 0.4 percent, for the biennium, when compared to the 1993-94 base budget. Approved reductions total \$45.8 million (GF). Budget increases totaling \$48.4 million for the biennium have also been approved.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	Base Budget		Reductions		Increases	
	GF	FTE*	GF	FTE*	GF	FTE*
Secretary	\$1.4	14	<(0.1)	(1)	0.1	0
Va. Veterans' Care Center Board of Trustees	0.0	2	0.0	0	0.0	0
Council on Human Rights	0.5	4	0.0	0	<0.1	0
Dept. of Personnel & Training	10.0	95	(0.9)	0	0.6	0
Dept. of Employee Relations Coun.	1.7	13	0.0	0	0.1	1
Dept. of General Services	58.9	916	(4.2)	(8)	11.1	26
Board of Elections Compensation Board	14.4	18	(0.4)	0	0.2	0
Commission on Local Govt.	644.8	10	(38.6)	0	34.4	3
Dept. of Information Technology	1.1	6	0.0	0	0.2	1
Council on Information Management	16.2	394	1.7	0	1.6	0
Department of Veterans' Affairs	1.3	8	0.0	0	<0.1	0
	4.4	57	0.0	(5)	<0.1	0
Total	\$754.8	1,659	(\$45.8)	(15)	\$48.4	32

**FTE totals include both general and nongeneral fund positions.*

At \$28.0 million (GF), just over two-thirds of the proposed reductions represent agency budget reduction plans. Almost all of these proposed reductions

Department of Economic Development

A net increase of \$4.3 million (GF) is included for DED, for a total general fund appropriation of \$51.4 million in the biennium. Increases of \$6.3 million and decreases of \$2.0 million are included for this agency.

Reductions

- **Agency Restructuring.** DED's budget would be reduced by \$2.0 million (GF) for the biennium. Eleven positions would be eliminated, mostly in policy and administrative functions.
- **South Boston Office.** The introduced Budget Bill proposed elimination of the satellite office in Southside Virginia. The General Assembly added \$99,500 and two positions to fully restore this cut.

Increases

- **Industrial Training.** A total of \$4.2 million would be added for training incentives to companies expanding in Virginia: \$3 million in the first year and \$1.25 million in the second year. A study of training and employment programs is also required.
- **Industrial Advertising.** Industrial recruitment through advertising would be increased by \$500,000 each year.
- **Business Resource Center.** In the second year, \$350,000 (GF) is provided to establish an information network for businesses considering Virginia as a location. The center would be located in the Center for Innovative Technology. Efforts to secure private contributions for center operation are also anticipated.

Department of Agriculture and Consumer Services

The appropriation for DACS is \$47.3 million (GF) for the 1994-96 biennium. A net reduction of \$0.9 million reflects decreases of \$4.1 million and increases of \$3.2 million. Two-thirds of the increase is not new spending -- \$2.2 million (GF) in rent costs are budgeted in DACS rather than in Central Appropriations. The adopted total number of position is 584, a net reduction of 18 positions.

Reductions

- ***Reduce Positions.*** A savings of \$693, 948 (GF) each year is recommended by eliminating 19 positions throughout the agency. The number of actual layoffs would be determined by the agency.
- ***Richmond Animal Health Lab.*** As proposed in the introduced Budget Bill, the animal health lab in Richmond would have been closed, for a reduction of 14 positions and \$373,178 each year. The General Assembly restored \$293,211 and 11 positions each year, to keep the lab open.
- ***Reduce Vacancy Rate.*** The current vacancy rate of 8 percent would be adjusted to 2 percent, saving \$382,956 each year in unfilled position costs.
- ***Wage Personnel.*** Use of part-time employees would be curtailed, for a savings of \$176,000 per year.
- ***Gypsy Moth Suppression.*** The introduced Budget Bill proposed a reduction of \$179,000 each year for gypsy moth suppression. This amount represents the 25 percent state share of the program. Localities would have had to pay 50 percent of the program cost, rather than the current 25 percent, in order to draw matching federal funds. The General Assembly fully restored this proposed reduction.
- ***Reduce International Marketing.*** As part of an attempt to consolidate marketing activities of commerce and trade agencies, the international marketing budget of DACS would be reduced by \$100,000 each year.

Increases

- ***DGS Rental Charges.*** Office rent charged by the Department of General Services would be reflected in the DACS budget, rather than in Central Appropriations. The cost is \$1.1 million (GF) per year.
- ***Assume Local Costs for Weights and Measures.*** The state is responsible for conducting and certifying the accuracy of weights and measures. However, three localities have conducted this program with authority delegated from DACS. Two localities, Fairfax County and Norfolk, are relinquishing that authority. Consequently, DACS would add two positions and \$90,505 the first year and \$61,065 the second year. (Virginia Beach will continue to operate a local program.)
- ***Foreign Exchange Rate Differential.*** An allowance for different wage rates in overseas offices would be paid to personnel in the Brussels and Hong Kong offices, for a cost of \$40,771 the first year and \$44,515 the second year.

- **Virginia Horse Center.** In the first year, \$608,615 is provided for debt service payments for the Horse Center in Lexington. Operating costs of the center are supported by horse show revenues.
- **Commercial Feed and Fertilizer Fees.** The General Assembly adopted increases in feed and fertilizer fees, which is expected to add \$630,000 in revenue to the department. General fund appropriations are reduced by \$400,000.

Department of Mines, Minerals, and Energy

DMME's biennial appropriation is \$21.3 million (GF), based on recommended decreases of \$0.6 million and increases of \$0.7 million. Most of the adjustments are shifts from one fund source to another.

Reductions

- **Water Permit Fees.** Coal mines are currently exempt from fees charged by the Department of Environmental Quality (DEQ) for water quality permits. The introduced budget assumed this exemption would be eliminated and DMME would collect \$181,500 the first year and \$275,000 the second year in fee revenue. The same amount of revenue from the general fund was reduced. No legislation was offered to institute these fees, so the department will be required to achieve the savings through other actions.
- **Solid Waste Fee.** The introduced Budget Bill anticipated that DEQ would consolidate other fees and charge a tipping fee for disposal of solid waste in landfills. The recommended budget would allocate \$200,000 in the second year in tipping fees to DMME, for disposal of waste from mineral mining operations. The general fund appropriation would be reduced by the same amount. No legislation was offered that would have increased the fees. In this case, \$200,000 from the general fund was restored, as recommended in budget amendments proposed by the Governor.
- **Mineral Resources Office in Abingdon.** The introduced Budget Bill anticipated that the southwest regional office in Abingdon would be closed, for a savings of \$283,000. Three positions would have been eliminated and operations would have been consolidated in Charlottesville. The General Assembly restored \$162,000 to keep the office open in the first year.

Increases

- **Replace Oil Overcharge Funds.** Revenues from overcharge settlements with oil companies will be exhausted in the 1994-96 biennium. Instead,

\$250,000 from the general fund will be used for energy conservation grants in the first year.

- ***Mine Safety Training.*** With \$212,000 each year, DMME would resume voluntary training for operators of small coal mines. This activity was suspended as part of previous budget cuts. The program will be reinstated as small technical assistance projects, rather than the previous “topic of the month” program.

Department of Forestry

The biennial budget for DOF is reduced by \$0.3 million for a total of \$24.9 million (GF). The total includes reductions of \$0.8 million and increases of \$0.6 million for costs associated with the move into a new headquarters building.

Reductions

- ***Reduce Positions.*** Three positions and \$99,000 each year would be eliminated from the DOF budget. The introduced Budget Bill eliminated 12 positions and \$396,000 per year, but the General Assembly added funding to restore nine positions.
- ***Reduce Aerial Contracts.*** Contracts for aerial detection and suppression of fires are reduced by 50 percent for a savings of \$75,000 each year. The introduced budget proposed elimination of aerial contracts. DOF will retain its in-house staff and aircraft for this purpose.
- ***Equipment Purchase Savings.*** Savings of \$100,000 each year are included, primarily interest rate reductions for lease-purchased equipment.

Increases

- ***New Facility Costs.*** Building maintenance and utilities for the new headquarters in Charlottesville will cost \$289,131 the first year and \$294,031 the second year. One maintenance position is added.

Virginia Port Authority

The appropriation for VPA is \$26.0 million (GF). Decreases of \$1.3 million (GF) and increases of \$0.5 million (GF) are included.

Reductions

- ***Reduce Positions.*** VPA would reduce seven positions from its current 148 position total, for a savings of \$289,216 (GF) in the second year. The introduced budget eliminated these positions, effective July 1, 1994. The General Assembly restored funds to keep the positions in the first year.
- ***Shifts to Nongeneral Funds.*** Savings to the general fund would be achieved by shifting costs to nongeneral fund sources. A portion of Commonwealth Port Fund allocations would pay for costs associated with capital construction — engineering and indirect costs. Terminal revenues would be used to pay a greater portion of public relations and advertising costs.

Increases

- ***Foreign Exchange Rate Differential.*** As the value of the U.S. dollar has declined in relation to certain foreign currencies, overseas offices are expected to cost \$176,185 more each year to operate.
- ***Fire-Fighting Equipment.*** In the first year, \$100,000 is provided for portable water pumps, for fighting fires on vessels in the Hampton Roads ports.

Public Education

A net increase of \$609.8 million (GF) has been provided for Direct Aid to Public Education for the 1994-96 biennium, for a total (GF) appropriation of \$5,330.6 million.

The budget, as adopted, includes \$216.0 million to provide full funding for the state's share of the Standards of Quality (SOQ). Increases in the cost of the SOQ are due to increases in enrollment in each year of the biennium, increased per pupil costs, and an increase in the projection of the sales tax revenues dedicated to public education. These increases were off-set by a freeze on state support for administrative costs at 1993-94 levels, discontinuation of the practice of providing for projected inflation in school spending, and the removal of funding for staff development.

A total of \$102.7 million has been provided by the General Assembly to increase educational opportunities in the 1994-96 biennium. The package of spending and programs includes: \$76.0 million for targeted funding of lower class sizes in kindergarten through third grade in schools with high concentrations of students living in poverty; \$15.9 million to expand access to educational technology; and \$10.3 million to expand the availability of comprehensive pre-school programs for at-risk four-year-old children.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	<u>Base Budget</u>		<u>Reductions</u>		<u>Increases</u>	
	GF	FTE*	GF	FTE*	GF	FTE*
Direct Aid	\$4,720.8	0	(\$0.3)	(0)	\$610.0	0
Secretary	1.0	7	<(0.1)	(2)	0.1	0
DOE	43.3	378	(5.4)	(13)	3.8	2
VSDB (Staunton)	11.2	165	(0.8)	(11)	<(0.1)	0
VSDB (Hampton)	13.1	177	(1.0)	(19)	<(0.1)	0
Total	\$4,789.5	727	(\$7.5)	(45)	\$614.0	2

* FTE totals include both general and nongeneral fund positions.

An additional \$113.0 million has been included to fund a 3.25 percent salary increase for public school employees on December 1, 1994 and a 2.25 percent increase on December 1, 1995. Language is included which requires these funds to be matched by the local government based on the composite index of local ability-to-pay.

The budget also includes a \$92.6 million reduction in the Literary Fund revenues diverted for teacher retirement, with an equivalent increase in general fund support used for this purpose. By using a combination of direct loans and Literary Fund subsidy grants, approximately \$145.00 million in capital projects for public schools can be funded in the 1994-96 biennium.

SB 30, as introduced, proposed the elimination of funding for the Maintenance Supplement (\$17.8 million) and Enrollment Loss (\$3.7 million) programs, and the reduction in the cost of competing differential for school divisions in Planning District 8 from 12.89 percent to 8.00 percent (\$15.3 million). The General Assembly restored \$12.1 million to the Maintenance Supplement program, \$2.8 million to the Enrollment Loss program, and increased funding for the cost of competing differential by \$5.2 million, to reflect the current cost of competing for instructional personnel. Other increases in Direct Aid to Public Education total \$66.0 million, as shown in the Direct Aid to Public Education table below and on the next page.

The Department of Education's budget contains reductions totaling \$5.4 million and 13.0 FTE, and increases of \$3.8 million and 2.0 FTE in the 1994-96 biennium, resulting in a net decrease of 3.7 percent and a biennial budget of \$41.7 million (GF).

A reduction of \$2.2 million and 42.0 FTE was proposed for the Schools for the Deaf and the Blind. The General Assembly restored \$0.2 million (GF) and four positions to the Hampton School for the Deaf and the Blind and \$0.2 million (GF) and eight positions to the Staunton School for the Deaf and the Blind.

Direct Aid to Public Education

A net increase of \$609.8 million (GF) has been provided for Direct Aid to Public Education for the 1994-96 biennium, for a proposed GF appropriation of \$5,330.6 million, and a 12.9 percent increase over the 1994 base budget.

Direct Aid Base Budget	\$4,720.8
SOQ Increases:	
Sales Tax Increases	50.5
SOQ Enrollment & Inflation	165.5
Other Direct Aid Increases:	
Public School Employee Salary Increase	113.0
Reduce Literary Fund Transfer	92.6
Reduced Class Sizes in Grades K-3	76.0
Expanded Access to Educational Technology	15.9
Special Education Tuition	15.4
Restoration of a Maintenance Supplement Program	12.1

At-Risk Program	10.9
Comprehensive Services Act Increases	10.3
Programs for At-Risk Four-Year-Olds	10.3
Free Textbooks	8.7
Fully Fund Remedial Summer School	8.3
Increased Cost of Competing Allowance	5.2
Hospitals, Clinics & Detention Homes	3.2
Restoration of an Enrollment Loss Program	2.8
Reduced Caseloads for Speech Pathologists	1.7
Lower Class Sizes for the Educable Mentally Retarded	1.4
Increased Enrollment for Governor's Schools	1.4
Creation of a Homework Assistance Program	1.3
Interagency Consortium Transfer	1.2
Advancement Via Individual Determination Grants	0.8
Increased Homebound Instruction Payments	0.7
Extension of School Consolidation Benefits	0.4
Reading Recovery Training Site	0.3
School Community Health Extension	<0.1
Project Discovery Expansion	<0.1
Total Increases	\$610.0
Direct Aid Reductions:	
Transfer Teacher Training Funds`	(0.3)
Total Reductions	(\$0.3)
TOTAL Direct Aid 94-96	\$5,330.6

At this level, the budget provides full funding for the state's share of the Standards of Quality (SOQ). Several technical and policy changes have been made to the calculation of the SOQ, and will affect the disbursement of Direct Aid to localities.

Technical Changes

Revision of Sales Tax. Changes to the estimate of the sales tax revenue, which is dedicated to public education in each year result in an increase of \$50.5 million (GF) for the biennium. As sales tax revenues increase, the cost to the state of basic aid decreases.

Updating the SOQ Database. For the 1994-96 SOQ budget, enrollment figures have been revised based on the September 30, 1993, Fall Membership child count and a revision to the school enrollment projections made by the Center for Public Service. It is estimated that public school enrollment will increase by 19,897 students in the 1994-95 school year and 20,677 in 1995-96. Prevailing cost

data have also been updated, based on the 1992 Annual School Report. In addition, students for whom English is a second language who are between the ages of 19 and 21, may be counted for purposes of Basic Aid funding. The cost of these changes in the 1994-96 biennium is \$165.5 million.

Policy Changes

These increases were offset, in part, by two changes in the way the state historically calculates SOQ costs. These changes resulted in savings of \$108.0 million (GF) .

Updating Inflation Rates. The cost of funding the SOQ is based, in part, on the prevailing spending experience of local school divisions. Prevailing costs are calculated for each of the SOQ categories, based on data from the Annual School Reports. Because actual data available from the Annual School Reports lags budget development by two or more years, these costs are inflated to account for two years of actual inflation and an additional two years of projected inflation. Consistent with budgeting practices in the rest of state government, the 1994-96 budget recognizes inflation for the first two years only. Inflation factors have not been applied prospectively to the 1994-95 and 1995-96 years. This change resulted in a savings of \$89.9 million (GF) .

Freeze on Administrative Costs. State support for administrative costs in education has traditionally been calculated on the same basis as all other SOQ costs -- prevailing per pupil amounts have been calculated based on the spending experience of local school divisions statewide. Due to concerns over administrative costs in public schools, the budget has frozen the per pupil administrative cost at the 1993-94 level of \$55. This change resulted in a savings of \$18.1 million (GF) .

A listing of projected Average Daily Membership and SOQ funding, by locality, is provided later in this section.

Increases

A number of additional increases were adopted in the budget:

- ***Teacher Salary Increase.*** The budget provides \$113.0 million (GF) to fund a 3.25 percent salary increase for public school employees on December 1, 1994, and a 2.25 percent increase on December 1, 1995.
- ***Educational Opportunities Initiatives.*** A total of \$102.7 million (GF) has been provided to increase educational opportunities in the 1994-96 biennium. The initiatives include:

- Reduced Class Sizes in Grades K-3. The initiative provides \$37.5 million in the first year and \$38.5 million in the second year for targeted funding of lower class sizes in kindergarten through third grade in schools with high concentrations of students living in poverty. It provides the state share of funding for K-3 class sizes of 20 to 1 for schools with 25 to 49 percent Free Lunch participation; and 18 to 1 for schools with 50 percent or more Free Lunch participation.

Funds will be provided on an incentive grant basis, with a local match requirement. A total of 622 of the 1,086 schools with primary grades qualify for this funding.

- Preschool for At-Risk 4-Year-Olds. The initiative provides \$10.3 million to expand the availability of comprehensive pre-school programs to 30 percent of Virginia's at-risk 4-year-old children who are not currently served in a federal program. The programs can be school or community based, and extensive interagency cooperation and funding coordination will be required.

Because of the substantial coordination and local time that is required to match programs and funding streams for this program, it will not be implemented until the second year. In the first year, \$250,000 has been provided to the Department of Education to provide intensive technical assistance to localities in methods for developing comprehensive, coordinated, quality preschool programs

- Educational Technology Funds. A total of \$8.3 million in the first year and \$6.1 million in the second year have been approved to provide an educational technology grant to each secondary school in the Commonwealth. The grant is based on the state share of \$39,650 per combined or high school and \$32,950 per middle school. The grant amount is based on the cost of a central library media center. However, school divisions may purchase any technology that is included in their comprehensive technology plan and approved by the Superintendent of Public Instruction if they already have this media center in place. The grant will be provided on an incentive basis, with a local match requirement.

The central library media center allows the automation of every middle and high school library, giving them access to a core set of electronic reference materials, such as encyclopedias and atlases, and on-line databases, periodicals, and worldwide information networks.

- ***Reduction in Literary Fund Diversion.*** The budget includes a \$92.6 million reduction in the Literary Fund revenues diverted for teacher retirement, with an equivalent increase in general fund support used for this purpose.

buildings in the Capitol Square area. In prior biennia, the funding for this purpose was in Central Appropriations.

- ***Update Achievement Tests.*** An increase of \$0.7 million (GF) is included to fund the replacement of outdated reference tests for the Iowa Test of Basic Skills and the Test of Achievement and Proficiency. The increased funding will provide for the one-time cost of updated tests.
- ***Teacher Training Funds.*** Funding in the amount of \$0.3 million (GF) for teacher training and conference travel is being transferred from Direct Aid to the Department of Education. The purposes for which the funding is used will remain the same.
- ***Technical Assistance - At-Risk Four-Year-Old Program.*** A total of \$0.3 million (GF) has been included for the Department of Education to provide intensive technical assistance to localities as they develop comprehensive, coordinated, quality preschool programs. A portion of the funding will be provided to the Council on Child Care and Early Childhood Development for coordination of the grants program and a study of the child care marketplace.
- ***Education Consortium Funding.*** Funding for the Southwest Virginia Education Consortium has been increased by \$0.3 million (GF) to provide matching funds for vocational technology purchases and to provide increased support for the five new school divisions joining the Consortium. An additional \$0.1 million (GF) has been included to encourage purchasing efficiencies among the members of a purchasing consortium consisting of several Southside school divisions.
- ***Virginia VIEWS.*** The Virginia VIEWS program, which provides occupational and career information to high school students, has been moved from the Virginia Employment Commission to the Department. The funding for the first year (\$0.2 million) has been transferred as well. In addition, language was included directing the Superintendent of Public Instruction, with the cooperation of Virginia Polytechnic Institute and State University, to examine options for the funding, management and efficient dissemination of Virginia VIEWS information.
- ***K-3 School-Level Database.*** An additional \$0.1 million (GF) was included to maintain a kindergarten through third grade school-level database. The database is necessary for the implementation and monitoring of the reduced class size initiative.
- ***Virginia Business Partnership.*** Funding in the amount of \$0.1 million (GF) is provided for an additional position for the Virginia Business Partnership Program.

- ***School Community Health Centers.*** The budget provides \$0.1 million (GF) for a statewide school community health coordinator and additional funding for the Accomack site.

Virginia Schools for the Deaf and the Blind (VSDB)

The budget, as introduced, included a decrease of \$1.0 million and 19 FTE positions for the Staunton VSDB. The General Assembly restored \$0.2 million (GF) of that reduction and 8 FTE positions. With these changes, the 1994-96 biennial GF appropriation for Staunton is \$10.4 million.

Reductions totaling \$1.2 million (GF) and 23 FTE positions for the Hampton VSDB were also recommended in the introduced budget. The General Assembly restored \$0.2 million (GF) of that cut and 4 FTE positions. The 1994-96 biennial GF appropriation for Hampton is \$12.2 million.

Reductions

- ***Staunton Agency Reduction.*** Reductions for the Staunton VSDB of \$0.8 million (GF) and 11 FTE positions are included in the 1994-96 budget. The following actions are proposed to meet this reduction requirement, but are subject to administrative adjustment:
 - Eliminate summer programs;
 - Close five buildings on campus; and,
 - Reorganize administrative activities and reduce nonpersonal service costs.
- ***Hampton Agency Reduction.*** Reductions for the Hampton VSDB of \$1.0 million (GF) and 19 FTE positions are included in the 1994-96 budget. The following actions are proposed to meet this reduction requirement, but are subject to administrative adjustment:
 - Eliminate five classified positions;
 - Defer maintenance;
 - Reduce nonpersonal service costs; and,
 - Reorganize administrative activities and reduce nonpersonal service costs.

Increases

- ***Tuition Off-Set.*** Additional funding of \$0.1 million (GF) has been included to off-set a decrease in tuition payments from local school divisions.

1994-95 Estimated SOQ State Payments

DIVISION	1994-96 Composite Index	Average Daily Membership	FY 1994-95 SOQ PAYMENTS		FY 1994-95 Difference *
			SB 30	SB 30	
			As Introduced	As Adopted a/	
ACCOMACK	0.3192	5,543	\$15,915,042	\$16,502,959	\$587,917
ALBEMARLE	0.5396	10,659	21,259,289	21,357,213	97,924
ALLEGHANY	0.2665	2,429	7,294,669	7,461,589	166,920
AMELIA	0.3233	1,712	5,002,508	5,123,626	121,118
AMHERST	0.2853	4,617	13,600,578	13,769,214	168,636
APPOMATTOX	0.2632	2,316	6,989,269	7,164,325	175,056
ARLINGTON	0.8000	17,055	21,907,609	22,428,599	520,990
AUGUSTA	0.3489	10,462	26,919,746	27,007,016	87,270
BATH	0.8000	908	1,061,706	1,066,936	5,230
BEDFORD	0.3681	8,593	20,989,111	21,247,682	258,572
BLAND	0.2301	1,084	4,412,655	4,448,809	36,154
BOTETOURT	0.3522	4,322	11,607,256	11,665,764	58,508
BRUNSWICK	0.2418	2,476	8,489,908	8,840,305	350,397
BUCHANAN	0.2313	5,530	17,627,858	18,319,396	691,538
BUCKINGHAM	0.2706	2,089	6,519,646	6,784,888	265,242
CAMPBELL	0.2870	8,415	22,913,653	23,275,411	361,758
CAROLINE	0.3189	3,675	10,202,721	10,524,081	321,359
CARROLL	0.2426	3,882	13,070,131	13,353,506	283,374
CHARLES CITY	0.3542	1,064	3,193,829	3,273,529	79,699
CHARLOTTE	0.2462	2,163	7,009,859	7,233,251	223,392
CHESTERFIELD	0.3959	49,108	115,021,575	115,476,871	455,296
CLARKE	0.5653	1,813	3,563,859	3,592,942	29,082
CRAIG	0.2984	701	2,137,366	2,221,627	84,261
CULPEPER	0.4086	5,091	12,386,147	12,712,120	325,973
CUMBERLAND	0.3033	1,163	3,655,234	3,830,421	175,186
DICKENSON	0.2077	3,231	10,571,855	10,979,902	408,047
DINWIDDIE	0.2799	3,820	11,099,903	11,291,381	191,478
ESSEX	0.4214	1,611	4,139,949	4,240,844	100,895
FAIRFAX	0.7531	135,132	178,495,852	180,514,706	2,018,855
FAUQUIER	0.6304	8,617	14,645,418	14,723,730	78,312
FLOYD	0.2973	1,787	5,569,268	5,692,290	123,022
FLUVANNA	0.3618	2,445	6,332,029	6,379,251	47,222
FRANKLIN	0.3507	6,482	17,443,584	17,641,589	198,004
FREDERICK	0.4114	9,390	21,077,039	21,053,618	(23,421)
GILES	0.2862	2,600	7,987,198	8,147,392	160,194
GLOUCESTER	0.3169	6,440	17,129,481	17,197,286	67,805
GOOCHLAND	0.6713	1,762	3,160,309	3,199,755	39,447
GRAYSON	0.2462	2,243	8,025,756	8,200,109	174,352

* Due to a shift in funding for the teacher salary increase from FY95 to FY96, to incorporate the bonus into the salary base, some school divisions may show a negative difference in FY95. This will be off-set in FY96.

1994-95 Estimated SOQ State Payments

DIVISION	1994-96 Composite Index	Average Daily Membership	FY 1994-95 SOQ		FY 1994-95 Difference *
			PAYMENTS		
			SB 30 As Introduced	SB 30 As Adopted a/	
GREENE	0.3114	2,327	\$7,128,871	\$7,173,127	\$44,256
GREENSVILLE	0.2183	1,785	5,891,724	6,244,915	353,191
HALIFAX	0.2380	5,185	16,276,002	16,746,913	470,911
HANOVER	0.4538	13,502	28,854,790	28,887,597	32,808
HENRICO	0.5148	35,842	71,921,952	72,742,990	821,038
HENRY	0.2864	9,125	26,101,184	26,502,848	401,664
HIGHLAND	0.5112	395	1,131,046	1,125,384	(5,662)
ISLE OF WIGHT	0.3779	4,524	11,766,284	12,067,537	301,253
JAMES CITY	b/ 0.5924	6,073	10,965,165	10,923,020	(42,145)
KING GEORGE	0.3767	2,711	6,952,179	7,034,203	82,024
KING QUEEN	0.3447	893	2,777,292	2,880,093	102,802
KING WILLIAM	0.3559	1,578	4,437,814	4,554,225	116,411
LANCASTER	0.6436	1,617	2,744,081	2,843,689	99,608
LEE	0.1628	4,328	15,945,488	16,537,715	592,227
LOUDOUN	0.8000	18,288	20,085,934	20,219,362	133,428
LOUISA	0.6558	3,854	6,364,721	6,510,925	146,204
LUNENBURG	0.2158	2,154	7,226,749	7,448,684	221,936
MADISON	0.3599	1,894	5,225,853	5,346,038	120,186
MATHEWS	0.4779	1,295	2,964,301	3,030,405	66,104
MECKLENBURG	0.2831	5,062	15,321,539	15,652,318	330,779
MIDDLESEX	0.5582	1,349	2,836,511	2,902,155	65,644
MONTGOMERY	0.3517	8,851	23,804,855	24,092,241	287,387
NELSON	0.4536	2,098	5,042,015	5,112,420	70,404
NEW KENT	0.4131	2,029	5,250,243	5,348,579	98,336
NORTHAMPTON	0.2897	2,475	7,400,785	7,666,168	265,383
NORTHUMBERLAND	0.6198	1,576	2,897,867	2,974,325	76,458
NOTTOWAY	0.2541	2,504	8,154,496	8,431,515	277,019
ORANGE	0.4208	3,821	9,559,263	9,707,701	148,438
PAGE	0.3128	3,468	9,974,151	10,230,288	256,138
PATRICK	0.2499	2,635	8,040,728	8,178,884	138,157
PITTSYLVANIA	0.2409	9,140	27,399,201	28,033,037	633,836
POWHATAN	0.3829	2,688	6,824,816	6,847,964	23,148
PRINCE EDWARD	0.3035	2,648	7,731,896	8,064,144	332,248
PRINCE GEORGE	0.2419	5,307	15,223,027	15,197,419	(25,609)
PRINCE WILLIAM	0.4373	45,911	105,372,269	106,717,759	1,345,490
PULASKI	0.2817	5,139	14,989,586	15,239,064	249,478
RAPPAHANNOCK	0.6420	1,010	1,857,146	1,866,644	9,498
RICHMOND	0.3298	1,370	3,890,148	3,987,434	97,286

* Due to a shift in funding for the teacher salary increase from FY95 to FY96, to incorporate the bonus into the salary base, some school divisions may show a negative difference in FY95. This will be off-set in FY96.

1994-95 Estimated SOQ State Payments

DIVISION	1994-96 Composite Index	Average Daily Membership	FY 1994-95 SOQ		FY 1994-95 Difference *
			PAYMENTS		
			SB 30 As Introduced	SB 30 As Adopted a/	
ROANOKE	0.3970	13,693	\$33,297,772	\$33,321,089	\$23,317
ROCKBRIDGE	0.3569	3,003	8,326,148	8,462,286	136,138
ROCKINGHAM	0.3561	9,921	25,514,809	25,580,240	65,431
RUSSELL	0.2255	4,645	14,507,562	15,039,493	531,931
SCOTT	0.2084	3,917	13,462,098	13,836,418	374,319
SHENANDOAH	0.3925	5,147	12,777,502	12,909,494	131,992
SMYTH	0.2434	5,330	16,091,848	16,532,249	440,400
SOUTHAMPTON	0.3036	2,853	8,430,661	8,715,859	285,198
SPOTSYLVANIA	0.3630	14,952	36,591,479	36,687,397	95,918
STAFFORD	0.3773	15,116	36,153,817	36,110,584	(43,233)
SURRY	0.8000	1,231	1,433,630	1,454,708	21,078
SUSSEX	0.3200	1,505	4,677,223	4,844,736	167,513
TAZEWELL	0.2384	8,319	24,146,345	24,866,186	719,842
WARREN	0.4230	4,690	10,973,835	11,032,433	58,598
WASHINGTON	0.2888	7,339	20,634,936	21,106,759	471,822
WESTMORELAND	0.3869	2,058	5,415,281	5,570,796	155,516
WISE	0.2109	8,045	24,618,918	25,492,897	873,980
WYTHE	0.2862	4,425	13,288,999	13,616,931	327,932
YORK	0.3722	11,195	26,497,196	26,523,926	26,730
ALEXANDRIA	0.8000	9,967	12,146,672	12,497,732	351,060
BRISTOL	0.3480	2,458	6,947,682	7,144,055	196,373
BUENA VISTA	0.2319	1,055	3,384,526	3,471,517	86,991
CHARLOTTESVILLE	0.5330	4,640	9,854,982	10,125,847	270,865
CLIFTON FORGE b/	0.2452	746	2,191,901	2,181,881	(10,021)
COLONIAL HEIGHTS	0.4602	2,597	5,663,412	5,665,659	2,246
COVINGTON	0.3399	970	2,730,088	2,809,083	78,996
DANVILLE	0.2855	8,349	22,569,739	23,346,872	777,133
FALLS CHURCH	0.8000	1,431	1,635,327	1,650,031	14,703
FREDERICKSBURG	0.6396	2,113	3,786,760	3,876,106	89,346
GALAX	0.3213	1,200	3,304,787	3,405,784	100,996
HAMPTON	0.3035	23,550	61,107,401	62,448,864	1,341,463
HARRISONBURG	0.5500	3,599	6,860,087	7,036,664	176,577
HOPEWELL	0.2643	4,126	11,617,734	12,008,330	390,596
LYNCHBURG	0.3690	9,317	23,430,350	24,247,669	817,319
MARTINSVILLE	0.3670	2,779	7,099,488	7,278,867	179,379
NEWPORT NEWS	0.2921	31,128	84,078,054	85,950,654	1,872,600
NORFOLK	0.2938	34,652	97,188,577	101,043,208	3,854,630
NORTON	0.3053	887	2,449,963	2,498,403	48,440

* Due to a shift in funding for the teacher salary increase from FY95 to FY96, to incorporate the bonus into the salary base, some school divisions may show a negative difference in FY95. This will be off-set in FY96.

1994-95 Estimated SOQ State Payments

DIVISION	FY 1994-95 SOQ				
	1994-96 Composite Index	Average Daily Membership	PAYMENTS		FY 1994-95 Difference *
			SB 30 As Introduced	SB 30 As Adopted a/	
PETERSBURG	0.2637	6,267	\$18,011,555	\$18,750,923	\$739,368
PORTSMOUTH	0.2458	17,619	54,060,000	56,296,640	2,236,640
RADFORD	0.3243	1,514	3,968,707	4,060,862	92,155
RICHMOND CITY	0.4509	26,458	63,440,591	65,566,430	2,125,839
ROANOKE CITY	0.4014	12,877	32,890,571	33,842,081	951,510
STAUNTON	0.3755	2,964	7,602,746	7,741,812	139,065
SUFFOLK	0.3170	9,536	26,414,101	27,290,580	876,479
VIRGINIA BEACH	0.3412	76,053	188,541,665	189,503,046	961,381
WAYNESBORO	0.3964	2,802	6,346,921	6,480,219	133,298
WILLIAMSBURG	0.8000	715	869,256	1,054,582	185,326
WINCHESTER	0.5584	3,210	6,070,057	6,218,977	148,920
SOUTH BOSTON b/	0.2752	1,375	3,767,482	3,688,528	(78,953)
FAIRFAX CITY b/	0.8000	2,461	2,962,654	2,970,707	8,053
FRANKLIN CITY	0.2678	1,770	5,012,504	5,238,684	226,180
CHESAPEAKE CITY	0.3447	34,856	86,279,404	87,233,770	954,366
LEXINGTON b/	0.4047	660	1,579,145	1,529,458	(49,687)
EMPORIA b/	0.3058	1,073	3,090,953	3,078,576	(12,376)
SALEM	0.4239	3,815	8,603,549	8,589,110	(14,439)
BEDFORD CITY b/	0.3739	991	2,409,819	2,401,270	(8,549)
POQUOSON	0.3277	2,481	6,111,122	6,118,240	7,118
MANASSAS CITY	0.5342	5,588	11,124,025	11,255,720	131,695
MANASSAS PARK	0.3227	1,398	4,217,258	4,261,202	43,944
COLONIAL BEACH	0.3018	623	1,833,982	1,887,767	53,785
WEST POINT	0.3300	704	1,929,624	1,947,804	18,181
		-----	-----	-----	-----
		1,059,639	\$2,476,786,121	\$2,520,412,360	\$43,626,239

a/ SB 30, As Adopted, payments reflect the combined effect of:

- 1) Full funding of the Standards of Quality, including the re-estimate of the Sales Tax, enrollment changes and updated per pupil costs
- 2) The Educational Opportunities Initiatives
- 3) Restoration of a \$15 per pupil Maintenance Supplement Payment
- 4) A shift in a portion of the teacher salary increase from FY95 to FY96, in order to incorporate the bonus into the salary base. This will be off-set in FY 96.
- 5) An increase in the Cost of Competing Differential
- 6) Restoration of an Enrollment Loss Program
- 7) A reduction in Speech Pathologists' caseloads from 75 to 70

b/ The Educational Opportunities Initiatives for some cities have been combined with their appropriate counties.

* Due to a shift in funding for the teacher salary increase from FY95 to FY96, to incorporate the bonus into the salary base, some school divisions may show a negative difference in FY95. This will be off-set in FY96.

1995-96 Estimated SOQ State Payments

DIVISION	1994-96 Composite Index	Average Daily Membership	FY 1995-96 SOQ		FY 1995-96 Difference
			PAYMENTS		
			SB 30 As Introduced	SB 30 As Adopted a/	
ACCOMACK	0.3192	5,681	\$16,409,497	\$17,358,912	\$949,415
ALBEMARLE	0.5396	10,896	21,933,286	22,350,146	416,860
ALLEGHANY	0.2665	2,440	7,394,372	7,698,710	304,338
AMELIA	0.3233	1,725	5,082,240	5,262,048	179,808
AMHERST	0.2853	4,633	13,763,048	14,113,740	350,692
APPOMATTOX	0.2632	2,339	7,109,616	7,414,589	304,973
ARLINGTON	0.8000	17,741	22,981,725	23,839,063	857,337
AUGUSTA	0.3489	10,673	27,650,941	28,087,265	436,324
BATH	0.8000	955	1,119,977	1,142,505	22,528
BEDFORD	0.3681	8,934	21,938,737	22,491,402	552,664
BLAND	0.2301	1,124	4,601,304	4,702,652	101,348
BOTETOURT	0.3522	4,379	11,855,762	12,010,779	155,018
BRUNSWICK	0.2418	2,423	8,380,392	8,838,850	458,458
BUCHANAN	0.2313	5,358	17,250,318	18,180,224	929,906
BUCKINGHAM	0.2706	2,103	6,605,439	6,987,385	381,946
CAMPBELL	0.2870	8,474	23,240,754	23,942,957	702,202
CAROLINE	0.3189	3,773	10,549,341	11,037,485	488,144
CARROLL	0.2426	3,839	13,029,725	13,551,787	522,062
CHARLES CITY	0.3542	1,074	3,247,331	3,356,991	109,659
CHARLOTTE	0.2462	2,213	7,224,721	7,534,617	309,896
CHESTERFIELD	0.3959	50,392	118,936,006	120,877,282	1,941,275
CLARKE	0.5653	1,880	3,715,417	3,788,549	73,132
CRAIG	0.2984	721	2,210,565	2,297,674	87,109
CULPEPER	0.4086	5,157	12,650,790	13,199,904	549,115
CUMBERLAND	0.3033	1,166	3,697,410	3,884,048	186,638
DICKENSON	0.2077	3,162	10,429,262	10,866,048	436,786
DINWIDDIE	0.2799	3,874	11,331,670	11,742,048	410,378
ESSEX	0.4214	1,645	4,255,456	4,386,400	130,943
FAIRFAX	0.7531	137,496	184,314,553	188,195,107	3,880,554
FAUQUIER	0.6304	8,745	15,047,086	15,320,212	273,127
FLOYD	0.2973	1,760	5,537,586	5,713,664	176,079
FLUVANNA	0.3618	2,528	6,587,612	6,719,216	131,604
FRANKLIN	0.3507	6,566	17,792,201	18,259,374	467,172
FREDERICK	0.4114	9,783	22,097,201	22,392,377	295,177
GILES	0.2862	2,612	8,087,934	8,263,163	175,229
GLOUCESTER	0.3169	6,651	17,805,704	18,174,570	368,867
GOOCHLAND	0.6713	1,770	3,218,721	3,299,359	80,639
GRAYSON	0.2462	2,283	8,227,954	8,554,508	326,554

1995-96 Estimated SOQ State Payments

DIVISION	1994-96 Composite Index	Average Daily Membership	FY 1995-96 SOQ		FY 1995-96 Difference
			PAYMENTS		
			SB 30 As Introduced	SB 30 As Adopted a/	
GREENE	0.3114	2,515	\$7,727,888	\$7,864,264	\$136,377
GREENSVILLE	0.2183	1,802	6,007,384	6,475,376	467,993
HALIFAX	0.2380	5,211	16,467,394	17,256,053	788,660
HANOVER	0.4538	14,205	30,485,902	30,847,306	361,403
HENRICO	0.5148	36,713	74,296,031	76,103,537	1,807,505
HENRY	0.2864	9,172	26,455,911	27,294,855	838,944
HIGHLAND	0.5112	401	1,157,271	1,191,278	34,006
ISLE OF WIGHT	0.3779	4,637	12,140,114	12,644,442	504,328
JAMES CITY	b/ 0.5924	6,239	11,359,500	11,428,357	68,857
KING GEORGE	0.3767	2,768	7,152,627	7,318,216	165,589
KING QUEEN	0.3447	901	2,818,006	2,959,681	141,675
KING WILLIAM	0.3559	1,591	4,514,883	4,681,657	166,773
LANCASTER	0.6436	1,630	2,806,559	2,936,762	130,203
LEE	0.1628	4,285	15,917,940	16,702,485	784,545
LOUDOUN	0.8000	19,657	21,540,314	21,865,621	325,308
LOUISA	0.6558	3,942	6,582,292	6,824,181	241,889
LUNENBURG	0.2158	2,157	7,288,065	7,579,210	291,145
MADISON	0.3599	1,919	5,337,766	5,519,044	181,277
MATHEWS	0.4779	1,309	3,023,201	3,126,823	103,622
MECKLENBURG	0.2831	5,066	15,459,807	16,010,407	550,600
MIDDLESEX	0.5582	1,412	2,986,949	3,067,419	80,471
MONTGOMERY	0.3517	8,986	24,358,329	25,067,093	708,764
NELSON	0.4536	2,122	5,148,836	5,280,690	131,854
NEW KENT	0.4131	2,075	5,397,813	5,571,331	173,519
NORTHAMPTON	0.2897	2,492	7,502,791	7,877,950	375,159
NORTHUMBERLAND	0.6198	1,636	3,029,449	3,138,342	108,893
NOTTOWAY	0.2541	2,550	8,371,894	8,727,610	355,716
ORANGE	0.4208	3,830	9,673,351	9,931,396	258,045
PAGE	0.3128	3,478	10,087,456	10,414,629	327,174
PATRICK	0.2499	2,618	8,050,332	8,260,842	210,510
PITTSYLVANIA	0.2409	9,075	27,408,092	28,343,949	935,858
POWHATAN	0.3829	2,848	7,261,167	7,322,787	61,620
PRINCE EDWARD	0.3035	2,713	7,969,854	8,420,616	450,762
PRINCE GEORGE	0.2419	5,400	15,599,366	15,847,829	248,463
PRINCE WILLIAM	0.4373	46,964	108,634,878	111,557,510	2,922,632
PULASKI	0.2817	5,062	14,904,213	15,399,405	495,192
RAPPAHANNOCK	0.6420	1,026	1,909,826	1,922,486	12,660
RICHMOND	0.3298	1,410	4,029,347	4,201,601	172,254

1995-96 Estimated SOQ State Payments

DIVISION	1994-96 Composite Index	Average Daily Membership	FY 1995-96 SOQ		FY 1995-96 Difference
			PAYMENTS		
			SB 30 As Introduced	SB 30 As Adopted a/	
ROANOKE	0.3970	13,828	\$33,913,290	\$34,355,402	\$442,113
ROCKBRIDGE	0.3569	3,052	8,522,365	8,876,343	353,979
ROCKINGHAM	0.3561	10,124	26,241,490	26,694,321	452,831
RUSSELL	0.2255	4,537	14,296,359	14,853,231	556,872
SCOTT	0.2084	3,893	13,474,785	13,920,836	446,051
SHENANDOAH	0.3925	5,277	13,187,900	13,501,269	313,369
SMYTH	0.2434	5,300	16,129,640	16,817,876	688,236
SOUTHAMPTON	0.3036	2,949	8,776,204	9,182,397	406,193
SPOTSYLVANIA	0.3630	15,715	38,655,755	39,283,535	627,780
STAFFORD	0.3773	15,871	38,176,079	38,554,461	378,383
SURRY	0.8000	1,265	1,488,458	1,538,163	49,705
SUSSEX	0.3200	1,523	4,767,695	5,016,431	248,736
TAZEWELL	0.2384	8,192	23,985,270	25,093,215	1,107,945
WARREN	0.4230	4,845	11,401,716	11,643,268	241,552
WASHINGTON	0.2888	7,298	20,707,598	21,360,647	653,049
WESTMORELAND	0.3869	2,108	5,577,512	5,801,905	224,393
WISE	0.2109	7,965	24,545,250	25,560,564	1,015,314
WYTHE	0.2862	4,457	13,485,408	13,896,915	411,507
YORK	0.3722	11,714	27,878,988	28,204,943	325,955
ALEXANDRIA	0.8000	10,098	12,520,508	13,072,602	552,094
BRISTOL	0.3480	2,422	6,913,487	7,204,143	290,656
BUENA VISTA	0.2319	1,051	3,395,643	3,520,055	124,411
CHARLOTTESVILLE	0.5330	4,710	10,093,799	10,527,821	434,022
CLIFTON FORGE	b/ 0.2452	757	2,216,837	2,233,743	16,906
COLONIAL HEIGHTS	0.4602	2,606	5,738,494	5,814,349	75,856
COVINGTON	0.3399	974	2,788,534	2,890,175	101,641
DANVILLE	0.2855	8,389	22,869,638	24,059,071	1,189,432
FALLS CHURCH	0.8000	1,507	1,727,699	1,766,188	38,489
FREDERICKSBURG	0.6396	2,131	3,871,075	4,011,829	140,754
GALAX	0.3213	1,217	3,378,066	3,546,901	168,835
HAMPTON	0.3035	24,186	63,167,401	65,754,821	2,587,420
HARRISONBURG	0.5500	3,727	7,153,725	7,470,081	316,356
HOPEWELL	0.2643	4,164	11,815,127	12,463,506	648,379
LYNCHBURG	0.3690	9,341	23,703,038	24,736,954	1,033,915
MARTINSVILLE	0.3670	2,775	7,164,118	7,446,428	282,309
NEWPORT NEWS	0.2921	31,735	86,326,532	89,285,057	2,958,525
NORFOLK	0.2938	34,510	97,657,417	103,813,711	6,156,294
NORTON	0.3053	889	2,478,606	2,583,376	104,770

1995-96 Estimated SOQ State Payments

DIVISION	1994-96 Composite Index	Average Daily Membership	FY 1995-96 SOQ PAYMENTS		FY 1995-96 Difference
			SB 30 As Introduced	SB 30 As Adopted a/	
PETERSBURG	0.2637	6,403	\$18,527,286	19,630,244	1,102,958
PORTSMOUTH	0.2458	17,469	54,044,492	57,194,308	3,149,815
RADFORD	0.3243	1,539	4,056,405	4,210,310	153,905
RICHMOND CITY	0.4509	26,647	64,561,279	68,380,336	3,819,057
ROANOKE CITY	0.4014	13,006	33,506,548	35,048,622	1,542,074
STAUNTON	0.3755	2,954	7,651,227	7,970,547	319,320
SUFFOLK	0.3170	9,725	27,126,723	28,616,112	1,489,389
VIRGINIA BEACH	0.3412	77,749	194,444,402	198,124,255	3,679,852
WAYNESBORO	0.3964	2,830	6,467,201	6,675,105	207,904
WILLIAMSBURG	0.8000	734	902,913	1,150,934	248,021
WINCHESTER	0.5584	3,267	6,243,855	6,489,846	245,991
SOUTH BOSTON	b/ 0.2752	1,396	3,852,167	3,812,043	(40,124)
FAIRFAX CITY	b/ 0.8000	2,522	3,077,587	3,109,159	31,572
FRANKLIN CITY	0.2678	1,761	5,029,447	5,330,231	300,785
CHESAPEAKE CITY	0.3447	36,598	91,071,071	93,492,098	2,421,028
LEXINGTON	b/ 0.4047	659	1,589,906	1,558,531	(31,375)
EMPORIA	b/ 0.3058	1,109	3,189,947	3,213,774	23,827
SALEM	0.4239	3,898	8,852,043	8,942,674	90,632
BEDFORD CITY	b/ 0.3739	1,027	2,514,314	2,533,138	18,825
POQUOSON	0.3277	2,556	6,340,494	6,416,664	76,169
MANASSAS CITY	0.5342	5,809	11,648,098	11,900,678	252,581
MANASSAS PARK	0.3227	1,417	4,299,082	4,427,139	128,057
COLONIAL BEACH	0.3018	636	1,883,827	1,989,487	105,661
WEST POINT	0.3300	718	1,975,661	1,991,300	15,639
		-----	-----	-----	-----
		1,080,316	\$2,541,221,929	\$2,621,382,719	\$80,160,790

a/ SB 30, As Adopted, payments reflect the combined effect of:

- 1) Full funding of the Standards of Quality, including the re-estimate of the Sales Tax, enrollment changes and updated per pupil costs
- 2) The Educational Opportunities Initiatives
- 3) Restoration of a \$5 per pupil Maintenance Supplement Payment
- 4) A shift in a portion of the salary increase from FY95 to FY96, in order to incorporate the bonus into the salary base.
- 5) An increase in the Cost of Competing differential
- 6) Restoration of an Enrollment Loss Program
- 7) A reduction in Speech Pathologists' caseloads from 75 to 70

b/ The Educational Opportunities Initiatives for some cities have been combined with their appropriate counties.

Higher Education

The 1994-96 general fund budget, as adopted, provides \$1,789.0 million for Virginia's public colleges and universities, an increase of about 3 percent above the base budget appropriation of \$1,736.8 million. The budget also includes an increase of 507 positions.

1994-96 Budget, as Adopted (General Fund, \$ in millions)

	<u>Base Budget</u>		<u>Reductions</u>		<u>Increases</u>	
	GF	FTE	GF	FTE	GF	FTE
Va. Comm. College System	\$373.3	7,095	(\$6.5)	0	\$18.9	76
University of Virginia	220.4	5,702	(16.1)	0	14.3	20
Clinch Valley College	11.2	201	(0.2)	0	0.6	0
Virginia Tech	216.0	4,163	(9.7)	0	13.6	45
Virginia Tech - Research	53.0	1,073	(4.9)	0	1.7	5
Virginia Tech - Extension	59.1	997	(3.3)	0	2.6	14
Va. Commonwealth Univ.	221.4	4,453	(5.6)	0	17.1	41
Old Dominion University	100.1	2,119	(5.9)	0	12.0	58
George Mason University	113.7	2,368	(8.1)	0	7.4	47
College of William & Mary	59.9	1,318	(4.6)	0	5.4	8
Inst. for Marine Science	23.2	316	(1.1)	0	0.8	11
Richard Bland College	5.4	98	(<0.1)	0	0.6	0
James Madison University	65.6	1,826	(1.7)	0	8.0	101
Christopher Newport Univ.	20.2	492	(0.9)	0	4.5	13
Longwood College	24.7	542	(0.9)	0	1.8	3
Mary Washington College	20.4	560	(1.2)	0	2.0	6
Norfolk State University	45.3	990	(0.8)	0	3.0	9
Radford University	54.7	1,189	(1.3)	0	7.3	41
Virginia Military Institute	18.4	433	(<0.1)	0	1.1	0
Virginia State University	30.8	786	(0.5)	0	2.8	9
Total	\$1,736.8	36,721	(\$73.3)	0	\$125.5	507

**FTE totals include both general and nongeneral fund positions.*

Higher Education Budget Policies

Funding in the 1994-96 higher education budget is based on the following policies:

- Tuition increases are held to 3 percent in each year for Virginia students. Tuition increases range from 5 to 7.5 percent for students who are not Virginia residents.
- In recognition of the increased tuition, discretionary student financial aid for Virginia students is increased by \$20.2 million, a 21 percent increase over the previous biennium.
- Increases or decreases in general fund support vary among institutions, depending on the amount of new items funded, and the ability of the institution to increase tuition and fees.
- Total resources -- both general and nongeneral funds -- are provided which should be sufficient for each institution to supplant any budget cuts, and meet operating needs, such as the acquisition of library books and materials, new facilities coming on-line, and enrollment increases.
- Continued emphasis on change and restructuring in higher education is supported. Language in the budget as adopted calls for submission of a restructuring plan to be submitted to the Council of Higher Education and the Secretary of Education. Language authorizing several decentralization pilots in higher education is also included in the budget, as adopted.

Budget Reductions

All institutions, with the exception of the Virginia Community College System, will have general fund support reduced by about two percent in 1995 and eight percent in 1996. To offset a portion of reduced funding, tuition and fee increases of three percent in each year are included for Virginia students.

Under the funding policy, if all new tuition and fees exceeded total proposed spending increases, the institution's general fund support was decreased by the amount of the difference. Conversely, if increased tuition and fees did not cover the recommended incremental spending needs, an institution's general fund budget was increased.

By using this approach, tuition and fees were used to cover the basic operating needs of the institutions (such as new facility openings and library materials). Any remaining general funds were redirected to cover such initiatives as faculty salaries, the equipment trust allocations, and innovation and change in higher education.

In addition to the budget reductions, targeted general fund cuts for higher education include elimination or reduced general fund support of \$6.2 million for several research and public service institutes. Funding for the Equine Center at Virginia Tech was also reduced by \$450,000 GF.

The cumulative effects of the across-the-board and targeted reductions, new initiatives, and the tuition and fee policies vary among the institutions. After all budget reductions and increases have been made, general fund changes for FY 1995 range from increases above 15 percent at Christopher Newport University to a decrease of less than 1 percent at the University of Virginia, with an overall increase of 2.8 percent for the entire system.

For FY 1996, the budget includes an overall increase in general fund spending of 1.4 percent with general fund changes at specific institutions ranging from an increase of 22.1 percent at Christopher Newport University, to a decrease of 3.8 percent at the University of Virginia.

Institutions of Higher Education

Increases

- ***Faculty Salary Increase.*** The budget, as adopted, includes \$29.1 million GF and \$22.9 million NGF for the biennium to provide a 3.4 percent salary increase, effective December 1, in the first year for full-time instructional and administrative faculty. Part-time faculty and teaching assistants are funded to receive a 2.25 percent increase. A 2.25 percent increase for all faculty is budgeted in the second year.
- ***Student Financial Assistance.*** The budget, as adopted, includes an additional \$20.2 million of student financial assistance in 1994-96 to offset tuition increases and to meet projected enrollment growth. The additional funding will allow the institutions to meet approximately 45 percent of remaining financial need for undergraduate Virginia students.
- ***Higher Education Equipment Trust Fund.*** The budget, as adopted, includes an additional allocation of \$50 million in new instructional equipment. About \$44.5 million will be allocated to address general obsolescence of instructional equipment, while \$5.5 million will go toward initiatives recommended by the Commission on the University of 21st Century. To fund these lease payments, and to annualize the costs of the lease partially funded in FY 1994, an additional \$12.2 million GF is provided in Central Accounts.
- ***Tuition Policies.*** The budget, as introduced, assumed in-state tuition increases of 5 percent in the first year and 4 percent in the second year, with non-resident tuition floating up to 8 percent for some doctoral institutions. General Assembly action limited in-state increases to 3 percent each year,

and capped non-resident tuition at 7.5 percent. As a result, additional general funds of about \$21.3 million were provided, along with a corresponding decrease in nongeneral funds, to allow tuition to be reduced.

The budget, as introduced, also reduced general funds to law schools at the College of William and Mary, George Mason University, and the University of Virginia to effect a policy whereby each school was to move to the tuition charged at the 75th percentile for public and private institutions. General Assembly action reversed this policy, and restored funds of \$2.02 million for the biennium.

- ***Other Budget Increases.*** Other funding priorities for higher education include basic operating support for facilities, library books, and equipment, and support for new campuses and other instructional initiatives. These items are funded from a combination of general funds and tuition and fees.
 - \$23.6 million GF to support innovation and change at those institutions planning to accommodate more students, such as the new colleges at James Madison University and Radford University, the statewide telecommunications network developed by Old Dominion University, and the development of new campuses at Mary Washington College, George Mason University, and John Tyler and Tidewater Community Colleges.
 - \$13.8 million NGF to operate and maintain new buildings constructed with general obligation bond proceeds that will open in the next biennium.
 - \$12.6 million for those colleges and universities that will experience significant enrollment growth, particularly in Virginia students, in the 1994-96 biennium.
 - \$13.6 million to purchase library materials and access information.

Virginia Community College System

Increases

- ***Support for Projected Enrollment Levels.*** The budget, as adopted, provides an additional \$1.3 million GF in the first year, and \$1.2 million GF in the second year based on revised assumptions regarding projected enrollment growth at the VCCS. The budget, as introduced, replaced general funds with tuition authority based on higher than expected enrollment levels.
- ***Norfolk Campus of Tidewater Community College.*** The budget, as adopted, provides \$2.0 million GF to allow the Community College System

to enter into a lease agreement with the City of Norfolk for development of the Norfolk Campus of Tidewater Community College. The funds provided in 1994-96 will allow for demolition and continued planning for the facility. The language in the budget authorizes a 20 year lease at an amount of not more than \$1.3 million per year.

- ***Distance Learning Network.*** The budget, as adopted, includes \$183,000 GF in the first year and \$520,800 GF in the second year for the development of a distance learning network. The network will use compressed video technology to provide alternative means of delivering instruction. The funding will provide for planning and pilot programs to train faculty, redesign courses, and purchase equipment. Continuation funding of \$75,000 GF is also provided in the first year for the allied health distance learning pilot project.
- ***Telecommunications Network.*** The budget, as adopted, includes \$60,000 GF in each year to support the Southwest Virginia Telecommunications Network, which will enable public schools and institutions of higher education to share data and information via television and computer.
- ***Manufacturing Technology Center.*** The budget, as adopted, provides \$200,000 GF in the first year in support of the Southwest Virginia Advanced Manufacturing Technology Center, to be operated out of Wytheville Community College.
- ***Special Programs Funding.*** The budget, as adopted, includes \$57,500 GF in each year to support programs for the hard of hearing and the mentally retarded at New River Community College and J. Sargeant Reynolds Community College.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$171,944 GF in the first year and \$237,055 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities. Funding is also provided to acquire the computing equipment that the VCCS requires to automate the system.
- ***Library Books and Materials.*** The budget, as adopted, includes \$547,615 NGF in the first year and \$845,608 NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** Twenty of the community colleges' 1992 General Obligation Bond fund projects will be completed in the 1994-96 biennium. The budget, as adopted, includes \$3.0 million NGF in the first year and \$4.2 million NGF in the second year, along with 75.6 positions, to support the maintenance and operations of these facilities. The amounts are prorated to reflect when the facility will open during the 1994-96 biennium.

- **DGS Rental Charges.** Funding of \$341,437 GF in the first year and \$360,216 GF in the second year is provided to pay the general fund portion of rent to the Department of General Services for space the VCCS occupies in a state-owned building in the Capitol Square area. These funds were previously budgeted in the Central Accounts.

University of Virginia

Reductions

- **Reduced Support for Research Centers.** The budget, as introduced, eliminated general fund support for several research centers at the University of Virginia. General Assembly action restored funds to selected centers. The table below details the reductions and the restorations, where applicable.

<u>Research Center</u>	<u>Biennial GF Reduction</u>	<u>Biennial GF Restored</u>
Diabetes Research Center	\$1,430,000	\$ 350,000
State Climatologist	226,000	226,000
Institute of Nuclear and Particle Physics	724,046	724,046
Center for Liberal Arts	213,600	0
Institute for Afro-American Studies	305,900	0
Nuclear & High Energy Physics Center	350,030	0
Literary and Cultural Change Center	583,318	0
Education of Teachers Center	<u>515,116</u>	<u>0</u>
TOTAL	\$4,122,010	\$1,300,046

Increases

- **Generalist Physician Initiative.** The budget, as adopted, provides \$746,827 GF and \$534,246 NGF in the first year, and \$300,000 GF and \$683,827 NGF in the second year as the UVA share of the Generalist Physician Initiative. The University of Virginia, Virginia Commonwealth University, and the Medical College of Hampton Roads are participating in this joint effort to increase the production of generalist physicians in the Commonwealth. A portion of the nongeneral funds comes from a grant by the Robert Wood Johnson Foundation.

Funding of \$127,500 GF and \$200,000 NGF in the first year and \$100,000 GF and \$100,000 NGF in the second year is also provided for the statewide center, housed at UVA, which will direct the activities of the generalist initiative centers.

- ***Classroom Technology.*** The budget, as adopted, includes \$200,000 GF in the first year, and \$500,000 GF in the second year to support classroom technology initiatives at UVA.
- ***Institute of Government.*** The budget, as adopted, provides \$175,000 GF, matching nongeneral funds, and 2.5 positions in the first year, and \$350,000 GF, matching NGF, and 3.5 positions in the second year to establish the Institute of Government at the Center for Public Service. The Institute will provide training and information resources for both local and state government staff and agencies.
- ***Northern Virginia Graduate Center.*** The budget, as adopted, provides \$105,000 GF in each year to support the debt service on a replacement facility for the Northern Virginia Graduate Center. An additional \$210,000 NGF is provided in each year from a combination of local government support and student fees. The project will be conducted jointly by the University of Virginia and Virginia Tech. Language authorizing the project and issuance of debt to support construction is included in Senate Bill 31, as adopted.
- ***Foundation for the Humanities.*** The budget, as adopted, provides \$85,000 GF in the first year and \$65,000 GF in the second year to support the Folklife Program of the Foundation for the Humanities at the University of Virginia.
- ***Expand Technology to the Classroom.*** The budget, as adopted, includes \$145,000 GF and 2.5 positions in each year to train faculty in using technology in the classroom and in alternative means of instruction.
- ***Virginia Consortium for Engineering and Science.*** The budget, as adopted, includes \$115,570 GF and \$138,030 NGF and 2 positions to support a nonresidential engineering doctoral program in Hampton Roads. Classes will be offered by a consortium comprised of the University of Virginia, the College of William and Mary, Virginia Tech, and Old Dominion University.
- ***Removal of Radioactive Materials.*** The budget, as adopted, includes \$45,000 GF in the first year and \$29,000 GF in the second year and 1 position to ensure regulatory compliance for radioactive and hazardous waste disposal, and to meet state and federal mandates.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$98,295 GF in the first year and \$32,989 GF in the second year and 1 position to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.

- ***Library Books and Materials.*** The budget, as adopted, includes \$1.2 million NGF in the first year and \$1.9 million NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** Eight University renovation and new construction projects funded from the 1992 General Obligation Bond funds will be completed in the 1994-96 biennium. Nongeneral funds of \$0.4 million in the first year and \$2.3 million in the second year along with 6.9 positions is provided to support the maintenance and operations of these facilities. The amounts are prorated to reflect when the facility will open during the biennium.
- ***Collect Tuition to Provide Financial Aid to Other Students.*** The budget, as adopted, allows the University to generate an additional \$6.9 million of tuition in the first year, and \$8.6 million in the second year. The additional revenue will be used to fund financial aid for needy students. Funding to support the program was removed from the University's base budget, and the University was required to justify its continuation in the Governor's budget.
- ***Collect Tuition for the Law and Business Schools.*** The budget, as adopted, allows the University to generate an additional \$1.3 million of tuition in each year of the biennium from students of the law and business schools. The funds will be used to provide enhanced support for the two programs, and also to provide financial aid for needy students in those programs.

Virginia Tech

Reductions

- ***Reduced General Fund Support for the Equine Center.*** The budget as introduced reduced general fund support for the Equine Medical Center in Leesburg by \$425,000 in each year. General Assembly action restored funding of \$400,000 GF in the first year.
- ***Reduced General Fund Support for Research and Public Service Institutes.*** The budget as introduced eliminated general fund support for several Commonwealth Centers, research institutes, and public service activities at Virginia Tech. General Assembly action restored a portion of the cuts to selected centers. The table below details the reductions and restorations, where applicable.

<u>Research/Public Service Center</u>	<u>Biennial GF Reduction</u>	<u>Biennial GF Restored</u>
Center for Coal and Energy Research	\$ 300,062	\$200,000
Institute for Materials Systems	674,940	0
Wood Science and Technology	660,112	200,000
Center for Volunteer Development	441,542	0
Water Resources Research Center	<u>727,408</u>	<u>150,000</u>
TOTAL	\$ 2,804,064	\$550,000

- ***Budget Reduction for Research Division.*** The budget as introduced reduced general fund support for the Research Division of Virginia Tech by \$1.2 million in each year. General Assembly action restored funding of \$200,000 GF in the first year and \$100,000 GF in the second year to support the operations of the Agriculture Experiment Stations.
- ***Budget Reduction for Extension Division.*** The budget as introduced reduced general fund support for the Extension Division of Virginia Tech by \$1.4 million in each year. General Assembly action restored funding of \$700,000 GF in the first year, and \$400,000 GF in the second year.

Increases

- ***Center for Organizational and Technological Advancement.*** The budget, as adopted, provides \$500,000 GF and 8 positions in the first year and \$700,000 GF and 12 positions in the second year for the operations of the Center. Through short courses and specialized training, the Center will aim to translate research findings and new knowledge to business, industry, and government in the Commonwealth.
- ***Seafood Processing Research.*** The budget, as adopted, provides \$161,000 GF the first year, \$145,700 GF the second year, and 1.5 positions to support research efforts to help seafood processors produce safe and wholesome products.
- ***Reynolds Homestead.*** The budget, as adopted, provides \$25,000 GF in the first year to support the education and outreach extension activities offered at the Reynolds Homestead.
- ***Principal Assessment Centers.*** The budget, as adopted, provides \$26,463 GF in each year to support the training and assessment of professional school administrators. Funding for this program had been eliminated in the Governor's base budget development.

- ***Compliance with the Americans with Disabilities Act.*** The budget, as adopted, includes \$100,000 GF to eliminate physical barriers and to provide instructional assistance to staff and students with disabilities.
- ***Compliance with Federal and State Environmental Regulations.*** The budget, as adopted, includes \$199,000 GF in the first year and \$179,000 GF in the second year and 4 positions to address air quality problems in university buildings. The funding will also support air and water testing and monitoring. In addition, \$40,000 GF is recommended in each year for compliance with federal and state laboratory safety practices.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$98,295 GF in the first year and \$32,989 GF in the second year and 1 position to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$905,477 NGF in the first year and \$1.5 million NGF in the second year to fund library books and materials.
- ***Enhanced Technology in Instruction.*** The budget, as adopted, includes \$100,000 GF in each year of the biennium to expand a pilot project on alternative instructional strategies. The pilot was funded by the 1993 General Assembly; the additional funding will expand the pilot into a university-wide program.
- ***Virginia Consortium for Engineering and Science.*** The budget, as adopted, includes \$120,000 GF and \$133,600 NGF and 2 positions in each year to support a nonresidential engineering doctoral program in Hampton Roads. Classes will be offered by a consortium comprised of the University of Virginia, the College of William and Mary, Virginia Tech, and Old Dominion University.
- ***Support for Commonwealth Center.*** The budget, as adopted, includes funding for the establishment of a Commonwealth Center of Excellence in Applied Math. General funds of \$300,000 are included in the second year.
- ***New Facilities Coming On-Line.*** Six of the eight renovation and new construction projects funded from 1992 General Obligation Bond funds will be completed in the 1994-96 biennium. Nongeneral funds of \$0.4 million in the first year and \$1.1 million in the second year, along with 5 positions, is provided to support the maintenance and operations of these facilities. The amounts are prorated to reflect when the facility will open during the 1994-96 biennium.
- ***Continuing Education Programs at the Hotel Roanoke.*** The budget, as adopted, includes \$2.8 million NGF in the first year and \$0.1 million NGF

in the second year, along with 12 positions, to support continuing education programs associated with the Hotel Roanoke project.

Virginia Commonwealth University

Reductions

- ***Elimination of General Fund Support for Commonwealth Centers.*** The budget, as adopted, eliminates general fund support for the Drug Abuse Research Commonwealth Center of Excellence, for a reduction of \$318,534 in each year of the biennium. The original recommendation for funding suggested that the Center become self-supporting in five years; FY 1995 will be the sixth year of funding for the Center.

Increases

- ***Generalist Physician Initiative.*** The budget, as adopted, provides \$794,268 GF and \$484,200 NGF and 11.85 positions in the first year, and \$300,000 GF and \$485,568 NGF in the second year as the VCU share of the Generalist Physician Initiative. The University of Virginia, Virginia Commonwealth University, and the Medical College of Hampton Roads are participating in this joint effort to increase the production of generalist physicians in the Commonwealth. A portion of the nongeneral funds comes from a grant by the Robert Wood Johnson Foundation.
- ***Economic Education/Modernization Conference.*** The budget, as adopted, provides \$50,000 GF in the first year to support training for teachers on the American economy. Funding of \$10,000 GF is also provided for a conference on Industrial Modernization and Manufacturing Networking.
- ***Principal Assessment Centers.*** The budget, as adopted, provides \$26,463 GF in each year to support the training and assessment of professional school administrators. Funding for this program had been eliminated in the Governor's base budget development.
- ***Center on Aging.*** The budget as introduced eliminated general fund support of \$290,000 GF in each year for the Virginia Center on Aging. General Assembly action restored \$285,000 in each year for the Center.
- ***Expand Technology to the Classroom.*** The budget, as adopted, includes \$225,000 GF in the first year, and \$85,000 GF and 1 position in the second year to allow the University to begin planning for technology improvements in response to the University of the 21st Century recommendations, and the University's strategic plan.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$98,295 GF in the first year and \$32,989 GF in the second year and 1 position to

develop a "virtual library" system between institutions of higher education. The system would make possible the electronic transfer of library materials between public colleges and universities.

- ***Library Books and Materials.*** The budget, as adopted, includes \$700,939 NGF in the first year and \$1.1 million NGF in the second year to fund library books and materials. This item is proposed for funding from tuition and fees.
- ***New Facilities Coming On-Line.*** Two of the University's five renovation and new construction projects funded from the 1992 General Obligation Bond funds will be completed in the 1994-96 biennium. Nongeneral funds of \$152,000 in the second year, along with 18 positions, is provided to support the maintenance and operations of the Medical Sciences Building for a portion of the fiscal year in which the building is open. The amounts are prorated to reflect when the facility will open during the biennium.
- ***Increased Operating Support for Family Practice Centers.*** The budget, as adopted, includes \$104,043 GF in the each year to fully staff the five family practice centers operated by Virginia Commonwealth University.
- ***Increased Support for Commonwealth Center.*** The budget, as adopted, includes additional general funds of \$200,000 in each year for the Commonwealth Center of Excellence in Brain Injury at VCU. This funding level will provide total funds of \$300,000 in each year in support of the Center.
- ***Campus Security Initiatives.*** The budget, as adopted, includes \$330,000 GF in the first year and \$273,000 GF in the second year and 9 positions to improve campus security and to promote crime prevention efforts.
- ***Tuition Differentials for Arts, Business, and Pharmacy.*** The budget, as adopted, includes an additional nongeneral fund appropriation of \$734,900 in the first year and \$855,560 in the second year, along with 5 positions, to be funded from additional tuition charges to students in these programs. The funds will be used to meet the costs of instructional materials, supplies, and part-time faculty required of these three programs.
- ***Increased Support for the Massey Cancer Center.*** The budget, as adopted, includes \$250,000 GF in each year and 3.58 positions to expand oncology services in rural areas. Programs in South Hill, Kilmarnock, and Farmville will be expanded.
- ***Debt Service Appropriation for the Fine Arts Center.*** The budget, as adopted, includes \$132,400 NGF in the second year to cover debt service payments on the revenue bonds that will be issued for the Fine Arts Center, Phase II. These payments will be paid from student fees.

- ***Increased Appropriation for Instructional Fees.*** An additional nongeneral fund appropriation of \$150,000 in the first year and \$250,000 in the second year is provided for self-supporting instructional programs, such as the English Language program.
- ***Increased Appropriation for Comprehensive Fees.*** The budget, as adopted, includes \$1.6 million NGF in each year to cover additional revenues generated from expanded auxiliary services, such as recreational facilities and women's sports programs.

Old Dominion University

Reductions

- ***Reduced Support for Commonwealth Center.*** The budget, as adopted, includes general funds of \$300,000 in each year for the Commonwealth Center of Excellence in Coastal Physical Oceanography. This funding level represents reduced funding of \$395,665 in each year of the biennium.

Increases

- ***CEBAF Research Park Lease.*** The budget, as adopted, includes \$139,500 GF in the first year and \$366,000 GF in the second year for the leasing and equipping of space for ODU in a research park to be developed on the CEBAF campus.
- ***Ports and Maritime Program.*** The budget, as adopted, includes \$50,000 GF and 1 position in each year for the development of an International Maritime, Ports, and Logistics Management Institute at Old Dominion University.
- ***Principal Assessment Centers.*** The budget, as adopted, provides \$26,463 GF in each year to support the training and assessment of professional school administrators. Funding for this program had been eliminated in the Governor's base budget development.
- ***Funding to Establish TELETECHNET.*** The budget, as adopted, includes \$2.2 million GF and \$1.4 million NGF in the first year, and \$2.5 million GF and \$1.4 million NGF and 34 positions to establish an instructional telecommunications network. The funding will establish receive sites for the broadcasts at 12 of the 23 community colleges.
- ***Lease Costs for the Virginia Beach Higher Education Center.*** The budget, as adopted, includes \$188,385 GF and \$173,615 NGF in the first year, and \$105,121 GF and \$96,879 NGF in the second year to support expansion of Old Dominion University's leased facilities in the City of

Virginia Beach. The funding will provide for an additional 17,629 square feet to accommodate expansion.

- ***Compliance with Federal and State Environmental Regulations.*** The budget, as adopted, includes \$320,800 GF in the first year and \$71,600 GF in the second year, and 1 position, to support efforts to monitor refrigerants, storm water management, blood borne pathogen standards, and life and fire safety issues.
- ***Virginia Consortium for Engineering and Science.*** The budget, as adopted, includes \$100,140 GF and \$108,660 NGF and 2 positions to support a nonresidential engineering doctoral program in Hampton Roads. Classes will be offered by a consortium comprised of the University of Virginia, the College of William and Mary, Virginia Tech, and Old Dominion University.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$98,295 GF in the first year and \$32,989 GF in the second year and 1 position to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$155,589 NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** Nongeneral funds of \$0.3 million in the second year along with 20 positions is provided to support the maintenance and operations of the Oceanography, Phase I Building for a portion of the fiscal year. This project is one of four ODU renovation and construction projects funded from the 1992 General Obligation Bonds. The provided amounts are prorated to reflect when the facility will open during the 1994-96 biennium.

George Mason University

Increases

- ***Increased Operating Support.*** The budget, as adopted, provides \$500,000 GF and 10 positions in the first year and \$1.0 million and 20 positions in the second year to support anticipated enrollment levels at GMU for the 1994-96 biennium.
- ***NGF for Public Service Activities.*** The budget, as adopted, provides nongeneral fund authority of \$1.6 million in each year to reflect projected levels of public service and community education activities.

- ***Enterprise Hall.*** The budget, as adopted, provides \$100,000 GF and three positions for the operation and maintenance of the new business building, which is projected to open six months earlier than originally scheduled.
- ***Principal Assessment Centers.*** The budget, as adopted, provides \$26,463 GF in each year to support the training and assessment of professional school administrators. Funding for this program had been eliminated in the Governor's base budget development.
- ***Enhance Technology in the Delivery of Instruction.*** The budget, as adopted, includes \$200,000 GF in the first year and \$275,000 GF in the second year, along with 3 positions, to fund George Mason's efforts to integrate technology into course instruction and to expand the teaching tools available to faculty.
- ***Compliance with the Americans with Disabilities Act.*** The budget, as adopted, includes \$50,000 GF to eliminate physical barriers and to provide instructional assistance to staff and students with disabilities.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$98,295 GF in the first year and \$32,989 GF in the second year and 1 position to develop a "virtual library" system between institutions of higher education. The system would make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$519,181 NGF in the first year and \$790,194 NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** Four of the six GMU 1992 General Obligation Bond projects will receive \$1.0 million NGF and 21 positions in the second year to support operations and maintenance. The amounts are prorated to reflect when the facilities will open during the 1994-96 biennium.
- ***Restructuring the Schools of Law and Business Administration.*** The budget includes \$240,000 NGF in each year to be generated from continuing education programs for professionals in business and the surrounding community of George Mason University.

College of William & Mary

Reductions

- ***Reduced Support for Centers and Institutes.*** The budget, as introduced, eliminated funding for the two Commonwealth Centers of Excellence in American Culture and Nuclear and High Energy Physics for a general fund

reduction of \$347,825 in each year of the biennium. The bill also eliminated general fund support for several research activities at the College of William & Mary, resulting in savings of \$210,541 in each year.

General Assembly action provided \$200,000 GF in each year to allow the College to restore partial funding to the centers and research institutes.

Increases

- ***Curriculum Revisions.*** The budget, as adopted, provides \$200,000 GF and three positions in each year to support curriculum revisions and global education efforts at the College of William and Mary.
- ***CEBAF Research Park Lease.*** The budget, as adopted, includes \$93,000 GF in the first year and \$243,000 GF in the second year for the leasing and equipping of space for the College in a research park to be developed on the CEBAF campus.
- ***Fund Graduate Students Teaching at Community College.*** The budget, as adopted, includes \$44,800 GF in each year to expand a pilot project between the College and Thomas Nelson Community College. The project will provide teaching opportunities for graduate students in English, history, and government.
- ***Virginia Consortium for Engineering and Science.*** The budget, as adopted, includes \$77,160 GF and \$86,840 NGF and 2 positions to support a nonresidential engineering doctoral program in Hampton Roads. Classes will be offered by a consortium comprised of the University of Virginia, the College of William and Mary, Virginia Tech, and Old Dominion University.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$98,295 GF in the first year and \$32,989 GF in the second year and 1 position to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$503,106 NGF in the first year and \$726,107 NGF in the second year to fund library books and materials.
- ***Collect Special Purpose Tuition.*** The budget, as adopted, includes \$1.7 million NGF in the first year and \$1.8 million NGF in the second year to be generated from additional tuition. The fees will support the purchase of library materials and instructional equipment, computing operations, and the law school faculty salary supplements.

- ***New Facilities Coming On-Line.*** Two of the College's four renovation and new construction projects funded from 1992 General Obligation Bond funds will require maintenance and operating support during the 1994-96 biennium. Nongeneral funds of \$119,000 NGF in the first year and \$286,767 in the second year, along with 3 positions, are provided in the budget as adopted. The amounts are prorated to reflect when the facility will open during the biennium.

The Toxicology/Pathology Facility at the Virginia Institute of Marine Science will open during the biennium, as well. Funding of \$232,750 NGF in the second year, along with 6 positions, is provided in the budget as adopted.

Virginia Institute for Marine Science

Reductions

- ***Budget Reduction.*** To achieve proposed general fund savings of \$547,980 in each year, VIMS plans to eliminate lower priority research programs, continue to consolidate administrative duties with the College of William and Mary, and increase tuition for graduate students to offset some of the reduction.

Increases

- ***Research Activities.*** Funding of \$150,000 GF and 3 positions in the first year, and \$190,000 GF and 4.5 positions in the second year is provided to support research activities which have been reduced in recent budget cuts, but which cannot be replaced with tuition revenues.
- ***Telecommunications Network/Faculty Salaries.*** The budget, as adopted, provides \$45,000 GF in the first year to allow VIMS to plan for the replacement of its campus telecommunications network. Also, \$75,000 GF is provided to help bring the salaries of VIMS' faculty closer to the average of the salaries of faculty at the College of William and Mary.
- ***Compliance with the Americans with Disabilities Act.*** The budget, as adopted, includes \$75,000 GF to purchase portable research equipment for disabled students.

Clinch Valley College

Increases

- ***Improved Staffing.*** The budget, as adopted, provides \$125,000 GF and three positions in each year to allow Clinch Valley to improve staffing in critical areas, such as career placement, accounting, and other support services.
- ***Repairs to Exhaust Fume Hoods.*** The budget, as adopted, includes \$106,699 of general funds in the first year to repair 12 exhaust fume hoods in the Science Building. The existing fume hoods fail to effectively remove hazardous fumes from the building.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$175,722 GF in the first year and \$69,773 million GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$56,356 NGF in the first year and \$74,885 NGF in the second year to fund library books and materials.
- ***Student Work Study Wages.*** The budget, as adopted, includes a technical adjustment to appropriate nongeneral fund student work study wages at Clinch Valley College. In the first year, \$141,069 NGF is included, along with \$143,669 in the second year.

Christopher Newport University

Increases

- ***Increased Support.*** The budget, as adopted, provides \$1.0 million GF in the first year and \$1.75 million GF in the second year to increase the CNU per student funding to a level comparable with other senior institutions of higher education in the Commonwealth.
- ***Recreational Center.*** Nongeneral funds of \$50,000 in the first year are provided in the budget to allow CNU to assess the feasibility of construction of a recreational center.
- ***CEBAF Research Park Lease.*** The budget, as adopted, includes \$46,500 GF in the first year and \$112,000 GF in the second year for the leasing and

equipping of space for CNU in a research park to be developed on the CEBAF campus.

- ***Expand Computerized Instruction.*** The budget, as adopted, includes \$190,700 GF in the first year and \$198,700 GF in the second year plus 6.25 positions to provide equipment and positions to expand the On-Line program. This initiative will allow students to take courses over a computer bulletin board.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$77,722 GF in the first year and \$6,776 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$108,709 NGF in the first year and \$139,382 NGF in the second year to fund library books and materials.
- ***Additional Nongeneral Fund Appropriation.*** The budget, as adopted, includes \$236,000 NGF in each year and 5 positions for administrative and instructional equipment enhancements, and to expand courses and seminars on the Peninsula.
- ***New Facilities Coming On-Line.*** To provide operations and maintenance support for the Library Addition, nongeneral funds of \$69,552 in the first year and \$75,875 in the second year, along with 2 positions, is provided in the budget as adopted. This project is one of two CNU 1992 General Obligation Bond projects to be completed during the 1994-96 biennium. The amount is prorated to reflect when the facility will open during the biennium.

James Madison University

Reductions

- ***Elimination of General Fund Support for Commonwealth Center.*** The budget, as adopted, eliminates funding for the JMU Commonwealth Center of Excellence in Education, for a general fund reduction of \$127,845 in each year of the biennium. The Center was established in 1988 to support world-class research in selected areas. The original recommendation for funding suggested that the Center would become self-supporting in five years; FY 1995 would be the sixth year of funding for the Center.

Increases

- ***Heating and Chilling Plant.*** The budget, as adopted, includes \$350,000 GF in the second year as the JMU debt service on a heating and chilling plant for the new College of Integrated Science and Technology. The City of Harrisonburg will construct the plant for the University.
- ***Information Systems.*** The budget, as adopted, provides \$150,000 GF in the first year to support an integrated information system upgrade.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$77,722 GF in the first year and \$6,776 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$195,702 NGF in the first year and \$268,049 NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** Five of the University's six projects funded from the 1992 General Obligation Bonds will open during the 1994-96 biennium. Nongeneral funds of \$285,506 in the first year and \$787,691 in the second year, along with 33.4 positions, is provided for the operation and maintenance of the facilities. The amounts are prorated to reflect when the facility will open during the biennium.
- ***College of Integrated Science and Technology.*** The budget, as adopted, provides \$1.4 million GF and \$0.5 million NGF in the first year, and \$1.5 million GF and \$4.3 million NGF in the second year, along with 63 positions to continue curriculum development activities and support operating costs for the projected enrollment in the new college.
- ***Continuation of Computer Literacy Program.*** The budget includes \$650,000 NGF in each year and 1.5 positions to support a program to enhance computer skills at all levels. The funds were appropriated in previous years, but the University was required to justify continuation of this special purpose fee.
- ***Additional Nongeneral Funds for Off-Campus Instruction.*** The budget includes \$60,000 NGF and 1 position in each year to support instructional programs offered at off-campus locations.
- ***Technology Initiatives for Faculty Productivity.*** The budget, as adopted, includes \$276,300 GF in the first year and \$188,300 GF in the second year and 2 positions to implement a pilot program in competency-based and self-paced learning laboratories in foreign language and business programs.

Longwood College

Reductions

- ***Elimination of General Fund Support for Public Service Institutes.*** The budget as introduced eliminated general fund support for the Small Business Development Center and the Longwood Development Center, for a general fund savings of \$121,005 in each year of the biennium. General Assembly action restored funding of \$85,815 in each year to continue the Small Business Development Center.

Increases

- ***Access Security Software.*** The budget, as adopted, includes \$125,000 GF in the first year for the acquisition of software to improve access security to administrative computing systems.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$77,722 GF in the first year and \$6,776 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$83,166 NGF in the first year and \$125,398 NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** One of the College's two projects funded from the 1992 General Obligation Bonds will open during the 1994-96 biennium. Nongeneral funds of \$45,375 and 3 positions is provided for the operation and maintenance of the facility. The amount is prorated to reflect when the facility will open during the biennium.

Mary Washington College

Increases

- ***Computer Software System.*** The budget, as adopted, includes \$300,000 GF in the first year to support the replacement of the College's 20-year old computer software system.
- ***Telecommunications Network.*** Funding of \$48,000 GF in the first year and \$222,000 GF in the second year is provided for MWC to install a telecommunications system on the academic portion of the network.

- ***Curriculum Development Program.*** The budget, as adopted, includes \$150,000 GF and \$150,000 NGF and 6 positions to match a private gift to provide release time for faculty to participate in curriculum development and revision.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$77,722 GF in the first year and \$6,776 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$54,974 NGF in the first year and \$95,577 NGF in the second year to fund library books and materials.

Norfolk State University

Increases

- ***Administrative Systems/Electronic Classroom.*** The budget, as adopted, provides \$452,100 GF in the first year to enhance administrative services and systems, and to help with the development of electronic classrooms.
- ***Development of New Doctoral Programs.*** The budget, as adopted, includes \$471,960 GF in the first year and \$674,520 in the second year and 3 positions for the establishment of a doctoral program in Social Work at Norfolk State University. This item also funds physics faculty shared with the Continuous Electron Beam Accelerator Facility.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$77,722 GF in the first year and \$6,776 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$119,758 NGF in the first year and \$158,948 NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** All three of the University's projects funded from the 1992 General Obligation Bonds will open during the 1994-96 biennium. Nongeneral funds of \$0.4 million and \$0.7 million and 6 positions is provided for the operation and maintenance of the facilities. The amounts are prorated to reflect when the facility will open during the biennium.

Virginia Military Institute

Increases

- ***Marshall Foundation Support.*** The budget, as adopted, includes \$75,000 GF in the first year as pass-through funds to support the research and leadership efforts of the Marshall Foundation.
- ***Center for Interdisciplinary Studies.*** The budget, as adopted, includes \$50,000 GF in each year to support curriculum development efforts, consistent with the recommendations of the Commission on the University of the 21st Century.
- ***Additional Funding for Instructional Equipment.*** The budget, as adopted, includes \$123,725 GF and \$250,000 NGF in each year of the biennium for the acquisition of instructional equipment. VMI has not used tuition increases to support its operating budget, and has, accordingly, reduced its annual expenditures on instructional equipment.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$77,722 GF in the first year and \$6,776 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$54,555 NGF in the first year and \$84,464 NGF in the second year to fund library books and materials.
- ***Additional Nongeneral Funds in the Unique Military Program.*** The budget, as adopted, includes \$200,000 NGF in each year to support activities in this program. This item is a continuation of previous NGF appropriations.
- ***Virginia Women's Institute for Leadership.*** The budget, as adopted, includes \$312,000 GF in the first year to begin implementation of the Institute at Mary Baldwin College. Funding of \$557,375 GF for the biennium is included in the budget of the Council of Higher Education for a contract between the Commonwealth of Virginia and Mary Baldwin College for those students who wish to attend the Institute.

Radford University

Increases

- ***Master of Social Work.*** The budget, as adopted, includes \$75,000 GF and one position in the first year to enable Radford University to develop a master's degree offering in Social Work.
- ***College of Global Studies at Radford University.*** The budget, as adopted, includes \$1.3 million GF in the first year and \$1.8 million GF in the second year and 27.5 positions to continue curriculum development activities, and to support operating costs for the instruction of anticipated enrollments.
- ***Compliance with the Americans with Disabilities Act.*** The budget, as adopted, includes \$109,205 GF in the first year and \$50,776 GF in the second year to eliminate physical barriers and to provide instructional assistance to staff and students with disabilities.
- ***Computer Network Enhancements.*** The budget, as adopted, includes 750,000 NGF in each year and 2 positions to improve on-campus computing capabilities, including computer labs and networks. The revenue will be generated from student fees.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$77,722 GF in the first year and \$6,776 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$161,200 NGF in the first year and \$222,864 NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** All five of the University's projects funded from the 1992 General Obligation Bonds will open during the 1994-96 biennium. Nongeneral funds of \$0.2 million and \$0.4 million and 11 positions are provided for the operation and maintenance of the facilities. The amounts are prorated to reflect when the facilities will open during the biennium.

Virginia State University

Increases

- ***Establish Development Office.*** The budget, as adopted, includes \$100,000 GF in each year and 1.5 positions to enable VSU to establish a development office, and thereby enhance the University's self-sufficiency.
- ***Physical Plant Equipment and Networking.*** General funds of \$250,000 in the first year are included in the budget as adopted to replace obsolete and deteriorated equipment in physical plant operations, and to improve network systems on the campus.
- ***Upgrade University Technology.*** The budget, as adopted, includes \$144,984 GF and \$100,016 NGF in the first year and \$107,096 GF and \$57,904 NGF and 1 position to complete the upgrading of the financial management computer system.
- ***Increased Funding for Cooperative Extension.*** The budget, as adopted, includes \$128,486 GF in each year to expand the activities of Virginia State University's Cooperative Extension Program, consistent with the recommendations of a report by the Department of Planning and Budget on the role of VSU's extension program. The funding will cover professional development, travel, and computer equipment for extension staff.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$77,722 GF in the first year and \$6,776 million GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities.
- ***Library Books and Materials.*** The budget, as adopted, includes \$101,642 NGF in the first year and \$163,260 NGF in the second year to fund library books and materials.
- ***New Facilities Coming On-Line.*** All five of the University's projects funded from the 1992 General Obligation Bonds will open during the 1994-96 biennium. Nongeneral funds of \$44,974 in the first year and \$330,227 million in the second year, along with 7.8 positions, are provided for the operation and maintenance of the facilities. The amounts are prorated to reflect when the facility will open during the biennium.

Richard Bland College

Increases

- ***Increase General Fund Support.*** The budget, as adopted, provides \$35,000 GF in each year to reduce the cost of education for Richard Bland College students.
- ***Expanded Library Sharing.*** The budget, as adopted, includes \$262,722 GF in the first year and \$21,773 GF in the second year to develop a "virtual library" system between institutions of higher education. The system will make possible the electronic transfer of library materials between public colleges and universities. This amount includes funding for the computing capabilities required by Richard Bland to participate in the automated system.
- ***Library Books and Materials.*** The budget, as adopted, includes \$83,166 NGF in the first year and \$125,398 NGF in the second year to fund library books and materials. This item is proposed for funding from tuition and fees.
- ***New Facilities Coming On-Line.*** The College's Maintenance and Receiving Building, funded from the 1992 General Obligation Bonds, will open during the 1994-96 biennium. Nongeneral funds of \$48,814 in the first year and \$58,577 in the second year are provided for the operation and maintenance of the facility. The amount is prorated to reflect when the facility will open during the 1994-96 biennium.

Other Education Agencies

The budget, as adopted, provides a general fund budget of \$190.6 million for cultural and educational agencies in the Education Secretariat. Out of the \$79.9 million in reductions, \$72.4 million comes from shifting a portion of indigent care at the teaching hospitals to Medicaid. The remainder comes from selected budget reductions in each year. Net increases include \$5.0 million GF to support indigent patients served by the Medical College of Hampton Roads, additional funding of \$4.5 million for aid to local libraries, and \$1.0 million for aid to local arts organizations. At the Council of Higher Education, \$3.1 million is provided to facilitate library sharing among Virginia's public colleges and universities, \$1.0 million for the state match on Eminent Scholars gifts, and \$1.3 million for the Guaranteed Assistance Program. In support of independent colleges, \$0.7 million of additional funds is provided for the Tuition Assistance Grant, and \$350,000 for a pilot project involving the two-year colleges and independent colleges.

1994-96 Budget, As Adopted (General Fund, \$ in millions)

	Base Budget		Reductions		Increases	
	GF	FTE*	GF	FTE*	GF	FTE*
State Council of HE	\$73.9	57	(\$ 5.1)	0	\$6.8	0
UVA Medical Center	43.7	3,582	(48.7)	0	5.3	0
MCV Hospitals	18.8	4,334	(23.7)	(13)	5.0	0
Va. Museum of Fine Arts	14.3	189	(0.8)	0	0.0	0
Va. State Library	32.7	154	0	0	6.1	0
Science Museum of Va .	4.3	77	0	0	0.5	1
Jamestown-Yorktown Fdn	6.4	97	(0.5)	(1)	0.7	0
Museum of Front. Culture	2.5	41	(0.1)	0	0.3	0
Commission for the Arts	3.3	6	(< 0.1)	0	1.1	0
Gunston Hall Plantation	1.1	11	(0.1)	0	0.0	0
Med. Col. Hampton Roads	17.9	0	0	0	6.1	0
Ctr. for Innovative Tech.	17.3	0	(0.9)	0	0.0	0
SURA/CEBAF	1.6	0	0	0	0.0	0
SW Va. Higher Ed Center	0.6	11	(< 0.1)	0	0.2	3
Total	\$238.4	8,559	(\$79.9)	(14)	\$32.1	4

**FTE totals include both general and nongeneral fund positions.*

State Council of Higher Education

Reductions

- ***Budget Reduction Plan.*** To achieve savings of \$352,513 in each year, the Council will eliminate the statewide library assistance program and restructure financial aid administration. A portion of the cut will be savings carried forward from FY 1994.
- ***Consolidation of Student Financial Aid Programs.*** The budget, as adopted, includes the transfer of \$1.9 million GF in the first year and \$2.1 million GF in the second year from the Council's Work Study Program to the institutions of higher education. This transfer is intended to reduce administrative costs at both the Council and the colleges and universities.
- ***Eliminate Funding for the Virginia Writing Project.*** The budget, as adopted, includes elimination of the project as a non-essential service, and reduces SCHEV's budget by \$149,625 GF in each year. The program allocated funds among seven institutions to improve the teaching of writing. The funds for the Longwood College piece of the program are in the Department of Education, and are not affected by this action.
- ***Defaulted Student Loans.*** The federal Student Loan Reform Act of 1993 requires states to share in the cost of defaulted federally insured student loans. The states must assume a portion of the payment for loan defaults that exceed 20 percent at institutions of higher education. Payments must begin in federal fiscal year 1995, but the amount of the payment is not yet known. Language in the budget, as adopted, authorizes the use of up to \$2.5 million from general fund balances in 1995 to make this payment, if required.

Increases

- ***Increased Operating Support.*** The budget, as adopted, provides \$50,000 GF in each year to support operations of the Council.
- ***Guaranteed Assistance Program.*** Funding of \$1.3 million GF in the second year is included to provide grants for students with financial need who do not qualify for need-based discretionary aid.
- ***Tuition Assistance Grant.*** The budget, as adopted, provides additional funding of \$333,333 GF in each year to increase the grant from \$1,425 per student to about \$1,450, based on projected enrollments at independent colleges.
- ***Space Grant Consortium Scholarships.*** Additional funding of \$50,000 GF in the first year and \$75,000 GF in the second year is provided for

scholarships and fellowships at those institutions in the Space Grant Consortium.

- ***SREB Minority Doctoral Program.*** The budget, as adopted, provides first-year funding of \$177,000 GF for the Commonwealth's participation in the Southern Regional Education Board's program to increase minority participation in doctoral programs.
- ***Eminent Scholars.*** Additional funding of \$600,000 GF in the first year and \$400,000 GF in the second year is provided to allow the Commonwealth to match at about 70 cents on the dollar those private gifts provided under the Eminent Scholars program.
- ***Pilot Transfer Program.*** Funding of \$350,000 GF is provided in the second year to establish a pilot project for community college students to transfer to independent colleges. A grant from these appropriated funds would help offset the cost of tuition at the independent colleges.
- ***Virginia Women's Institute for Leadership.*** The budget, as adopted, includes \$189,825 GF in the first year and \$367,550 GF in the second year to begin implementation of the Institute at Mary Baldwin College. The Commonwealth would contract with Mary Baldwin for each Virginia resident who wishes to attend the institute. The budget for Virginia Military Institute also includes \$312,000 GF in the first year to begin implementation of the Institute.
- ***Regional Grants and Contracts Program.*** The budget, as adopted, includes an additional \$9,228 GF in the first year and \$8,178 GF in the second year for tuition assistance to students who attend colleges in other states for programs not offered in Virginia.
- ***Expand Library Sharing.*** The budget, as adopted, includes general funds of \$553,796 in the first year and \$1.5 million in the second year to facilitate the development of a virtual library system. The system will allow Virginia's public colleges and universities to share materials electronically. SCHEV will coordinate the effort among the institutions.
- ***Math and Science Teaching Program.*** The budget, as adopted, includes an additional \$250,000 NGF appropriation for the federally-funded Eisenhower Math and Science Program. The program provides funds to institutions of higher education to improve teaching in math, science, computer science and foreign languages.
- ***DGS Rent Charges.*** Funding of \$199,210 GF in the first year and \$210,167 GF in the second year is provided to pay the general fund portion of rent to the Department of General Services for space the Council occupies in a state-owned building in the Capitol Square area. These funds were previously budgeted from Central Accounts appropriations.

Medical College of Virginia Hospitals

Reductions

- ***Adjustment to Indigent Care Appropriations.*** The budget, as adopted, includes a decrease of \$4.0 million GF and an increase of \$4.0 million in NGF in the first year, and a decrease of \$2.3 million GF and an increase of \$2.3 million NGF in the second year to reflect increased Medicaid funding. The expansion increases reimbursement in recognition of the disproportionate share of care provided by the teaching hospitals to the indigent. For the hospital, this action will not affect operations as it is merely a switch between funds.
- ***Recalculation of Medicaid Repayment Level.*** The budget, as adopted, increases Medicaid payments to MCVH, resulting in an increase of \$9.6 million in nongeneral funds, and reduces the general fund indigent care appropriation by \$8.6 million in each year.

Increases

- ***Poison Control Center.*** The budget, as adopted, provides \$140,000 GF in the first year to support the provision of poison control hotline services to the Hampton Roads area.
- ***Nongeneral Fund Support for Operating Costs.*** The budget, as adopted, includes \$6.2 million NGF in the first year and \$12.4 million NGF in the second year to be generated from hospital revenues. The additional revenue will be used to support operating costs at the hospital, based on prevailing hospital inflation rates.

The budget also includes \$3.0 million NGF in each year to support salary increases authorized for classified employees.

University of Virginia Medical Center

Reductions

- ***Adjustment to Indigent Care Appropriations.*** The budget, as adopted, includes a decrease of \$19.0 million GF and an increase of \$19.0 million in NGF in the first year, and a decrease of \$14.0 million GF and an increase of \$14.0 million in NGF in the first year, to reflect increased Medicaid funding. The expansion increases reimbursement in recognition of the disproportionate share of care provided by the teaching hospitals to the indigent. With the additional reimbursement from Medicaid, the general

fund indigent care appropriation is reduced in a commensurate amount. For the hospital, this action will not affect operations as it is merely a switch between funds.

- ***Recalculation of Medicaid Repayment Level.*** This action increases Medicaid payments to the Medical Center, resulting in an increase of \$7.8 million in general funds in each year, and reduces the general fund indigent care appropriation by \$7.8 million in each year.

Increases

- ***Poison Control Center.*** The budget, as adopted, includes \$330,000 GF in the first year for the Blue Ridge Poison Control Center to provide service to Northern Virginia localities which will lose service from the Georgetown University poison center.
- ***Nongeneral Fund Support for Operating Costs.*** The budget, as adopted, includes \$6.8 million NGF in the first year and \$18.2 million NGF in the second year to be generated from hospital revenues. The additional revenue will be used to support operating costs at the hospital, based on prevailing hospital inflation rates.

The budget also includes \$2.5 million NGF in each year to support salary increases authorized for classified employees.

Virginia State Library and Archives

Increases

- ***Aid to Local Libraries.*** The budget, as adopted, provides \$672,498 GF in the first year to provide about a 5 percent increase in funds distributed to local libraries under the pre-1990 allocation formula. In the second year, \$3.8 million GF is provided to fund about 50 percent of the increment required to implement the 1990 allocation formula.
- ***Library Support/Internet.*** The budget includes \$50,000 GF in the first year to support the Bland County Library, and \$10,000 GF in the first year for the VSLA to study the development of guidelines for access to the Internet telecommunications network.
- ***Circuit Court Records Program.*** The budget, as adopted, includes \$300,000 NGF and 7 positions in each year to expand a program to record and index circuit court records. The positions are supported by fees charged by the circuit courts.

- ***Fund Rent at the Seat of Government.*** Funding of \$755,409 GF in the first year and \$796,957 GF in the second year is provided to pay the general fund portion of rent to the Department of General Services for space the Library occupies in a state-owned building in the Capitol Square area. These funds were previously budgeted from Central Accounts appropriations.

Virginia Museum of Frontier Culture

Reductions

- ***Budget Reduction.*** The Museum will use nongeneral funds to offset a general fund budget reduction of \$46,000 in each year of the biennium.

Increases

- ***Operating Funds for New Facility.*** The budget, as adopted, includes \$199,737 GF in the first year, and \$78,737 GF in the second year and 2 positions to maintain the education and research facility renovation funded from the 1992 General Obligation Bonds.

Virginia Commission for the Arts

Reductions

- ***Budget Reduction.*** The budget, as adopted, includes a budget reduction of \$11,000 GF in each year of the biennium. The agency plans to reduce administrative nonpersonal services to accommodate the reduction.

Increases

- ***Support for Local Arts Organizations.*** The budget, as adopted, provides \$500,000 GF in each year to increase the Commonwealth's per capita support for the arts.
- ***DGS Rent Charges.*** Funding of \$26,938 GF in the first year and \$28,419 GF in the second year is provided to pay the general fund portion of rent to the Department of General Services for space the Commission occupies in a state-owned building in the Capitol Square area. These funds were previously budgeted from Central Accounts appropriations.

Virginia Museum of Fine Arts

Reductions

- ***Budget Reduction.*** The Museum will hold fewer exhibitions and increase fees to achieve general fund savings of \$657,100 in each year. Additional nongeneral funds of \$297,000 in each year from membership fee increases and gifts will offset a portion of the reduction.

Increases

- ***Increased Support for Operations.*** To partially offset the impact of budget reductions and to support current operations, the budget as adopted provides an additional \$250,000 GF in each year of the biennium.

Science Museum of Virginia

Reductions

- ***Reduction in Nongeneral Fund Appropriation.*** To reflect revised nongeneral fund revenue estimates based on visitor volume, the nongeneral fund appropriation for the Museum is reduced by \$938,666 in each year.

Increases

- ***Increased Support for Current Operations.*** Consistent with revised estimates of nongeneral fund revenues, additional general fund support of \$287,380 is provided in the first year, and \$239,581 in the second year of the biennium.

Jamestown-Yorktown Foundation

Reductions

- ***Budget Reduction.*** The Foundation will reduce funding for facilities maintenance and repair, administrative support services, and statewide outreach programs to achieve savings of \$252,991 and one position in each year.

Increases

- ***Yorktown and Council on Indians.*** The budget, as adopted, includes \$12,000 GF in each year to support the activities of the Town of Yorktown, and \$25,000 GF in each year to support the Council on Indians.

- ***Operating Support.*** The biennial budget as adopted provides \$287,500 GF in the first year and \$187,500 GF in the second year to support marketing initiatives, security and operations, and outreach activities of Jamestown-Yorktown.
- ***Jamestown Slave Museum.*** The budget, as adopted, includes \$100,000 GF in the first year to establish a non-state agency.
- ***Additional Nongeneral Funds for Increased Costs.*** The 1994-96 budget includes \$155,555 NGF in each year to support education programs, wage payroll increases, and workers' compensation costs.

Gunston Hall Plantation

Reductions

- ***Budget Reduction.*** General fund reductions of \$93,227 in the first year and \$31,000 in the second year will be accommodated by reductions in discretionary expenses and carried-forward balances from FY 1994.

Medical College of Hampton Roads

Increases

- ***Generalist Physician Initiative.*** The budget, as adopted, provides \$697,050 GF and \$594,222 NGF in the first year, and \$300,000 GF and \$802,633 NGF in the second year as the MCHR share of the Generalist Physician Initiative. The University of Virginia, Virginia Commonwealth University, and MCHR are participating in this joint effort to increase the production of generalist physicians in the Commonwealth. A portion of the nongeneral funds comes from a grant by the Robert Wood Johnson Foundation.
- ***Dementia Center.*** The budget, as adopted, provides \$100,000 GF in the first year to support a center at the Medical College of Hampton Roads for the study and treatment of dementia.
- ***Indigent Care Funding.*** The budget, as adopted, provides \$2.5 million in general funds in each year of the biennium to provide medical care to indigent patients.

Center for Innovative Technology

Reductions

- ***Reduced Funding.*** The budget, as adopted, includes a reduction of \$421,538 GF in each year of the biennium for the Center. The Center plans to reduce administrative expenses to accommodate the cut.

Southeastern Universities Research Association

Increases

- ***Matching Funds for Free Electron Laser Facility.*** The budget, as adopted, provides authority for the Governor to transfer from unappropriated balances up to \$3.0 million in 1995-96 as the Commonwealth's match to support the FEL facility. This authority is contingent upon receipt of a federal grant to support the project.

Southwest Virginia Higher Education Center

Reductions

- ***Budget Reduction.*** The Center will reduce planning and incentive dollars for program development to accommodate a general fund budget cut of \$13,913 in each year.

Increases

- ***Increase Staffing.*** The budget, as adopted, provides \$45,000 GF and 1 position in the first year, and \$100,000 and 3 positions in the second year to staff and operate the new facilities which are under construction for the Center.

Melchers-Monroe Memorials

Reductions

- ***Budget Reduction.*** The museum plans to implement operational efficiencies at both memorials to accommodate the general fund budget reduction of \$8,962 in each year of the biennium.

Increases

- ***Operating Support.*** The budget provides \$21,462 GF in each year to cover basic operating costs of the James Monroe Museum and the Belmont-Gari Melchers facility.
- ***Additional Nongeneral Appropriation.*** The budget, as adopted, includes \$22,500 NGF in each year to reflect increased admissions revenue at Melchers-Monroe Memorials.

Finance

The budget, as approved, includes a total of \$565.6 million (GF) for the seven agencies in the Finance Secretariat. This represents 3.8 percent of the total general fund operating budget. Approved actions result in a net increase of \$123.1 million (GF), or 27.8 percent, for the biennium when compared to the base budget. The adjusted base budget also includes \$40 million in recordation tax distributions to localities. This fully funds the 1990 recordation tax initiative as enacted by the General Assembly.

Reductions total \$38.6 million (GF). Approximately two-thirds of this amount -- \$26.2 million (GF) comes from a change in debt service requirements, while most of the remainder -- \$8.4 million (GF) -- comes from reduced ABC profit distributions to localities. Almost all of the remaining decrease represents agency plans to meet reductions budgeted to the Central Appropriations.

The maximum employment level for the agencies in the Finance Secretariat is reduced by a net of 23 FTE employees, or 1.7 percent. Technical adjustments to reflect actual funded levels of employment account for a reduction of 3 positions. All of the remaining 25 FTE positions eliminated are proposed for removal in agency reduction plans. Of the 5 FTE positions added, 1 is for the analysis of the economic impact of regulations at the Department of Planning and Budget and 4 FTE positions are added for enhanced collection of court fines, fees, and costs by the Department of Taxation.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	Base Budget		Reductions		Increases	
	GF	FTE*	GF	FTE*	GF	FTE*
Secretary	0.7	4	<(0.1)	0	<0.0	0
Planning & Budget	10.1	88	(0.2)	(6)	2.3	1
Accounts	162.8	162	(9.8)	(4)	4.9	0
Taxation	101.9	1,011	(1.5)	(16)	1.7	4
Treasury	10.5	93	(0.7)	(1)	81.8	0
Treasury Board	154.5	0	26.2	0	71.0	0
Internal Auditor	2.1	16	<(0.1)	(1)	0.1	0
Total	\$442.5	1,374	(\$38.6)	(28)	\$161.7	5

**FTE totals include both general and nongeneral fund positions.*

The budget, as approved, also includes general fund budget increases totaling \$161.7 million (GF) for the biennium, almost half of which -- \$79.9 million -- is for a constitutionally required deposit into the Revenue Stabilization Fund. Most of the remaining increase represents debt service in the Treasury

Board -- \$35.8 million -- reimbursement for regional jail projects -- \$8.9 million -- and \$2.8 million for the distribution of the local share of wine tax, rolling stock tax and TVA payments.

Secretary of Finance

Reductions

- ***Budget Reduction Plan.*** The Secretary proposes a series of administrative actions to achieve savings of \$10,019 each year.

Increases

- ***DGS Rent.*** Funding of \$8,688 the first year and \$9,166 the second year is provided for rental payments to the Department of General Services for space occupied in state buildings. In prior years, funds for this purpose were appropriated to the Central Appropriations.

Language

- ***Higher Education Decentralization.*** A language amendment requires the Secretary to implement five pilot program to test decentralization for institutions of higher education.

Department of Planning and Budget

Reductions

- ***Budget Reduction Plan.*** The Department proposes to eliminate 3 FTE positions, utilize year-end balances, and implement organizational and operational changes to achieve \$101,654 in savings each year. The first year savings will be partially addressed by an estimated year-end balance of \$47,964 for an actual first year budget reduction of \$53,690.
- ***Unfunded MEL Adjustment.*** The agency's maximum employment level (MEL) is reduced by 3 FTE, to reflect the actual number of funded positions.

Increases

- ***DGS Rent.*** Funding of \$373,469 the first year and \$394,010 the second year is provided for rental payments to the Department of General Services for space occupied in state buildings. In prior years, funds for this purpose were appropriated to the Central Appropriations.

- ***Economic Impact Analysis.*** Funding of \$50,000 each year and 1 FTE employee are included to conduct analysis of the economic impact of regulations, pursuant to House Bill 1073 and Senate Bill 558.
- ***Virginia Geographic Information Network.*** An additional \$1.1 million the first year and \$0.3 million the second year are provided to implement phase I of the Virginia Geographic Information Network.

Language

- ***Language Amendments.*** Several significant language amendments were included in the budget, as adopted.
 - A study of the delivery and financing of poison control services.
 - A study of the impact of juvenile sentencing changes provided for in House Bill 1243 and Senate Bill 520.
 - A study of local offices on youth programs.
 - A study of a state-wide strategic planning process.

Department of Accounts

- ***Recordation Tax.*** The Department's base budget includes an appropriation of \$40.0 million each year for distribution of the local share of the Recordation Tax.

Reductions

- ***Budget Reduction Plan.*** Reductions of \$710,000 the first year and \$741,000 the second year, and 4 FTE positions are budgeted to the Central Appropriations.
 - ***Financial Reporting.*** Elimination of selected financial reports, organizational changes and operating efficiencies are approved to save \$86,000 each year, and result in the elimination of 2 FTE positions.
 - ***CIPPS Processing.*** An administrative reduction in the cost of processing the state payroll system (CIPPS) will result in savings of \$426,000 each year.
 - ***Administrative Cost Recovery.*** The budget, as adopted, includes recoveries of \$176,000 each year from the state employees health insurance fund (HIF) for administrative costs.

- *Public Records.* The elimination of 1 FTE position in public records, will result in savings of \$10,000 the first year and \$25,000 the second year.
- *Payroll Processing Staff.* The elimination of 1 FTE position in payroll processing, will result in savings of \$12,000 the first year and \$28,000 the second year.
- *ABC Profits Distribution.* The Department's budget is reduced by \$4.1 million the first year and \$4.3 million the second year to reflect a decline in ABC profits distributions to localities.

Increases

- *DGS Rent.* Funding of \$429,430 the first year and \$453,049 the second year is included for rental payments to the Department of General Services for space occupied in state buildings. In prior years, funds for this purpose were appropriated to the Central Appropriations.
- *Wine Tax Distribution.* The budget, as adopted, includes an additional \$300,000 each year in the distribution of the local share of increased wine tax revenues.
- *Rolling Stock Tax Distribution.* The Department's budget, as adopted, includes an additional \$1.1 million each year in the distribution of the local share of increased rolling stock tax revenues.
- *TVA Payments.* The Department's budget, as adopted, includes an additional \$4,000 the first year and \$14,000 the second year in the distribution of the local share of payments from the Tennessee Valley Authority.
- *Line of Duty Payments.* The budget, as adopted, includes \$250,000 for the payment of claims for public safety officers killed in the line of duty. These funds were previously budgeted to the Central Appropriations.
- *ABC Profits Distribution.* The Department's budget is reduced by \$0.3 million each year to reflect an increase in ABC profits distributions to localities resulting from the sale of lottery products in ABC stores.
- *Integrated Human Resources Information System.* Funding for implementation of an Integrated Human Resource Information System is provided at \$2,650,000 (NGF) the first year and \$3,350,000 (NGF) the second year. This system is to replace the state personnel system (PMIS) and the state payroll system (CIPPS) both of which are obsolete.

Language

- ***Oak Grove Connector.*** Language amendments were authorized to carry out the purpose of Senate Bill 458/House Bill 1020 authorizing the issuance of \$32.5 million in 9(d) revenue bonds to finance the "Oak Grove Connector" transportation project in the City of Chesapeake. The debt service will be paid with \$1.3 million per year (beginning in FY 1996) in Chesapeake's share of state recordation tax distributions to localities, as well as \$1.2 million per year in local revenues.

Department of Taxation

Reductions

- ***Budget Reduction Plan.*** A \$683,877 reduction each year is planned. This reduction is listed in the Central Accounts. Taxation plans to eliminate funding for a backup computer and a tax return processing location, and also reduce travel, training and education spending in non-compliance divisions.
 - ***Eliminate Backup Processing.*** \$611,232 is being reduced each year for a disaster location site. This site was to serve as a backup location for processing tax returns in the event the main location was unable to perform its processing functions.
 - ***Reduce Travel, Education, and Training Funds.*** A 50 percent reduction in travel, training and education funding, or \$72,645 each year, is being implemented for non-compliance divisions within the Department.
- ***Position Reductions.*** 16 positions are being eliminated from the Department's MEL because there were insufficient funds in the base budget to cover necessary non-personal service expenses. The personal service savings generated from the MEL reduction will be used to cover the non-personal service expenses.

Increases

- ***Collection of Court Fines and Fees.*** \$940,378 in general funds and \$189,378 in nongeneral funds the first year, and \$734,512 in nongeneral funds the second year, have been provided to establish a court fines and fees collection unit (beginning Jan. 1, 1995) using the new enhanced collection system at the Department. The general funds are for equipment, startup costs, and initial salaries for 4 FTE managers and 22 wage employees. The nongeneral fund appropriation provides authority to use collections to pay salaries after 90 days. The collection unit implements one element of legislation adopted (SB 293) in response to a study on

improving court fines and fees collections reported by the Auditor of Public Accounts.

- **Maintain Enhanced Tax Collection System.** \$162,500 the first year and \$174,300 the second year is provided to fund a maintenance agreement for the enhanced accounts receivable collection system (ECS) expected to come on line in January, 1994. The maintenance agreement will pay for software updates and continue the system warranty beyond the one year that comes with the purchase agreement. The new system will link the Tax computer system files to an automated data base information retrieval system and telephone dialing system. This system will have the capability to distribute telephone calls, as well as provide detailed information on each delinquent account to compliance personnel.

The ECS, along with the 101 additional compliance positions authorized in the 1992 Session, and the Court Fines Collection Unit are expected to help generate \$17.2 million in additional compliance revenues in FY 1994, and \$73.6 million per year in fiscal year 1995 and \$76.0 million in fiscal year 1996.

- **Fund Rent From Agency Budget.** In prior years, money for paying the general fund portion of rent to the Department of General Services for space the agency occupies in state owned buildings was in the Central Accounts. This year, \$134,815 in FY 1995, and \$141,815 in FY 1996 was included in the Taxation's budget.
- **Remove Excess Postage From the Budget.** Taxation is participating in a new centralized mailing system operated by the Department of Treasury that will lower the cost of postage. The resulting savings allow budget cuts of \$60,300 each year.
- **Provide For Credit Card Payment of Taxes.** \$128,450 in FY 1995 and \$60,701 in FY 1996 is included in the Department's budget to allow the agency to accept credit card payments. These funds would be used to make computer system changes and to pay for the transaction costs of accepting credit card payments.

Language

- **Language Amendments.** Several significant language amendments were included in the budget, as adopted.
 - A pilot supplemental pay program is authorized for persons directly engaged in proactive collections of delinquent tax accounts. The pilot program will not exceed 20 percent of base pay, and will be designed to determine whether these types of incentives help in the collection of delinquent taxes.

- The Department has been instructed to study modernizing their computer-based data retrieval system. The assessment will include what the costs and benefits are of implementing an up-to-date client-server workstation technology that can access an entire taxpayer record, rather than just one tax type record at a time.

Department of Treasury

Reductions

- ***Budget Reduction Plan.*** A \$258,015 reduction each year is planned. This reduction is listed in the Central Accounts. These savings are achieved by eliminating one position in its check reconciliation function and also using offsetting increases in nongeneral fund fees charged for the State Non-Arbitrage Investment Program, Local Government Investment Pool, and Unclaimed Property. In addition, Treasury plans to offset part of the budget reduction with \$25,000 in carry forward savings each year.
- ***Remove Excess Postage From the Budget.*** As a result of the new centralized mail system that pre-sorts mail and is charged a lower postage rate, Treasury is anticipating savings of \$79,740 in each year.

Increases

- ***Revenue Stabilization Fund.*** In FY 1995, \$79.9 million is deposited to the Revenue Stabilization Fund. This fund is constitutionally mandated. Funding is triggered when growth in general fund income and sales tax revenues exceed the prior six-year average growth. Half of the growth above the six-year average is deposited to the fund in the next fiscal year. From fiscal years 1987-92 income and sales tax growth averaged 6.16 percent. In FY 1993, growth was 9.12 percent. Therefore, 1.48 percent of FY 1993 general fund income and sales taxes must be deposited into the Revenue Stabilization Fund in FY 1995.

The maximum size of the Fund is 10 percent of the 3 year average of total income and sales taxes. Moneys can be withdrawn from the fund only in the event actual collections are 2 percent below the official revenue forecast.

- ***Fund Banking Service Costs.*** As interest rates have dropped, compensating balances left at banks handling state funds have not been sufficient to cover the banking costs. \$612,130 each year has been included in the budget to directly pay these banking costs, rather than increase compensating balances. Whenever possible, using direct payment of banking fees allows the Commonwealth to earn a greater return than using compensating balances.

- ***Fund Rent From Agency Budget.*** In prior years, money for paying the general fund portion of rent to the Department of General Services for space the agency occupies in state owned buildings was in the Central Accounts. This year, \$173,802 in FY 1995, and \$183,361 in FY 1996 was included in Treasury's budget.
- ***Fund New Central Mail Costs.*** Treasury is operating the new centralized mailing system designed to lower the cost of postage for a number of central state agencies. To help induce agencies to participate in the new mail process, the agency will eliminate an administrative fee charged to participating agencies which was to recoup the personal service costs of the system. To support the new central mail system \$141,663 the first year and \$147,488 the second year was added to Treasury's budget.

Treasury Board

Increases

- ***Debt Service Increase.*** An additional \$35.8 million (GF) and \$0.5 million (NGF) have been provided for principal and interest payments on General Obligation bonds and Virginia Public Building Authority bonds issued by the Commonwealth . A number of assumptions regarding the timing of debt issuance, projected interest rates, and the projects included in each debt issuance were used in determining the mix of general and nongeneral fund requirements. The increased appropriation is recommended to service the debt issued to meet construction requirements during the 1994-96 biennium, and to provide full-year debt service costs for bonds issued in FY 1994.
- ***Regional Jail Construction Costs.*** An additional \$8.9 million (GF) has been provided to reimburse localities for a portion of the costs of constructing regional jails. Specifically, reimbursement for the ongoing debt service costs of the following projects is included in the budget, as adopted: Riverside Regional Jail (\$4.3 million GF); Rockingham Regional Jail (\$1.0 million GF) ; and Arlington Regional Jail (\$3.6 million GF). An additional \$2.2 million is provided through an appropriation to the Department of Corrections, in the first year, as a lump-sum final payment for the Northern Neck Regional Jail.

Department of the State Internal Auditor

Reductions

- ***Budget Reduction Plan.*** The Department will eliminate 5 FTE positions, and implement organizational and operational changes to achieve \$201,654 in savings each year.

Increases

- ***DGS Rent*** Funding of \$35,615 the first year and \$37,574 the second year is included for rental payments to the Department of General Services for space occupied in state buildings. In prior years, funds for this purpose were appropriated to the Central Appropriations.

Health and Human Resources

The budget for Health and Human Resources agencies totals \$3.6 billion for the biennium. This represents an 8.8 percent increase above the base budget, incorporating total increases of \$345.3 million and total reductions of \$50.0 million. Most of the increase (85 percent) is driven by increased use and costs in Medicaid, a federally mandated entitlement program.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	Base Budget		Reductions		Increases	
	GF	FTE*	GF	FTE*	GF	FTE*
Sec. of Health/HR	\$ 1.0	7	<(\$ 0.1)	0	<\$ 0.1	0
Aging	16.5	30	(0.1)	(1)	1.3	0
Board/Disabilities	0.2	4	<(0.1)	0	0.1	3
Department/Disabilities	0.5	22	(0.1)	0	<0.1	0
Deaf/Hard of Hearing	2.5	19	(0.1)	0	0.1	0
Health Professions	0.0	122	0.0	0	0.0	10
Health	218.2	4,435	(8.5)	(16.5)	8.5	189
Medical Asst. Serv.**	1,900.3	402	(31.4)	0	293.1	15
Cost Review Council	0.0	26	0.0	(3)	0.4	0
Mental H, MR, SA**	661.8	10,858	(6.4)	(202)	24.1	207
Rehab. Services	33.8	839	(0.4)	(16)	2.0	2
Woodrow Wilson Ctr.	11.1	418	(0.1)	0	0.3	18
Social Services	475.5	1,587	(2.3)	0	15.1	142
Visually Handicapped	13.5	207	(0.4)	0	0.0	0
Center for Blind	0.5	35	<(0.1)	0	0.0	0
Employment/Training	1.3	35	(0.1)	0	0.0	2
Early Childhood Progs.	1.3	13	(0.1)	0	0.2	2
Total	\$3,338.0	19,059	(\$50.0)	(238.5)	\$345.3	590

*FTE totals include both general and nongeneral fund positions.

**The adopted budget transfers \$63.4 million from DMHMRSAS to DMAS for Medicaid match.

Summary of Reductions

Total reductions of \$50.0 million and 238.5 positions are included for health and human resources agencies. No reduction to an individual agency is greater than seven percent of general fund appropriations.

- Reductions in the Department of Mental Health, Mental Retardation, and Substance Abuse Services (MHMRSAS) total \$6.4 million. Operational

capacity of state facilities will be reduced by 202 beds, by July 1, 1995, saving \$10.2 million. The introduced budget assumed facility downsizing in the first year, but the General Assembly restored funds to close the beds more gradually in the second year. From the facility savings, \$5.8 million would be distributed to localities for serving discharged patients in community settings, for a net general fund savings of \$4.4 million. The MHMRSAS budget also includes a \$2 million reduction in central office costs.

- Total general fund savings from actions in the Medicaid program equal \$61.6 million. Of this total, cost containment in Medicaid totals \$20.9 million (GF). The length of hospital stays will be reduced, managed care will be implemented statewide, and voluntary limits on service use will be instituted. Additional general fund savings of \$30.2 million are achieved by using Medicaid (50 percent federal funds) to cover a portion of indigent care costs at the state teaching hospitals. Also, projected FY 1994 balances of \$10.5 million would be used to partially offset increased costs in the 1994-96 biennium.
- General fund appropriations for the Department of Health would be reduced by \$8.5 million. Reductions in general fund appropriations will be partially offset by increased revenues. The General Assembly approved increases in the cost of well and septic permits (adding \$800,000) and the charge for vital records (adding \$3.4 million).
- A new automated system for client eligibility determination is being developed for the Department of Social Services. Automation is projected to save \$2 million in other administrative costs during the second year.

Summary of Increases

A total increase of \$345.3 million (GF) is recommended for health and human resources agencies. Most of the increase would fund rising costs of health, mental health, and social services.

- The Medicaid budget would be increased by \$293.1 million, most of which is for increased use and inflation. The increase also includes: court-ordered coverage of transplants in eligible children; added payments for homes for adults; automation enhancements; costs associated with additional federal health standards in nursing homes; and, increased payment rates for certain services.
- Funding for mental health and mental retardation services is increased by \$24.1 million. This increase includes \$10.4 million and 192 positions for mental health and retardation facilities. Funding would address added capacity needs and federally cited treatment deficiencies. Increased costs and use of medication will cost \$3.1 million. Also, declining Medicaid-eligible populations in state facilities are reducing nongeneral fund

revenues. As a result, replacement of \$5.9 million from the general fund is recommended. Also, \$1.5 million is added for persons on waiting lists for community services.

- A total of \$15.1 million (GF) is added for social services. This increase includes: \$3.2 million for slight increases in AFDC caseloads; \$4.6 million for expanded automation; \$2.0 million for welfare reform and day care assistance; and \$800,000 for community action agencies. Also, \$4.5 million is included for rate increases in homes for adults. The total cost of rate and service enhancements in homes for adults is \$12.1 million (GF) and \$5.6 million (NGF), which includes added Medicaid funding.
- Total increases of \$8.5 million (GF) for the Department of Health include: salary adjustments for physicians and sanitarians (\$2.0 million); federal mandates for laboratory quality (\$1.1 million); local office renovations (\$1.2 million); and, rent charges transferred from the Department of General Services (\$2.2 million).
- Approximately \$2 million is added for services to physically disabled persons, and \$1 million is added for services to the elderly.

Department of Medical Assistance Services

The appropriation for DMAS is \$2.2 billion (GF) for the biennium. This includes increases of \$293.1 million and reductions of \$31.4 million. (The increase in the budget bill is actually \$63.4 million (GF) greater, which simply reflects a transfer of matching funds from DMHMRSAS). The increases and reductions in funding are listed in the following table.

The DMAS budget also includes \$27.2 million from the general fund for additional Medicaid payments to the teaching hospitals. These payments, along with matching federal funds, will offset costs for indigent care. By substituting Medicaid payments (50 percent federal funds) for indigent care (100 percent from the general fund), the adopted budget achieves a net savings of \$27.2 million to the general fund.

DMAS Biennial Budget
(GF, \$ Millions)

Base Budget \$ 1,900.3

Increases

Use and Inflation	\$ 234.3
Organ Transplants	7.6
Homes for Adults Payments	7.3
Rate Increases (Personal Care, Nursing Homes, Dental, Adult Health Care)	2.6
Automated Systems	1.5
Teen Pregnancy Prevention and Resource Mother Volunteers	1.2
Nursing Home Mandates	1.1
Managed Care/Estate Recovery Positions	0.3
<i>Medicaid for Indigent Care*</i>	8.0
<i>Revised Payments to MCV and UVA*</i>	29.2

Subtotal: Increases 293.1

Reductions

Hospital Length of Stay Controls	(8.0)
Statewide Managed Care	(7.0)
Voluntary Thresholds	(3.2)
Asset Transfer Restrictions	(1.5)
Other Reductions	(1.2)
1994 Balances	<u>(10.5)</u>

Subtotal: Reductions (31.4)

DMAS Total: 1994-96 Biennium \$ 2,162.0**

*Note:	Medicaid Increase (\$293.1 million-\$31.4 million)	\$ 261.7
	General Fund Savings in State Teaching Hospitals	<u>(67.4)</u>

Net General Fund Increase \$ 194.3

**Does not include \$63.4 million transferred from DMHMRSAS to DMAS for Medicaid match.

Department of Mental Health, Mental Retardation and Substance Abuse Services

The recommended appropriation for DMHMRSAS is \$616.1 million (GF). The budget includes increases of \$24.1 million and reductions of \$6.4 million. (Also, \$63.4 million (GF) is reflected in the DMAS budget for Medicaid, which appears as a reduction in the DMHMRSAS budget. The transfer is a technical adjustment that also reflects matching federal Medicaid funds.)

Reductions

- **Facility Downsizing.** Capacity of mental health hospitals and mental retardation training centers will be reduced by 202 beds in the second year. The General Assembly restored \$2.3 million in proposed institutional reductions, so that downsizing can proceed on a more gradual basis at Eastern State, Western State, and Southside Virginia Training Center. The introduced budget assumed the beds would be closed in the first year.

Of the \$10.2 million total savings in institutions, \$5.8 million would be distributed to communities for serving discharged patients. The net reduction in the department's budget for facility downsizing would be \$4.4 million. The following facilities would be reduced:

- Eastern State Hospital (30 beds in the admissions unit),
 - Western State Hospital (75 beds),
 - Central Virginia Training Center (62 beds in the geriatric unit), and
 - Southside Virginia Training Center (35 beds).
- **Central Office.** Expenses of the central office will be reduced by \$1 million per year. Of this total, \$750,000 per year is accounted for by eliminating a contract with the Medical College of Virginia for substance abuse services.

Increases

- **Community Services Boards.** The introduced budget bill included a \$2.8 million reduction in funding for CSBs. The General Assembly restored the proposed reduction and added \$1.5 million for additional service needs.
- **Central State Forensic Unit.** A new 70-bed addition included in the general obligation bond issue will require staff and operating support. The

expansion is expected to begin operation in September 1995. In the second year, \$1.9 million (GF), \$57,686 (NGF), and 77 positions are added.

- **Central State Accreditation.** To meet accreditation standards for staffing and services, \$1.5 million and 18 positions are added to the institution budget. Also, \$1.5 million was added to community services in the area, to reduce demands for institutional services.
- **Northern Virginia Mental Health Institute.** Funds and positions are added to staff a new 60-bed addition opening in January 1996 and to address treatment deficiencies. In the first year, \$837,454 (GF) and \$181,099 (NGF) are added. In the second year, \$2.6 million (GF) and \$554,830 (NGF) are added. A total of 115 additional positions will also be added.
- **Northern Virginia Training Center.** To address staffing and treatment deficiencies cited by the federal justice department, the caseload at NVTC will be reduced by 40 residents. Funds for serving these persons in the community are added (\$600,000 (GF) the first year and \$1.1 million (GF) the second year).
- **DeJarnette Center.** To meet Medicaid and accreditation standards, 13 positions and \$201,662 (GF) and \$201,662 (NGF) will be added each year.
- **Medication Costs.** Increased use and costs of prescription drugs by mentally disabled persons is expected to cost \$1.3 million (GF) and \$752,203 (NGF) the first year. In the second year, \$1.8 million (GF) and \$1.1 million (NGF) are added. The increase is provided both for state facilities and for the Aftercare Pharmacy, which serves patients in the community.
- **Offsets to Decline in Nongeneral Funds.** As the Medicaid-eligible population is reduced in facilities, federal funding has declined. Also, one-time balances that supported continuing costs have been depleted. To replace these nongeneral fund revenues, \$3.5 million (GF) the first year and \$2.4 million (GF) the second year are added.
- **Psychiatric Care at Southwest Virginia Mental Health Institute.** Additional funding is recommended to meet the increased costs of contract and staff psychiatrists. Increases include \$364,937 (GF) and \$112,479 (NGF) each year.
- **Service Contracts at Southeast Virginia Training Center.** Additional contract costs for housekeeping services and medical care are included: \$187,725 (GF) and \$163,229 (NGF) each year.
- **DGS Rental Charges.** Rent for office space in Richmond (\$2.0 million for the biennium) is appropriated in the DMHMRSAS budget. Previously, these costs were included in Central Appropriations

- ***Nongeneral Fund Grants.*** Foundation and federal grants for inner city youth and mentally ill homeless persons will pass through DMHMRSAS to the localities that received grant awards. Richmond will receive grants for both purposes. The Hampton-Newport News CSB will receive a portion of the homeless assistance grant. Expected grants total \$5.5 million (NGF) for the biennium.

Virginia Department of Health

The biennial budget for VDH is \$218.2 million (GF). This includes reductions of \$8.5 million and increases of \$8.5 million.

Reductions

- ***Technical Assistance for Wastewater Treatment.*** The introduced budget eliminated twenty-five positions and \$1.4 million (GF) each year from wastewater engineering services. The General Assembly did not approve elimination of this service, and a portion of the proposed reduction was restored. Appropriations and anticipated FY 1994 balances partially offset \$900,000 of this reduction.
- ***Fee Increase for Well and Septic Permits.*** The General Assembly increased inspection fees for well permits from \$25 to \$40. Septic permit fees will increase from \$50 to \$75. The septic fee increase includes \$10 for an indemnity fund for septic failures due to inadequate inspections. Anticipated fee revenue of \$800,000 would offset general fund reductions.
- ***Hepatitis Vaccines for Rescue Squads.*** The budget deletes \$200,000 each year to vaccinate volunteer rescue squad members. The 1993 General Assembly added \$200,000 in FY 1994 for this purpose. Future turnover in squad members would determine how much of the vaccine costs would be borne by the rescue squads.
- ***Water Supply Revolving Loan Fund.*** Loans to help small localities improve water supply systems will be eliminated, saving \$100,000 each year.
- ***Alzheimer's Disease Registry.*** Contracts with MCV and UVA for brain autopsies on Alzheimer's disease victims will be eliminated, along with the two positions in VDH responsible for maintaining the registry. This action will save \$101,966 (GF) each year.
- ***Fees for Certificate of Public Need.*** The 1993 General Assembly approved a fee increase for review of COPN applications, from 0.5 to 1 percent of the capital cost in July 1994. Additional revenue from this action will offset \$119,429 in general fund costs each year.

- ***Nongeneral Fund Revenues.*** Projected increases in collection of revenues by local health departments is expected to reduce the need for appropriations from the general fund by \$1 million each year. A major source of additional revenue is Medicaid for personal care, maternal and child health, and dental health for children.
- ***Administrative Savings.*** A savings of \$356,500 each year is included from reduced travel, training, and equipment purchases, and elimination of 4.5 positions.

Increases

- ***Sanitarian and Physician Regrades.*** As approved by the Department of Personnel and Training, salaries for primary care physicians and sanitarians will be increased by four steps. The cost is \$1 million (GF) and \$711,457 (NGF) each year.
- ***Increased Rent and Renovation of Local Offices.*** Increases are recommended for rent and utilities in 163 local health department offices, and renovations in 14 of the most deteriorated facilities. The cost would be \$477,625 (GF) and \$315,083 (NGF) the first year. In the second year, \$724,644 (GF) and \$483,096 (NGF) are included.
- ***Federal Mandates for Lab Quality.*** Recent federal requirements for training, supervision, and equipment testing will add costs in local health department laboratories. For each year of the biennium, four positions and \$552,362 (GF) and \$552,362 (NGF) are added.
- ***Tuberculosis Outreach.*** Twenty-two positions, \$209,030 (GF) and \$168,877 (NGF) each year are included to improve outreach and treatment monitoring for tuberculosis victims.
- ***Roanoke Medical Examiner's Office.*** A contract with a local hospital for medical examiner services has expired. New office space and one position will be required, at a cost of \$106,550 (GF) the first year and \$92,100 (GF) the second year.
- ***Teen Pregnancy Prevention.*** Appropriations from the general fund and matching federal Medicaid funds total \$1.4 million for teenage prevention projects in four additional sites. Also \$100,000 is added to meet the demand for additional contraceptives in local health departments.
- ***Resource Mothers.*** The "Resource Mothers" program, in which volunteers help teenage mothers, will be expanded statewide. An additional \$500,000 (GF) and matching federal funds will be used for this program.

- ***Sickle Cell Prevention/Education.*** The adopted budget includes \$500,000 for education and prevention programs, to assist persons afflicted with Sickle Cell disease.
- ***Sexual Assault Crisis Centers.*** An additional \$200,000 is included for sexual assault crisis centers, to meet increased need for services.
- ***Vital Records Automation.*** The General Assembly increased the charge for vital records from \$5 to \$8. This change will increase nongeneral fund revenues by \$3.4 million, with a reduction of \$1.1 million from the general fund.
- ***Nongeneral Funds.*** Additional federal funds are expected for nutrition programs, AIDS prevention and treatment, and primary care. Federal funds will increase by \$6.7 million the first year and \$9.0 million the second year. A total of 65 positions will be added.

Department of Social Services

The recommended \$488.2 million (GF) biennial budget for DSS includes reductions of \$2.3 million and increases of \$15.1 million. A total of 142 positions are added, mostly supported by nongeneral funds for child support enforcement.

Reductions

- ***Savings through Automation.*** A savings of \$2 million in the second year is approved, when automation of client eligibility determination begins to reduce administrative costs in local departments of social services.
- ***Central Office Savings.*** Training, travel and other administrative costs will be reduced by \$147,413 the first year and \$168,714 the second year.

Increases

- ***AFDC Caseload Growth.*** Although the state's economy is slowly recovering, slight growth (less than one percent) is still projected in the caseload for Aid to Families with Dependent Children. Benefit costs are expected to increase by \$1.2 million (GF) the first year and \$2.0 million (GF) the second year. An equal amount of federal funds is also included.
- ***Automation of Client Eligibility.*** DSS is phasing in a new automated eligibility determination system. Client records will be entered onto the system in local departments of social services. The budget includes \$137,415 (GF) and \$195,611 (NGF) the first year, and \$848,445 (GF) and \$1.2 million (NGF) the second year for this purpose. Additional computer

charges and maintenance are also expected, at a cost of \$1.5 million (GF) and \$1.3 million (NGF) the first year, and \$2.1 million (GF) and \$1.9 million (NGF) the second year.

- **Homes for Adults.** In the DSS budget, \$2.7 million (GF) the first year and \$1.8 million (GF) the second year is added for increase auxiliary grant payments to homes for adults. This amendment is part of a new, two-level system of care and reimbursement. Medicaid costs will also be included in this new system. The total cost is \$17.7 million, including \$12.1 million (GF) and \$5.6 million (NGF) in federal funds.
- **Welfare Reform.** A total of \$2.0 million (GF) was added for programs related to welfare reform. This total includes: \$750,000 (GF) and matching federal funds for the federal JOBS program; and \$750,000 for costs of tax credits and public works programs adopted by the General Assembly. Also \$500,000 and matching federal funds are added for day care assistance to low-income, working families.
- **Community Action Agencies.** Anti-poverty programs sponsored by community action agencies (CAAs) will receive an additional \$800,000. Funds will be distributed equitably, according to a formula developed by the CAAs.
- **Information and Referral.** Additional automation of a statewide system for information and referrals for human services is expected to cost \$240,082.
- **Child Support Enforcement.** A number of amendments add nongeneral funds and staff to increase enforcement of child support orders. These amendments include:
 - \$2 million for 20 additional support positions;
 - \$7.8 million for additional computer equipment, plus operational and communications costs;
 - \$3 million in postage for additional billings;
 - \$8.7 million for 117 additional support enforcement positions; and,
 - \$573,516 for increased space and rent in central and local offices.
- **Services for At-Risk Youth.** Interagency funds for treatment of emotionally and behaviorally disturbed youth have been consolidated in the Department of Education (DOE), pursuant to the Comprehensive Services Act. Each year of the biennium, \$450,000 will be transferred from DSS to DOE for this purpose. Also, the General Assembly added \$2.0 million for additional services to at-risk youth. Funds are appropriated to DOE, as the fiscal agent for administering the Comprehensive Services Act.

Department of Rehabilitative Services

The \$35.5 million budget for DRS includes administrative reductions of \$371,240. A number of increases, totaling \$2.0 million, were included by the General Assembly.

Increases

- ***Supported Employment for the Disabled.*** A total of \$750,000 (GF) and \$562,500 (NGF) are included for employment services for physically and mentally disabled persons. The services are provided through sheltered workshops and other businesses.
- ***Centers for Independent Living.*** An additional \$300,000 is included for 10 local centers that provide a range of support services to disabled persons.
- ***Disability Services Boards.*** Two years ago, the General Assembly established a system of local service boards to assist disabled persons. In the second year, an initial \$500,000 is provided to these boards, to help localities develop services for disabled persons.
- ***Other Services for the Physically Disabled.*** Additional personal and household assistance would be provided to disabled working persons who live at home, with an added \$378,000. Also, \$100,000 is added to the "Consumer Services Fund," a fund of last resort for disabled persons who cannot receive payment for services from any other source.
- ***Woodrow Wilson Rehabilitation Center (WWRC).*** The introduced budget proposed reductions to the spinal cord injury program at WWRC. The General Assembly restored \$300,000 for this program. Also, \$300,000 is added to meet the needs of head injured persons waiting for rehabilitation services at WWRC.

Natural Resources

The budget adopted by the General Assembly increases the general fund appropriation for natural resource agencies by \$5.0 million. General fund reductions total \$11.4 million and 87 FTE positions. General fund increases total \$16.4 million and 202 FTE positions.

The major increases included in SB 30, as adopted, provide \$3.0 million in general fund support for historical societies and landmarks. About \$2.4 million is provided for increased operations in park and natural area projects, and to open the new parks purchased with proceeds from the 1992 bonds. The budget as approved also continues funding in the amount of \$3.0 million for the Buena Vista Floodwall.

Major reductions in the introduced bill included the elimination of the Virginia Water Revolving Loan funds (\$2.0 million), the EcoMaps program (\$0.3 million), and the statewide soil survey and soil mapping program (\$.7 million).

Finally, the General Assembly reversed an action proposed in the introduced budget to shifting the cost of several programs from general fund sources to the Marine Fishing Improvement Fund and the Virginia Saltwater Recreational Fishing Development Fund.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	<u>Base Budget</u>		<u>Reductions</u>		<u>Increases</u>	
	<u>GF</u>	<u>FTE</u>	<u>GF</u>	<u>FTE</u>	<u>GF</u>	<u>FTE</u>
Sec. of Nat. Res.	\$ 0.7	5	<(\$0.1)	(0)	<\$0.1	0
Env. Quality	62.7	908	(4.7)	(45)	4.2	171
Hist. Resources	4.2	43	(0.4)	(1)	3.5	0
Game/Inland Fish.	NGF	444	NGF	(33)	0.1	0
Conserv./Recreat.	42.4	344	(4.8)	(8)	7.6	19
Marine Res. Comm.	15.8	162	(1.3)	0	0.9	0
Ches. Bay Local Assistance Dept.	4.6	20	(0.0)	0	0.1	2
Mus. of Nat. Hist.	4.0	35	(0.1)	(0)	<0.1	0
Total	\$134.4	1,961	(\$11.4)	(87)	\$16.4	202

Increases in (NGF) appropriations have been included for the Department of Environmental Quality for a number of programs, including: Clean Air Act

Compliance (\$16.1 million and 154 FTE positions); and Oil Discharge Monitoring (\$0.6 million and 9 FTE positions).

Additional (NGF) appropriations are also included for the Department of Conservation and Recreation. These increases include: increased revenues from user fees in State Parks (\$0.9 million); federal funds for Nonpoint Source Pollution and Land & Water grants (\$1.6 million); and funding from federal and private sources for Natural Areas inventories (\$0.5 million).

Department of Environmental Quality

As adopted by the General Assembly, the budget provides for a net general fund decrease of \$0.5 million for the Department of Environmental Quality and a net nongeneral fund increase of \$16.0 million. An increase of 171 FTE positions is also included. With these changes, the 1994-96 biennial appropriation for DEQ is \$62.2 million (GF), \$100.2 million (NGF), and 1,034 FTE positions.

Reductions

- **Agency Reductions.** Reductions of \$4.7 million (GF) and 45 FTE positions are budgeted. Included in the reductions are the following elements:
 - Administrative efficiencies in enforcement and inspection activities (\$0.3 million and 3 FTE positions).
 - Environmental impact analysis, response to chemical emergencies, air modeling analysis and water research activities (\$1.1 million GF and 12 FTE positions).
 - Switch storage tank inspection positions from general fund to nongeneral fund sources (\$0.5 million).
 - EcoMaps services/Geographic Information System (\$0.3 million and 3 FTE positions).
 - Transfer of administration of the Superfund Program (\$0.3 million GF/2.50 FTE positions and \$1.5 million NGF/22.50 FTE positions) to the U.S. Environmental Protection Agency.
- **Wastewater Revolving Loan Fund.** Due to the uncertainty of future federal funding for the Wastewater Revolving Loan Fund, the budget incorporates language giving the Governor authority to grant match funding to DEQ if federal wastewater funding is made available. General fund support (\$2.0 million) has been eliminated.
- **Transfer Coastal Zone Management.** A total of \$1.4 million in nongeneral funds for the administration of the federal Coastal Zone Management

program and 2 FTE positions have been transferred to the Chesapeake Bay Local Assistance Department.

Increases

- **Increased Rental Charges.** An increase of \$1.2 million (GF) has been included to pay the general fund portion of increased rent costs associated with DEQ's headquarters move from state-owned space to privately leased space in downtown Richmond.
- **Transfer of Laboratory Testing Costs.** The budget includes the transfer of \$2.6 million (GF) from the Department of General Services to the DEQ. The funds are to be used to support scientific analysis of air samples, hazardous waste samples, and soil/sediment/tissue samples for DEQ. Under a pilot program, DEQ will have the authority to use DGS or contract with private vendors for the performance of these lab services.
- **Nongeneral Fund Appropriations.** Increases in NGF appropriations have been approved for the Department of Environmental Quality for a number of programs, including: Clean Air Act Compliance (\$16.1 million and 154 FTE positions); Environmental Emergency Response (\$0.9 million and 7 FTE positions); and Oil Discharge Monitoring (\$0.6 million and 9 FTE positions).

Department of Historic Resources

The budget, as approved by the General Assembly, provides for a net increase of \$3.1 million (GF) for the Department of Historic Resources. With these changes, the 1994-96 biennial appropriation for the agency is \$7.3 million (GF), \$1.3 million (NGF), and 42 FTE positions.

Reductions

- **Agency Reductions.** Reductions of \$0.2 million (GF) and 1 FTE position were included in the budget, as adopted. Included in the reduction plan were these elements:
 - Eliminate subsidy provided to the Preservation Alliance (\$10,796).
 - Reduce publications and outreach programs (\$63,692).
 - Eliminate 1 administrative position (\$0.1 million and 1 FTE).

Increases

- **Funding for Historical Societies.** An increase of \$3.0 million (GF) has been provided as grants to a variety of historical societies and landmarks.

The detailed list identifying the affected organizations and specific allocations is included in this document in the non-state agencies section.

- **DGS Rental Charges.** An increase of \$0.3 million (GF) has been budgeted to pay the general fund portion of rent to the Department of General Services for space that the agency occupies in state-owned buildings in the Capitol Square area. In prior biennia, the funding for this purpose was provided in Central Appropriations.

Department of Conservation and Recreation

The General Assembly's budget actions provide for a net increase of \$2.8 million (GF) for the Department of Conservation and Recreation and an increase in nongeneral funds of \$3.0 million. With these changes, the 1994-96 biennial appropriation for the agency is \$45.1 million (GF), \$15.1 million (NGF), and 365 FTE positions.

Reductions

- **Agency Reductions.** Reductions of \$3.2 million (GF) and 3 FTE positions were adopted by the General Assembly. Included in the reductions were these elements:
 - Reduce general fund support (\$0.6 million) for the Soil Mapping Services program. The budget, as introduced, would have entirely eliminated the program. *(By appropriating \$350,000 each year for the program, the General Assembly will allow the agency to meet contractual obligations and to continue a limited soil survey and mapping program.)*
 - Reduce wage staff in parks, to provide \$0.6 million in savings.
 - Eliminate local park project grants to localities, for a savings of \$0.5 million and 1 FTE position. These grants to localities have supported the acquisition and development of local recreation areas.
 - Implement agency downsizing and efficiency strategies to provide \$1.6 million (GF) and 3 FTE positions in savings in the 1994-96 biennium.

Increases

- **Buena Vista Flood Wall.** A total of \$1.8 million (GF) has been approved over the base budget to assist the City of Buena Vista to meet the cost-share requirement for the construction of a flood control project by the U.S. Army Corps of Engineers. This is a continuation of funding, begun in 1991, which is needed through FY 1997. The total cost of the project, to be paid over five years, would be \$41.7 million. Of that amount, the general fund's

share will total \$4.7 million. The remaining portions are split between federal and local sources.

- ***Funding State Park Needs.*** A total of \$2.3 million (GF), \$0.9 million (NGF) and 23 FTE positions have been approved to provide for additional costs associated with the expansion of operations in park facilities and natural areas that were acquired, expanded, or improved with proceeds from the 1992 general obligation bonds. The additional funds also allow the park season to be extended by a minimum of two months each year in the 1994-96 biennium.
- ***DGS Rental Charges.*** An increase of \$0.9 million (GF) has been appropriated to pay the general fund portion of rent to the Department of General Services for space that the agency occupies in state-owned buildings in the Capitol Square area. In prior biennia, the funding for this purpose was provided in Central Appropriations.
- ***Nongeneral Fund Appropriations.*** Additional (NGF) appropriations have been approved for the Department of Conservation and Recreation. These appropriations include: increased revenues from user fees in State Parks (\$0.9 million); federal funds for Nonpoint Source Pollution and Land & Water grants (\$1.6 million); and funding from federal and private sources for natural area inventories (\$0.5 million).

Marine Resources Commission

The budget, as approved, provides for a net decrease of \$0.4 million (GF) for the Marine Resources Commission. With this reduction, the 1994-96 biennial appropriation for the Commission is \$15.4 million (GF), \$8.8 million (NGF) and 162 FTE positions. The General Assembly reversed actions taken in the introduced bill to supplant saltwater fishing license revenue for general fund dollars.

Reductions

- ***Agency Reductions.*** The budget, as approved, includes reductions of \$0.4 million (GF). The General Assembly reversed actions taken in the introduced budget to shift the cost of several programs from the general fund to the Marine Fishing Improvement Fund and the Virginia Saltwater Recreational Fishing Development Fund. The affected programs include: Wallop-Breaux grants; artificial reefs; oyster repletion; and a portion of law enforcement activities.

Chesapeake Bay Local Assistance Department

There are no budget reductions for the Chesapeake Bay Local Assistance Department. The budget provides an increase of \$100,605 (GF) and an increase of

\$1.4 million (NGF) for CBLAD. With these changes, the 1994-96 biennial appropriation for the Department is \$4.7 million (GF), \$1.4 million (NGF) and 22 FTE positions.

Increases

- ***DGS Rental Charges.*** An increase of \$0.1 million (GF) has been budgeted to pay the general fund portion of rent to the Department of General Services for space that the agency occupies in state-owned buildings in the Capitol Square area. In prior biennia, the funding for this purpose was provided in Central Appropriations.
- ***Coastal Zone Management Program.*** A total of \$1.4 million in nongeneral funds for administration of the federal Coastal Zone Management program and 2 FTE positions have been transferred from the Department of Environmental Quality.

Virginia Museum of Natural History

The approved budget provides for a decrease of \$0.1 million (GF) for the Virginia Museum of Natural History. With this reduction, the 1994-96 biennial appropriation (GF) for the Museum is \$4.0 million, \$275,000 (NGF), and 35 FTE positions.

Reductions

- ***Agency Reductions.*** The General Assembly restored the major cuts, resulting in an actual decrease of \$0.1 million (GF) rather than the \$0.4 million included in the introduced budget.
 - The plan to eliminate the branch museums at Virginia Tech and the University of Virginia (\$259,500) was reversed by the General Assembly. However, there is a reduction in general fund support for one administrative staff position (\$114,578). The FTE position is continued for a development officer, but is funded from nongeneral fund sources.

Increases

- ***Museum Promotion.*** An increase of \$50,000 was adopted by the General Assembly for the Museum to augment advertising and promotional activities.

Public Safety

Increasing numbers of adult and juvenile offenders are the driving force behind the increases in the budget for Public Safety. Recognizing this growth in workload, the General Assembly has approved construction of nine new prisons since 1990, as well as increased funding for state police, and a new maximum security juvenile learning center, correctional education, treatment, and work programs, and intermediate sanctions for lower-risk offenders.

Budget, As Adopted

The budget, as adopted, for Public Safety agencies totals \$1.57 billion for the 1994-96 biennium. This represents a 3.5 percent increase over the base budget, incorporating total increases of \$83.7 million and total reductions of \$30.3 million. Total spending for the Office of Public Safety in the biennium accounts for 10.5 percent of total general fund operating appropriations.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	Base Budget		Reductions		Increases	
	GF	FTE*	GF	FTE*	GF	FTE*
Secretary	\$0.9	5	(<0.1)	0	<0.1	0
Criminal Justice	158.2	106	(6.3)	(8)	2.3	10
Comm. Attorneys	0.5	3	(<0.1)	0	0.6	0
Fire Programs	0.0	24	(0.0)	0	0.0	0
State Police	237.1	2,323	(3.8)	0	5.4	38
Corrections	853.6	9,676	(12.8)	(369)	63.8	780
Correctional Educ.	38.7	458	(0.8)	(13)	4.2	41
Parole Board	5.2	56	(0.1)	(0)	0.0	0
Youth Services	203.6	1,743	(5.5)	(3)	5.9	28
ABC Board	0.0	1,083	0.0	(0)	0.0	0
Emergency Service	7.1	84	(0.2)	(0)	1.9	0
Military Affairs	10.9	128	(0.9)	(3)	0.1	50
Total	\$1,515.9	15,688	(\$30.3)	(395)	\$83.7	948

* FTE totals include both general and nongeneral fund positions.

In addition to the reductions shown above, \$1.3 million which represents a transfer to the Compensation Board from the Department of Criminal Justice Services and the Commonwealth's Attorneys' Services Council, for special anti-drug prosecutors.

The Department of Corrections (DOC) is the largest agency in this secretariat. The recommended DOC operating budget for 1994-96 is \$904.6 million -- a \$51 million (6 percent) increase over the base. DOC accounts for 58 percent of the total \$1.57 billion Public Safety biennial budget.

Of the total \$83.7 million in Public Safety funding increases, \$63.8 million is for DOC. Of this amount, \$37.4 million is for operating expenses for three new prisons which will open in the 1994-96 biennium (Culpeper, Deerfield, and Lunenburg) and one work release center.

This amount is in addition to the \$17.4 million included as an adjustment to the base budget to account for two full years of operation for three new prisons which opened during fiscal year 1994 (Dillwyn, Indian Creek and Haynesville).

The major reduction proposed in the DOC budget was the closure of Mecklenburg Correctional Center. However, Governor Allen proposed deferring the closure of Mecklenburg, and the General Assembly agreed to replace sufficient funds so as to postpone the closure until July 1, 1995. A savings of \$9.8 million is realized in the second year. Language and \$50,000 is included in Senate Bill 31 directing the Secretary to study the future use of this facility.

The Department of Youth and Family Services (DYFS) budget is \$204.1 million, an increase of 0.2 percent above the base. Adoption of serious juvenile offender legislation will affect the budget of this agency in the near future.

The Department of State Police budget is \$238.6 million, an increase of 0.7 percent above the base. The increases include expansion of the anti-crime strike force, replacement of federal funds for drug investigators, and additional staffing for communications centers at division headquarters.

The Department of Criminal Justice Services budget is \$154.2 million, a decrease of 2.5 percent below the base. This reflects a 6.4 percent reduction in (House Bill 599) revenue sharing to localities in the second year, as well as reductions in other local assistance programs.

The following sections highlight the major agencies within the Office of Public Safety. For each agency, a summary is provided, along with a detailed description of all major budget reductions and increases.

Department of Criminal Justice Services

The budget, as adopted, for the Department of Criminal Justice Services (DCJS) is \$154.2 million for the 1994-96 biennium. This is a net reduction of 2.5 percent below the base, incorporating total increases of \$2.3 million and total reductions of \$6.3 million.

Reductions

- ***HB 599.*** The budget, as adopted, includes a reduction of 6.4 percent in the second year in revenue sharing for localities with police departments (House Bill 599 of 1979). The budget provides \$67 million the first year and \$62.8 million the second year. Further study is required to examine the variables in the allocation formula.
- ***State Matching Funds.*** The budget includes a reduction of \$400,000 each year in state matching funds for federal anti-drug abuse grants, due to the expected reduction in available federal funds.
- ***Law Enforcement Education Assistance.*** This program is eliminated for a reduction of \$86,927 each year.
- ***Child Sex Abuse Training.*** This program is eliminated for a reduction of \$68,000 each year.
- ***Citizen Volunteers in Jails.*** This program is eliminated for a reduction of \$67,585 each year.
- ***Oversight of Regional Academies.*** A reduction of one-third is proposed in the amount of time devoted to oversight and regulation of regional police training academies, for a reduction of \$45,386 each year.
- ***Special Drug Prosecutors.*** The DCJS budget, as introduced, included \$865,914 for the biennium for anti-drug prosecutors. In the adopted budget these funds are transferred to the State Compensation Board.

Increases

- ***Agency Rental Charges.*** Additional funds are included to enable the agency to consolidate its operations in rental facilities at 900 East Main Street in Richmond (\$586,000 for the biennium). The move is planned for August 1, 1994.
- ***Anti-Crime Partnership.*** A combination of general and nongeneral funds is included to continue the partnership with Newport News, along with an additional \$261,000 each year to initiate a second program. Applications will be solicited from localities during fiscal 1995.
- ***Pre-Trial Release.*** Funds are included for supervised release of low-risk, non-violent offenders awaiting trial (\$1.6 million for the biennium). These funds will be used to expand six existing programs, assume the cost of programs in Fairfax and Prince William Counties and Virginia Beach which are losing federal funds, and establish three new programs.
- ***Home Electronic Monitoring.*** An additional \$360,000 for the biennium is provided to expand home electronic monitoring for low-risk offenders.

- ***Crime Prevention Training.*** An additional \$200,000 for the biennium is provided to expand crime prevention training.
- ***Richmond Public Inebriate Center.*** An additional \$150,000 for the biennium is included for a public inebriate center in Richmond.
- ***Danville Victim-Witness Program.*** An additional \$70,000 for the biennium is included for a victim-witness assistance program in Danville.
- ***Federal Juvenile Justice Funds.*** Funds are recommended to match increased federal funds available under the Juvenile Justice and Delinquency Prevention Act (\$43,500 for the biennium).
- ***Private Security.*** Nongeneral funds are recommended for computer support for regulation of private security firms (\$30,000 for the biennium) and to extend the licensing and registration of private security firms to include electronic security firms, pursuant to House Bill 395 (\$400,415 NGF and five positions).

Commonwealth's Attorneys' Services Council

The budget for the Commonwealth's Attorneys' Services Council is \$634,160 for the 1994-96 biennium (an 18.7 percent increase over the base).

The budget, as introduced, included an additional \$201,216 (GF) each year to assume the costs of regional anti-drug prosecutors, because the federal grants which supported this program will expire. In the adopted budget, these funds are transferred to the State Compensation Board.

Reductions

- ***Agency Reduction.*** The Council will eliminate payment of per diems for Commonwealth's Attorneys and staff attending the spring institute, for a savings of \$25,000 each year.

Increases

- ***Prosecutorial Training.*** The budget, as adopted, includes \$75,000 each year for annual training for the 121 Commonwealth's Attorneys and their Assistants.

Department of State Police

The budget, as adopted, for the Department of State Police (DSP) is \$238.6 million for the 1994-96 biennium. This is an increase of 0.65 percent above the base, incorporating increases totaling \$5.4 million and reductions of \$3.8 million.

Reductions

- ***Administrative Expenses.*** A reduction of \$3.6 million for the biennium (or about 1.5 percent of the base) is proposed through tighter control of computer expenses, reduced expenditures for computer equipment replacement, travel and training reductions, consolidation of leased office space, reduced gasoline expenses, and other administrative expenses.
- ***Use of Nongeneral Funds.*** The cost of two special agents assigned to the auto theft program is offset with revenues from the Help Eliminate Auto Theft (HEAT) fund. This saves \$206,136 GF for the biennium.

Increases

- ***Anti-Crime Strike Force.*** The budget, as adopted, includes \$1.7 million for the biennium and 24 positions to expand the anti-crime strike force which works directly with local police in high-crime areas.
- ***Increased Fees.*** Increased general fund revenues are assumed through a \$5 increase (from \$10 to \$15) in the fee for criminal background checks (\$875,000 each year), and a \$2 increase (from \$4 to \$6) in the fee for accident reports (65,600 each year). These fees will be raised administratively. No legislation is required.
- ***Assumption of Federal Grants.*** The budget, as adopted, includes \$1.8 million for the biennium to pick up the cost of programs previously funded by federal grants, including drug surveillance vans and an intelligence center on drug crime.
- ***Software License Renewal.*** The budget includes \$661,000 to renew the license for the Unisys system control software and to purchase additional memory required for the Virginia Criminal Information Network.
- ***Sergeants and Dispatchers.*** The budget includes \$732,000 over two years to hire four sergeants and eight dispatchers, to provide 24-hour coverage in all division headquarters.
- ***Communications System.*** The budget includes \$394,000 for lease purchase of the microwave component of the new communications system.
- ***Criminal Records Checks.*** The budget includes \$97,600 and two positions for increased workload in checking criminal history records.

Department of Corrections

The budget, as adopted, for the Department of Corrections (DOC) is \$904.6 million for the 1994-96 biennium. This represents a net increase of \$51 million (6 percent) over the base, incorporating increases of \$63.8 million and decreases of \$12.8 million.

Reductions

- ***Close Mecklenburg Correctional Center.*** In recent years DOC has closed high-cost operations (including seven stick camps) to reduce the overall operating cost per inmate. The budget, as introduced, proposed the closure of Mecklenburg Correctional Center, which is the highest cost general purpose, maximum security prison in the nation. In fiscal 1993, the annual operating cost per inmate at Mecklenburg was \$35,918, compared to \$14,867 at the new Keen Mountain facility.

Governor Allen proposed and the General Assembly agreed to postpone the closure of Mecklenburg. The date for closure is set for July 1, 1995, which provides an opportunity for this issue to be revisited by the 1995 General Assembly. Accordingly, the budget, as adopted, includes a reduction of \$9.8 million in the second year only. Language is included in Senate Bill 31 directing the Secretary of Public Safety to report on options for reuse of the facility in a more cost-effective manner. The Secretary's initial report is due on June 1, 1994.

- ***Holding Positions Vacant.*** A reduction of \$500,000 each year is assumed by delaying the filling of vacant positions in the central office.
- ***Additional Reductions.*** An additional reduction of \$700,000 each year is assumed by reducing proposed increases for pre-release beds, sex offender supervision, power plant staffing, and starting up new prisons.

Increases -- Institutions

- ***Operating Cost for New Prisons.*** A total of \$37.3 million over two years is included for the start-up and operating costs for three new medium security, dormitory style prisons. The three prisons and their projected opening dates are: Deerfield, in Southampton County (July, 1994) Coffeewood, in Culpeper County (November, 1994), and Lunenburg. An additional \$467,775 over two years is included to open the new work release center in Botetourt County.

DOC estimated Lunenburg would open in April, 1995, but the budget, as adopted, assumes the date will be no earlier than July, 1995. Nine positions and \$638,000 are included for the Lunenburg facility, which is sufficient to plan the start-up.

However, this is about \$12 million less than the amount needed for a full year of operation during fiscal 1996. For this reason, additional funds will have to be added to the budget by the 1995 General Assembly.

- ***Contract for Private Facilities.*** For the first year, \$50,000 is provided for DOC to seek proposals for up to 2,000 private, minimum security beds. These may include pre-release or return-to-custody facilities. For the second year, \$2,050,000 is included for the contracts. Additional funds will have to be added later.
- ***Options for Land for New Prisons.*** The budget includes \$100,000 to purchase options on land which will be needed for additional prisons. Language is included calling for a report to the money committees when such options are obtained.
- ***Specialized Drug Treatment Facility.*** The budget includes an additional \$882,232 over two years and 30 positions to designate the new Indian Creek Correctional Center in the City of Chesapeake as a specialized drug treatment facility. Language is included directing DOC to seek federal anti-drug funds for this purpose, as well as for a specialized facility for intermediate mental health treatment.
- ***Medical Services Enhancements.*** Based on the 1993 JLARC reports on inmate health care, the budget includes \$1.9 million and 25 FTE positions over two years for improvements in prison health services. These enhancements include additional nurses, dentists, dental assistants, dental equipment, mental health positions, and funds for computers and software to automate medical records. Language is also included which directs that DOC and the Medical College of Virginia conduct a feasibility study concerning the use of telemedicine technology to provide medical consultation and diagnostic services to remote sites in the prison system.
- ***Women's Health, Education, and Treatment Services.*** The budget includes \$39,400 over two years to provide women's health clinics at the Virginia Correctional Center for Women through contracts with MCV. Language is also included which directs that reports be provided on the educational, mental health, physical health, and substance abuse treatment plans for the new women's prison. These reports are to be submitted prior to approval of the preliminary design and again prior to approval of working drawings.
- ***Serious Juvenile Offenders.*** A special fund of \$407,820 is established pursuant to Section 30-19.1:4 of the *Code of Virginia* to recognize the additional cost of Senate Bill 520 and House Bill 1243, which will result in the need for additional prison beds. These bills lower the age of transfer from 15 to 14 years under specified criteria, and will result in a limited number of 14-year olds being committed to DOC.

- ***Automation of Classification and Records.*** A total of \$711,000 over two years and 11 positions are included to address the increasing workload in classification and time computation. A 1993 Senate initiative provided start-up funds for this effort, and language called for a strategic plan by the Department of Information Technology (DIT). A portion of these funds is intended to begin the implementation of the DIT report.
- ***Agribusiness Initiative.*** The budget includes \$2 million over two years and 28 positions to expand work programs on the prison farms. Language is also included which calls for a plan to achieve agricultural self-sufficiency in certain commodities by 1998. (A reduction of \$356,200 in food costs is assumed in the second year as a result of this initiative.)
- ***Correctional Enterprises.*** The budget, as adopted, includes \$9.2 million (NGF) from the Enterprise Fund for expansion of prison industries. New clothing industries will be started at Haynesville and Culpeper, along with metal fabrication at Dillwyn and office furniture at Indian Creek. Also, a new eyeglass industry will be started at Southampton. Start-up costs for these new industries are to be funded from projected balances in the Enterprise Fund.

Three language amendments are included concerning Virginia Correctional Enterprises (VCE).

- ***Working Capital Advance.*** First, a general fund loan from the Treasury is authorized to provide a working capital advance.
- ***Quality Control Study.*** Second, a study is initiated to improve competitiveness, quality control, and job training in VCE.
- ***Factories Behind Fences.*** Third, a statement of legislative intent is included which supports the concept of prisons becoming factories behind fences and farms in which offenders pay back part of the cost of their incarceration through productive work.
- ***Corrections Construction Corps.*** The budget includes \$1.1 million (NGF) over two years for operation of the inmate construction unit. This provides formal authorization for the existing practice of charging various capital project accounts for overhead expenses.
- ***Security Staffing Formula Adjustment.*** The 1985 study of security staffing developed standards to determine how many officers are needed to staff one post around the clock, 365 days per year. The most recent update of the study suggests a need for 15 additional positions. An additional \$442,000 over two years is included to phase in these new positions.
- ***Pocahontas Field Unit Security.*** The budget includes \$373,000 and seven positions to increase security at the Pocahontas Correctional Field Unit.

- ***Reception Center Staffing.*** The budget includes \$149,000 and three positions to staff a new reception building at Deep Meadow.
- ***Assumption of Federal Grants.*** The budget includes \$239,000 each year to replace federal funds no longer available after June 30, 1994 for substance abuse treatment.
- ***Firearms Training.*** The budget includes \$50,000 for a firearms training simulator for the Academy for Staff Development.
- ***Drug Dog Handlers.*** The budget includes \$234,000 over two years to replace federal funds for drug dog handlers.
- ***Payroll Positions.*** The budget includes \$118,000 and three positions to process payrolls for the new prisons.
- ***Prison Visitation.*** The budget includes \$34,000 (NGF) over two years for the Prison Visitation Project, Inc. These funds are provided from commissary profits. A companion amendment eliminates the same amount in general funds from the budget for the Department of Criminal Justice Services (Item 534).

Increases -- Community Corrections

- ***Probation Office Automation.*** The budget includes \$3.9 million over two years to complete the basic automation of all district probation and parole offices.
- ***Assumption of Federal Grants.*** The budget includes \$4.2 million over two years to replace federal funds which currently support 46 positions in the intensive supervision program. These federal funds will be terminated as of July 1, 1994.
- ***Substance Abuse Treatment.*** The budget includes \$1 million over two years to provide community substance abuse treatment.
- ***Richmond Day Reporting Center.*** The budget includes \$575,000 over two years and six positions for a new day reporting center in Richmond for parole violators who can be diverted from the city jail.
- ***Norfolk Day Reporting Center.*** The budget includes \$575,000 over two years and six positions for a new day reporting center in Norfolk for parole violators who can be diverted from the city jail.
- ***Abingdon Day Reporting Center.*** The budget includes five positions to be paid from a federal grant for a new day reporting center in Abingdon.

- ***Intensive Supervision and Electronic Monitoring.*** The budget includes \$1,245,654 over two years and 12 position to expand intensive supervision and home electronic monitoring of low-risk offenders.
- ***Probation Office Security Equipment.*** The budget includes \$225,000 the first year for security equipment for probation officers and district offices, including cellular telephones, lightweight underclothing vests, and office security enhancements.
- ***Post-Release Services.*** The budget includes \$72,000 over two years and one position to help parolees find jobs after their release from prison.
- ***General District Court Services.*** The budget includes language directing the Department of Corrections to solicit proposals for up to four pilot court service programs for General District Courts. This language follows up on a report on redirecting the Community Diversion Incentive (CDI) program, required in the 1992 Appropriation Act.
- ***Jail Support Positions.*** The budget includes \$158,000 over two years and two positions to review community corrections plans as required by the 1993 jail finance legislation. These positions will also audit jail population reports.
- ***DOC Jail Construction Reimbursement.*** The budget includes \$2.2 million for the second installment of reimbursement (on a lump sum basis) for the state share of the Northern Neck Regional Jail. The first installment of \$1.1 million is included in Senate Bill 31.
- ***Treasury Board Jail Construction Reimbursement.*** Reimbursement for other regional jails over time, based on 50 percent of debt service costs, is included under the Treasury Board. This includes \$2.1 million each year for the Riverside Regional Jail, \$505,000 each year for the Harrisonburg-Rockingham County Regional Jail, and an additional \$600,000 (for a total of \$1.8 million) each year for the Arlington-Alexandria-Falls Church Regional Jail.
- ***Rental Charges.*** The budget includes \$602,000 over two years for rent increases and moving costs for probation and parole offices.

Department of Correctional Education

The budget for the Department of Correctional Education (DCE) is \$42.1 million for the 1994-96 biennium. This represents a net increase of 8.9 percent above the base budget, incorporating increases of \$4.2 million and reductions of \$0.8 million.

Reductions

- ***Position Reductions.*** The budget eliminates three positions, including two in the central office and one in the field, for a reduction of \$390,000 over two years.
- ***Close Mecklenburg School.*** Consistent with the recommendation to close Mecklenburg Correctional Center, the budget, as adopted, assumes the closure of the prison school at that facility, as of July 1, 1995. This action saves \$380,834 and eliminates ten positions in the second year only.

Increases

- ***New Correctional Schools.*** An additional \$2.3 million and 17 positions over two years is included to start up new schools at the three prisons coming on line at Deerfield, Culpeper, and Lunenburg.
- ***Educational Services for Youth.*** An additional \$841,000 over two years is included for vocational education (13 positions), occupational therapy (one position) and speech and language services (one position).
- ***Vocational Services for Youth and Adults.*** An additional \$408,696 and four positions are included for vocational assessment services for juvenile and adult offenders.
- ***Apprenticeship Training for Adults.*** An additional \$250,000 and 4.55 positions are included for apprenticeship training for adult offenders.
- ***Replacement of Equipment.*** An additional \$200,000 the first year is included for replacement of vocational education equipment.

Virginia Parole Board

The budget, as adopted, for the Parole Board is \$5.1 million for the 1994-96 biennium. This represents a \$100,000 (or 1.9 percent) reduction below the base.

Reductions

- ***Operational Efficiencies.*** Steps totaling \$50,000 each year are approved to reduce data processing, convention, education, travel, and equipment replacement and repair, and other administrative expenses.

Department of Youth and Family Services

The budget, as adopted, for the Department of Youth and Family Services (DYFS) is \$204.1 million for the 1994-96 biennium. This represents a 0.2 percent increase above the base. This incorporates total increases of \$5.9 million and total decreases of \$5.5 million.

Reductions

- ***Eliminate Funding for Offices on Youth.*** The budget, as adopted, eliminates all funding in the second year for all 50 local offices on youth, or juvenile delinquency prevention. A ten percent reduction is applied to first year funding.
- ***Reduce Block Grant Funding.*** The department provides block grant support for the operations of local and regional juvenile detention facilities, group homes, and related programs. The block grant is reduced by \$738,084 (about 3.2 percent) each year. Language is included directing the Board of Youth and Family Services to apportion the reduction on the basis of facility utilization and other factors as appropriate. (The reductions would generally be assigned to those facilities which are underutilized.)
- ***Reduce Local Court Services Unit Reimbursement.*** The budget reduces funding for locally-operated court services units (Arlington and Fairfax Counties and the City of Falls Church) by \$400,000 each year.
- ***Reduce Camp New Hope.*** The budget reduces funding for the wilderness program at Natural Bridge Learning Center by \$132,747 and three positions each year.
- ***Increase Position Vacancies.*** The budget assumes a reduction of \$230,000 each year from holding positions vacant in the central office.

Increases

- ***Open New Beaumont Facility.*** An additional \$277,000 and five positions are included to oversee the opening of the new maximum security facility at Beaumont Learning Center.
- ***Learning Center Security.*** An additional \$619,000 and 20 positions are included to enhance security staffing at the learning centers. Language is also included directing DYFS to submit a report by July 1, 1994, on security at Barrett Learning Center.
- ***Assumption of Federal Grants.*** Eleven substance abuse counseling positions are currently funded with federal anti-drug funds. This grant will be terminated, so the budget includes \$525,000 each year to continue these treatment positions.

- ***Serious Juvenile Offenders.*** The budget includes \$250,000 the first year for the fiscal impact on learning centers of Senate Bill 520 and House Bill 1243. These bills provide specific criteria for (1) lowering the age at which a juvenile may be tried as an adult; and (2) authorizing determinate sentencing for up to seven years in a learning center for serious juvenile offenders. Language is included directing the Department of Planning and Budget to specify the fiscal impact for the remainder of the biennium and beyond, and develop a plan to provide the necessary resources.
 - ***Intensive Supervision.*** An additional \$183,650 each year is included for intensive supervision of offenders who will be diverted from learning centers under this legislation.
 - ***New Learning Centers.*** An additional \$50,000 the first year is included for options on land for new learning centers which will be needed as a result of this legislation.
- ***Local Serious Offender Programs.*** An additional \$407,500 the first year and \$1.3 million the second year are included to establish a pilot inner city program for serious juvenile offenders. Also, an additional \$250,000 each year is included for full funding of the Associated Marine Institute program in Norfolk, initiated by the 1993 General Assembly.
- ***Court Services Unit Automation.*** The budget includes \$600,000 the first year for office automation for juvenile court services units.
- ***Juvenile Detention Homes.*** The budget includes \$553,425 the first year for the state share of the operating expense for the new wing of the Northern Virginia Detention Home in Alexandria. The new wing is expected to open in August, 1994. Language is also included which recognizes that the Loudoun County Detention Home project has been approved for funding in the legislative session prior to the fiscal year in which the project is expected to be completed.
- ***Federal Funds for School Food.*** The budget assumes increased USDA funds totaling \$488,800 (NGF) each year for learning centers and local juvenile facilities.
- ***Maximization of Other Federal Funds.*** One position and \$55,610 is provided each year to enable DYFS to increase its reimbursement under the federal Title IV-E Foster Care and Title XIX Medicaid programs. The net savings is estimated at \$334,690 for the biennium.
- ***Central Office Staffing.*** The budget includes \$230,000 over two years for a programmer/analyst and an architect to strengthen the central office of DYFS.

Department of Alcoholic Beverage Control

The budget, as adopted, for the Department of Alcoholic Beverage Control (ABC) is \$461.6 million (NGF) for the 1994-96 biennium. This represents an increase of 0.02 percent above the base. The budget includes \$100,000 (NGF) for studies of the agency's inventory control and accounting systems.

Department of Emergency Services

The budget, as adopted, for the Department of Emergency Services (DES) is \$8.9 million for the 1994-96 biennium. This represents a net increase of 24.5 percent above the base, but almost all of the increase is accounted for by one-time disaster relief payments for two cities.

Reductions

- ***Reduce Chemical Emergency Planning.*** A reduction of \$85,000 each year in the budget, as adopted, will reduce planning for chemical emergencies. Other reductions in planning will save \$15,000 each year.

Increases

- ***Disaster Relief Payments.*** The budget, as adopted, includes \$1,200,000 as a one-time payment to the City of Petersburg for expenses which were not otherwise reimbursed due to the tornado disaster of August, 1993. The budget also includes \$600,000 as a one-time payment to the City of Lynchburg for similar expenses resulting from extensive storm damage in June, 1993.
- ***Hazardous Materials Training.*** The budget includes \$40,800 to maintain the current level of effort in training as required by the Hazardous Materials Transportation Uniform Safety Act of 1990.
- ***Hazardous Materials Equipment.*** The budget includes \$30,000 each year to provide new equipment for local hazardous materials response teams.
- ***Flood Warning System.*** The National Weather Service provides equipment for the Integrated Flood Warning System (IFLOWS), but the state is responsible for maintaining and operating the system. An additional \$20,275 each year is included for increased operating expenses.

Department of Military Affairs

The budget for the Department of Military Affairs (DMA) is \$10.1 million for the 1992-94 biennium. This is a net reduction of 7.6 percent.

Reductions

- ***Reduce Tuition Assistance Program.*** The stipend for tuition assistance for eligible National Guard members was reduced in 1991 from \$500 to \$250 per semester. About 1,200 National Guard members received assistance in 1991.

The 1992 General Assembly reduced the appropriation to \$100,000 for fiscal year 1994 with the intention of phasing out the program. The explanatory paragraph in the 1992 conference committee report explained: "The funding is phased down to reflect current commitments combined with the phased elimination of funding..."

The budget, as introduced, eliminated the program, but the General Assembly restored \$57,000 each year in the budget, as adopted.

- ***Close Three Armories.*** The budget, as adopted, eliminates \$88,000 each year to reflect a recommendation to close the Farmville, Hopewell and Chesapeake armories.
- ***Reduce Maintenance.*** The budget, as adopted, includes reductions of \$65,000 each year by reducing maintenance and repair of armories and an additional \$80,000 each year by reducing custodial services.
- ***Reduce Administrative and Clerical Expenses.*** The budget, as adopted, includes reductions of \$52,000 each year by eliminating 2.5 administrative positions and an additional \$80,000 each year by reducing clerical and temporary assistance.

Increases

- ***Military Youth Challenge Corps.*** The budget, as adopted, includes \$6.5 million (NGF) over two years and 50 positions to establish a new Military Youth Challenge Corps. This new program will provide residential training at the State Military Reservation for high school dropouts who have not yet become involved with the juvenile justice system. Language is included which requires that this effort be coordinated with existing state programs.

Transportation

The budget, as adopted, generally continues current services with available nongeneral fund revenues. Additional revenues will allow transportation base budgets to increase by 2.4% or \$98 million (NGF) for the 1994-96 biennium. Furthermore, a February revenue re-forecast not included in the budget increased expected transportation revenues by another \$53.3 million over the next three years. Also included in the base budget is the full \$40 million per year from general funds for the Route 58 Corridor Development Program. This is \$17.7 million per year above the \$22.3 million appropriation in the FY 1994 budget.

Other significant nongeneral fund increases include \$58.5 million for highway construction and \$10 million for public transit operating and capital support. An additional \$0.5 million has been budgeted to the Department of Rail and Public Transit to increase industrial rail access support and to fund a study of passenger rail service to Bristol. One additional position is budgeted for the Department of Rail and Public Transit.

The Department of Motor Vehicles is budgeted an additional \$26.9 million above its base. This includes \$17.6 million for automation of labor intensive tasks and \$6.2 million to operate a new integrated computer system. In addition, 30 new positions are budgeted for DMV, including 14 positions for lease/purchase branch offices in South Hill and Abingdon.

The only significant decrease adopted in transportation agency budgets is the \$0.5 million reduction in the Department of Transportation budget to fund additional rail support.

1994-96 Transportation Budget (All Funds, \$ Millions)

	<u>Base Budget</u>	<u>Recommended Increase</u>	<u>Recommended Budget</u>
Secy. of Transportation	\$0.7	\$0.0	\$0.7
Dept. of Transportation	3,633.5	60.5	3,694.0
Rail and Public Transp.	169.9	10.6	180.5
Dept. of Motor Vehicles	240.5	26.9	267.4
Dept. of Aviation	<u>30.0</u>	<u>0.0</u>	<u>30.0</u>
Total	\$4,074.7	\$98.0	\$4,172.6

Secretary of Transportation

Language

- ***Transportation Efficiency Improvement Program.*** An amendment was adopted to change the funding source for the Transportation Efficiency Improvement Fund (TEIF) from Congestion Mitigation Air Quality Funds (CMAQ) to "transportation funds generally available to the Board." In addition, the program was made available to all areas of the state, instead of limited to air quality non-attainment areas. Finally, acceptance of grant applications from Traffic Management Associations were broadened to include those with a locally elected Board member.

Department of Aviation

The total adopted budget for the Department of Aviation is \$30.0 million for the 1994-96 biennium. There were several language amendments adopted to the introduce bill.

Language

- ***Tangier Airport.*** \$50,000 in the first year out of Commonwealth Airport Funds is to be used to reimburse the Town of Tangier for capital needs at its airport.
- ***National Air and Space Museum.*** Permits the \$3 million loan to the National Air and Space Museum at Dulles International Airport to be used for fund raising activities, as well as other authorized uses.

Department of Transportation

The total 1994-96 adopted budget for the Department of Transportation is \$3,694.0 million. This represents a \$71.7 million increase over their 1992-94 budget and a \$60.5 million increase over their base budget.

Increases

- ***Route 58 Corridor Development Fund.*** The adopted budget includes \$40.0 million (GF) per year in debt service for the Route 58 Fund. This provides the full amount of general funds originally envisioned when the program was approved in 1989.

- ***Funds for Highway Construction.*** The budget for highway construction is increased by \$52.2 million in FY 1995 and \$6.3 million in FY 1996. This does not include the February re-forecast of transportation revenues. It does include, however, the \$2.25 million per year savings produced from the revised estimate for the cost of the Northern Virginia District headquarters building, as well as the reduction of \$0.5 million used for additional rail funding.
- ***Funding for Maintenance of Physical Plant.*** The budget as adopted, provides \$1.0 million in FY 1995 and \$1.3 million in FY 1996 for maintenance replacement activities in the district, residency, and area maintenance headquarters offices.

Decreases

- The highway construction budget is reduced by \$500,000 the first year to provide additional support for rail projects.

Language

- ***Oak Grove Connector.*** Language amendments were authorized to carry out the purpose of Senate Bill 458/House Bill 1020 authorizing the issuance of \$32.5 million in 9(d) revenue bonds to finance the "Oak Grove Connector" transportation project in the City of Chesapeake. The debt service will be paid with \$1.3 million per year (beginning in FY 1996) in Chesapeake's share of state recordation tax distributions to localities, as well as \$1.2 million per year in local revenues.
- ***Northern Virginia Transportation Program.*** Language amendments were authorized to carry out the purpose of Senate Bill 139/House Bill 702 which increased the debt ceiling and the amount of recordation taxes for debt service available to pay for transportation projects in Northern Virginia.
- ***Alternative Fuels Pilot Program.*** Language was authorized to continue the Alternative Fuels Pilot Program. Funding shall be \$750,000 the first year and \$1.0 million the second year. Up to 50 percent of the funding shall come from Northern Virginia Congestion Mitigation Air Quality Funds, with the remaining funds coming equally from Department of Transportation Funds and Department of Motor Vehicle Funds.

Department of Rail and Public Transportation

The 1994-96 budget for the Department of Rail and Public Transportation totals \$180.5 million. This represents a \$10.6 million increase over their base budget.

Increases

- **Public Transit.** Increased transportation revenues are projected to provide \$4.4 million in FY 1995 and \$5.7 million in FY 1996 for additional public transit support. This does not include any additional funds that may become available from the February revenue re-forecast. These additional funds would be allocated through the mass transit formula (73.5 percent for transit operating support, 25 percent for capital needs, and 1.5 percent for experimental and ridesharing programs).
- **Additional Rail Support.** Additional rail support of \$500,000 the first year is provided for industrial rail access (\$250,000) and for a study of passenger rail service to Bristol from either Richmond or Washington D.C. (\$250,000).
- **Grants Management.** The budget as adopted includes \$45,094 in FY 1995 and \$50,186 in FY 1996 for one position to consolidate financial accounting within the agency and help administer grants to local transit operators.

Department of Motor Vehicles

The 1994-96 budget for the Department of Motor Vehicles totals \$267.4 million. This represents a \$26.9 million increase over their base budget and a 14.9 percent increase over their 1992-94 budget.

Increases

- **Automation.** The budget, as adopted, adds \$9.9 million the first year and \$7.7 million the second for automation projects to compliment the integrated driver and registration computer system completed this year. These projects include: replacement of hardware and software; simplification of data entry through magnetic strip readers and document imaging systems; and computerized purchasing and inventory systems. In addition, the department is expanding automation of its driver's license program, placing ATM's (costing \$40,000 each) to renew vehicle registrations at each of the 12 emissions control stations in Northern Virginia, and increasing participation in the automated dealer program.

- ***Operating Funds For New Computer System.*** The budget, as adopted, adds \$2.9 million in FY 1995 and \$3.3 million in FY 1996 to meet projected costs for running the new integrated driver and registration computer system (CSS). The system uses more disks, tapes, and transactions, because it updates all related files automatically. The new CSS merges all vehicle and driver records into one system. This provides a more complete and flexible computer records system to track all drivers with their vehicles.
- ***Expanded Branch Offices.*** Expanded branch offices have been included in the capital outlay request for the 1994-96 biennium. These offices include South Hill, Abingdon, Portsmouth, and Manassas. Only South Hill and Abingdon are expected to be completed and operational in the 1994-96 biennium. The budget, as adopted, includes \$721,680 and fourteen positions to cover the staffing and lease/purchase needs for these offices.
- ***Near Habitual Offenders.*** The budget, as adopted, adds \$385,432 and eight FTE the first year and \$384,232 the second year to provide staff and non-personal service costs to notify persons at risk of becoming habitual offenders that they must attend a driving intervention school. DMV may charge fees to cover the costs for these activities.
- ***Driver's License Road Tests.*** The budget, as adopted, adds \$338,895 in FY 1996 to provide drivers license road tests at two new sites in Arlington and Fairfax counties. Currently these areas have overcrowded branch offices. The road test sites would relieve overcrowding at existing branch offices. Licenses would be issued at the sites, upon passage of the road test.
- ***Community Traffic Safety Programs.*** The budget, as adopted, adds \$874,030 each year and five positions to expand community traffic safety programs. These positions and funds include \$197,630 each year in federal funds to encourage safe driving habits and help buy child safety seats for parents who cannot afford them.
- ***Motor Voter Act.*** Language to require DMV to implement the new National Voter Registration Act is included in the budget bill. The Director of the Department of Planning and Budget is authorized to earmark up to \$311,420 (NGF) in 1995 to register voters through DMV.
- ***Support Employees.*** 3 positions have been transferred from the Department of Planning and Budget to DMV for administrative support services.

Central Appropriations

Central Appropriation items are divided into two groups of accounts, for distribution to the agencies as required. These two groups are the Operating Accounts and the Capital Accounts. Central Appropriations for operating items are summarized in this section. Central Appropriations for capital items are summarized in the Capital Outlay section.

The budget, as approved, contains a net increase of \$140.3 million (GF) appropriation for the eight Central Appropriation items. This represents the net effect of recommended reductions totaling \$26.1 million (GF), and proposed increases totaling \$166.4 million (GF) for the biennium.

At \$16.3 million (GF), almost two-thirds of the proposed reductions represent additional agency reductions budgeted to the Central Appropriations. Savings of \$6.7 million result from reductions in agency telecommunications and electric power rates.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	Base Budget		Reductions		Increases	
	GF	FTE*	GF	FTE*	GF	FTE*
Compensation						
Supplements	\$ 0.0	0	\$ 0.1	0	\$ 118.2	0
Higher Education						
Equipment	23.6	0	0.0	0	12.1	0
Economic						
Contingency	7.5	0	1.0	0	11.3	0
Reversion Clearing						
Account	(75.8)	0	(25.0)	0	24.6	0
Oil Overcharge	0.0	0	0.0	0	0.0	0
Va. Plan for Equal						
Opportunity	7.4	0	0.0	0	0.2	0
Legal Defense						
Reserve	0.1	0	0.0	0	0.0	0
Employee Health						
Insurance Program	0.0	0	0.0	0	0.0	0
Total	(\$37.2)	0	(\$26.1)	0	\$166.4	0

**FTE totals include both general and nongeneral fund positions.*

Almost three-fourths of the proposed increases -- \$118.2 million (GF) -- is appropriated for compensation increases. Technical adjustments to agency base budgets account for an increase of \$24.6 million (GF). An increase in funds for

higher education equipment leases is budgeted at \$12.1 million (GF). An additional \$11.3 million is approved for economic contingency, including \$3.0 million for the solar photovoltaic incentive grant program, \$4.0 million to establish a new defense conversion fund, and \$3.5 million for the Economic Development Opportunity Fund.

Compensation Supplements

Increases

- December 1994 Salary Increase.** The budget, as approved, includes \$32.8 million (GF) the first year and \$55.8 million (GF) the second year to provide a performance-based salary increase on December 1, 1994 for state employees and certain state-supported local employees covered by performance pay plans. This increase continues the Employee Incentive Pay Program (EIPP) for the first year of the biennium. Under this program, classified state employees and employees of locally elected constitutional officers covered by performance pay plans will receive performance increases of up to 6.9 percent based on their annual performance evaluation, payable on December 1, 1994.

Performance Evaluation	% of Empl.	Perf. Incr.
Exceptional	9.2%	6.9%
Exceeds Expectations	41.3	4.6
Meets Expectations	47.0	2.3
Fair	2.3	0.0
Does Not Meet Expectations	0.2	0.0
Average	100.0%	3.6%

State supported local employees not covered by a performance pay plan, Judges, SCC Commissioners, and Workers' Compensation Commissioners will receive a 2.25 percent increase.

The \$20.9 million cost of a faculty salary increase is budgeted directly to the institutions of higher education.

- December 1995 2.25 Percent Salary Increase.** The budget, as approved, includes \$22.9 million (GF) the second year to provide a 2.25 percent salary

increase for state employees and state-supported local employees on December 1, 1995.

The \$8.2 million cost of a faculty salary increase is budgeted directly to the institutions of higher education.

- ***Local Social Services Regrade.*** Language provides that \$3.8 million the second year shall be used to implement phase I of the salary plan for local social services employees. This increase is provided in lieu of the December 1994 and 1995 salary increases.
- ***Master Deputy Program.*** An increase of \$1.5 million (GF) the second year provides funding for creation of a new *Master Deputy* rank for deputy sheriffs. Under this career progression program, up to ten percent of deputy sheriffs currently in Compensation Board grade seven will be reallocated to the new *Master Deputy* rank at Compensation Board grade 8.
- ***Senior Corrections Officers' Regrade.*** An increase of \$2.6 million (GF) the second year provides funding for a job class regrades for senior Corrections Officers from grade seven to Grade 8.
- ***DGS Job Class Regrades.*** An increase of \$576,813 (GF) each year funds job class regrades for certain positions in the Divisions of Forensic Science and Consolidated Laboratory Services.
- ***Technical Adjustments for Health Insurance.*** A technical adjustment provides an additional \$134,889 (GF) each year to reflect the effect of changes in the mix of subscriber coverage on the cost of the employee health insurance program, and premium conversion.
- ***Increase in FICA Wage Cap.*** A technical adjustment provides an additional \$535,617 (GF) each year for a federally mandated increase in the maximum wage subject to social security withholding to \$60,600.

**Proposed Changes in Employee Compensation
(General Funds, \$ Millions)**

<u>Item</u>	<u>1994-96 Biennium</u>
Classified Increase (Perf. Pay) -- December 1, 1994	\$ 88.6
Classified 2.25% Increase -- December 1, 1995	22.9
Job Class Regrades -- Senior Corrections Officers	2.6
Masrer Deputy Program	1.5
Job Class Regrades -- Dept. of General Services	1.2
Increase in FICA Cap to \$60,600	1.1
Technical Adjustments	<u>0.3</u>
TOTAL COMPENSATION SUPPLEMENTS	\$ 118.2
Faculty 3.4% Increase -- December 1, 1994	20.9
Teachers 3.25% Increase -- December 1, 1994	89.3
Faculty 2.25% Increase -- December 1, 1995	8.2
Teachers 2.25% Increase -- December 1, 1995	23.7
Job Class Regrade-- Full-time Comm. Attorneys	1.9
Job Class Regrade -- Dept. of Health Physicians	2.1
Job Class Regrade -- Dept. of Health Sanitarians	1.3
VRS Rate Increase	11.4
Group Life Rate Increase	5.3
Technical Adjustments	<u>2.9</u>
OTHER COMPENSATION INCREASES	\$ 167.0
TOTAL COMPENSATION CHANGE	\$ 285.2

Reversion Clearing Account

Increases

- ***Turnover and Vacancy.*** A technical adjustment restores \$2.5 million each year to agency base budgets. The original base budgets had been reduced to reflect anticipated turnover and vacancy savings. These savings have been captured in the agency reduction plans.
- ***VRS Rates.*** A technical adjustment restores \$5.7 million each year to agency base budgets to reflect actual savings to be realized in 1994-96 from changes in VRS actuarial methodology mandated in the last biennium. The budgeted VRS rate for 1994-96 is 9.92 percent - 0.54 percent more than the actual rate for FY 1993-94.

- ***Group Life Insurance Rates.*** A technical adjustment restores \$1.4 million the first year and \$3.9 million the second year to agency base budgets to reflect actual savings to be realized in 1994-96 from changes in the actuarial methodology for the VRS group life insurance program that were mandated in the last biennium.
- ***Restore Compensation Adjustments.*** A technical adjustment restores \$1.5 million each year to agency base budgets to reflect actual funding needed to continue 1992-94 compensation and benefit increases. The original base budgets had been reduced by this amount.

Reductions

- ***Budget Reduction Plans.*** Agency reductions of \$4.4 million (GF) the first year and \$11.8 million (GF) the second year are proposed for this reversion clearing account. Almost two-thirds of these reductions -- \$10.3 million -- represent general reductions in agency budgets. Another \$6.0 million is derived from a reduction in agency travel.
- ***Utility Cost Reductions.*** Savings of \$1.0 million the first year and \$5.7 million the second year are derived from reductions in telecommunications and Virginia Power electric rates.
- ***Financial Aid Reduction.*** A reduction in discretionary financial aid of \$0.7 million the first year and \$1.2 million the second year is included in the Central Accounts to reflect a reduction in the cost of education for Virginia residents. The budget as approved assumed tuition increases of 5 percent in the first year and 4 percent in the second year. The budget as adopted provides for tuition increase of 3 percent in each year. As a result, less student aid is needed to achieve funding of 45 percent of unmet need. The reductions will be allocated to each institution.

**SUMMARY OF 1994-96 REVERSION CLEARING ACCOUNT
(General Funds, \$ Millions)**

PURPOSE	Base Budget	Reductions	Increases	Approved Total
Agency Reductions	\$0.0	(\$16.3)	\$0.0	(\$16.3)
Resale of Telecom Services	0.0	(1.8)	0.0	(1.8)
DIT Rate Reduction	0.0	(2.9)	0.0	(2.9)
Va. Power Rate Reduction	0.0	(2.0)	0.0	(2.0)
Financial Aid Reduction	0.0	(1.9)	0.0	(1.9)
VRS Rate Change	(39.4)	0.0	11.4	(28.0)
Group Life Rate Change	(22.8)	0.0	5.3	(17.5)
Turnover & Vacancy	(4.9)	0.0	4.9	0.0
Premium Conversion	(5.8)	0.0	0.0	(5.8)
Comp. Adjustment to Base	(2.9)	0.0	2.9	0.0
Total: Reversion Clearing	(\$75.8)	(\$25.0)	\$24.6	(\$76.2)

Economic Contingency

The base budget for the Economic Contingency Account includes of \$7.5 million (GF) for an economic contingency reserve. Of this amount, \$5.0 million (GF) is for the Economic Development Fund and \$2.5 million (GF) is for the Economic Contingency Reserve. Language in the budget also allows the use of up to \$1.0 million (GF) from the unappropriated balance to supplement the economic contingency reserve.

Increases

- ***Photovoltaic Incentive Grants.*** The budget, as approved, includes an additional \$3.0 million in the second year to fund the photovoltaic incentive grant program. This program is designed to encourage the manufacture of solar photovoltaic panels in the Commonwealth.
- ***Motor Voter Registration Act.*** An additional appropriation of \$465,000 the first year is recommended for implementation of the federal National Voter Registration Act of 1993. This act requires states to allow voter registration at motor vehicle and social services offices.

- **Newport News Defense Retention.** An appropriation of \$1.0 million each year is provided to assist the City of Newport News revitalize the downtown area. Matching funds will be provided by the city and by Newport News Shipbuilding, in a cooperative effort to retain defense-related business in the area.
- **Defense Conversion Fund.** An appropriation of \$1.0 million the first year is provided to establish the defense retention and conversion fund. These funds will be used for projects designed to assist businesses and localities in reducing the impacts of defense downsizing. Also, language authorizes unspent balances from FY 1994, estimated at \$250,000 to be carried forward into FY 1995. A portion of this fund (\$250,000) is earmarked for the Hampton Roads Planning District Commission, to plan for and attempt to mitigate the impacts of the next round of base closures.
- **Economic Opportunity Fund.** An appropriation of \$3.5 million the first year is added to the \$5.0 million base for this fund. The fund is used for site improvements and other incentives intended to attract businesses to locate or expand in Virginia.

SUMMARY OF 1994-96 ECONOMIC CONTINGENCY ACCOUNT (General Funds, \$ Millions)				
PURPOSE	Base Budget	Reductions	Increases	Approved Total
Economic Contingency	\$2.5	\$0.0	\$0.0	\$2.5
Economic Development Fund	5.0	0.0	3.5	8.5
Newport News Defense Retention	0.0	0.0	2.0	2.0
Motor Voter Registration	0.0	0.0	0.5	0.5
Defense Conversion Fund	0.0	0.0	1.0	1.0
Lynchburg Office Relocation	0.0	0.0	0.3	0.3
Photovoltaic Incentive Grants	0.0	0.0	3.0	3.0
Total: Economic Contingency	\$7.5	0.0	\$10.3	\$17.8

Virginia Plan for Equal Opportunity

Additional funding of \$100,000 GF in each year is provided in the budget as adopted for the programs which implement the Virginia Plan for Equal Opportunity in state-supported institutions of higher education.

Oil Overcharge

Increases

- ***Interest Earnings.*** The budget, as approved, includes an appropriation of \$1.0 million (NGF) the first year to reflect actual funds available from prior year balances for appropriation in the 1994-96 biennium. Appropriation of these funds is expected to exhaust moneys available from oil companies as a result of federal court cases. Generally, these funds may be used only for energy conservation purposes; however, specific uses are subject to the provisions of the individual court orders.

Higher Education Equipment

Increases

- ***Higher Education Equipment Trust Fund.*** The budget as adopted provides for an additional allocation of \$50 million in new instructional equipment for the biennium. To fund these lease payments, and to annualize the costs of the lease partially funded in FY 1994, an additional \$4.3 million GF is provided in the first year, and \$7.9 million GF is provided in the second year. The nongeneral fund portion of the lease payments, which was assumed by the institutions of higher education, is reduced by \$290,000 in the first year, and \$4.0 million in the second year.

Legal Defense Reserve

No changes are proposed to this account, which provides \$50,000 (GF) each year for payments to outside legal counsel in cases where the use of such outside counsel has been approved by the Attorney General.

Employee Health Insurance

Increases

- ***State Employee Health Insurance Fund.*** The budget, as approved, includes a technical language amendment that authorizes a sum sufficient appropriation for operation of the state employee health insurance program. Total operating costs are estimated at \$481.5 million (All Funds) the first year and \$539.3 million (all Funds) the second year. Previously, funds for this purpose have been expended without appropriation.

- ***Local Employee Health Insurance Fund.*** A technical amendment provides \$53.3 million (NGF) the first year and \$59.7 million (NGF) the second year for operation of the local employee health insurance program. Previously, funds for this purpose have been expended without appropriation.

Independent Agencies

The budget, as approved, contains \$295.1 million (NGF) for the four Independent Agencies. General Assembly actions result in an increase of \$8.3 million (NGF), or 3.3 percent, for the biennium when compared to the 1992-94 base budget of \$286.8 million (NGF).

The maximum employment level for the Independent Agencies is increased by a total of 40 FTE employees, or 3.3 percent -- 39 for increased workload at the State Corporation Commission, and 1 for increased workload at the Virginia Retirement System.

Almost one-half of the Governor's provided general fund budget increases of \$8.2 million (GF) for the biennium, -- \$3.9 million -- is for a additional computer terminals at the State Lottery. Most of the remaining increase represents funding for the start-up of new lottery games -- \$1.1 million -- and workload increases at the State Corporation Commission -- \$2.8 million.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	Base Budget		Reductions		Increases	
	NGF	FTE*	NGF	FTE*	NGF	FTE*
State Corporation Commission	\$ 106.6	612	\$ 0.0	0	\$ 2.8	39
Dept. of Workers' Compensation	20.2	145	0.0	0	0.4	0
State Lottery Department	136.6	330	0.0	0	4.9	0
Virginia Retirement System	23.5	122	0.0	0	0.1	1
Total	\$ 295.1	1,209	\$ 0.0	0	\$ 8.3	40

**FTE totals include both general and nongeneral fund positions.*

State Corporation Commission

Increases

- **Increased FTE Employment.** The budget, as approved, includes an increase of 9 FTE employees for increased workload in three areas: building maintenance and operation -- 2 FTE positions, the office of

General Counsel -- 1 FTE position, and information technology -- 1 FTE position. No additional funds are provided for these positions. They will be supported by internal charges to the divisions within the SCC.

- ***Public Utility Regulation Workload.*** An increase of \$268,353 (NGF) the first year, \$271,066 (NGF) the second year and 5 FTE positions is provided to address increased workload in the regulation of public utilities.
- ***Communications Industry Regulation Workload.*** The budget, as approved, includes an increase of \$176,144 (NGF) the first year, \$176,869 (NGF) the second year and 3 FTE positions to address increased workload in the regulation of the communications industry.
- ***Insurance Industry Regulation Workload.*** An increase of \$1,000,000 (NGF) the first year, \$915,396 (NGF) the second year and 22 FTE positions is provided to address increased workload in the regulation of the insurance industry.

Department of Workers' Compensation

Increases

- ***Uninsured Employers' Fund.*** An increase of \$200,000 (NGF) each year is included to provide workers' compensation coverage for employees in instances where the employer has not maintained the required insurance coverage.

State Lottery Department

Increases

- ***Expanded Revenue Programs.*** The budget, as approved, includes an increase of \$745,953 (NGF) the first year and \$312,245 (NGF) the second year for start-up costs associated with an additional on-line product and three new instant games, as well as change to the existing on-line products.
- ***Computer Terminals.*** An additional \$1,171,000 (NGF) the first year and \$2,717,000 (NGF) the second year is provided for administrative computer support, as well as equipment and computer support for new lottery retailers.
- ***Lottery Sales in ABC Stores.*** A language amendment directs the State Lottery Department to license all Alcoholic Beverage Commission (ABC) stores as full-service lottery retailers. Statutory authority for this action already exists under the provisions of §58.1-4009 of the *Code of Virginia*.

Sales in ABC stores are projected to generate an additional \$5.2 million in lottery profits for the general fund. In addition, a \$1.0 million increase in ABC profits generated by this action will be divided between the Commonwealth and its localities. Of this amount, \$0.7 million represents the local share of ABC profits.

Virginia Retirement System

The Virginia Retirement System is transferred from the Administration Secretariat to Independent Agencies to reflect the provisions of House Bill 194 and Senate Bill 78.

Reductions

- No reductions are proposed for this agency.

Increases

- ***Investment Research Position.*** the budget, as approved, includes \$54,029 (NGF) the first year and \$48,029 (NGF) the second year for 1 additional FTE position, to undertake research on investment data.

Non-State Agencies

The budget, as adopted, provides a total of \$8.1 million (GF) for operating and capital grants to non-state agencies. These grants must be matched by the recipient organization. This represents approximately 0.05% of the total general fund operating budget.

1994-96 Budget, As Adopted (General Fund; \$ in millions)

	Base Budget		Reductions		Increases	
	GF	FTE*	GF	FTE*	GF	FTE*
Non-state Agencies	0.0	0	0.0	0	\$ 8.1	0
Total	\$ 0.0	0	\$0.0	0	\$ 8.1	0

**FTE totals include both general and nongeneral fund positions.*

<u>Nonstate Agencies</u>	<u>1994-95</u>	<u>1995-96</u>
Appalachian Traditions(County Cabin)	\$ 5,000	\$ 5,000
Arts Museum of Western Virginia	115,000	115,000
Black History Museum and Cultural Center	50,000	50,000
Blue Ridge Zoological Society	24,250	24,250
Boissevian Coal Miners Museum	25,000	0
Charles City County Courthouse	100,000	0
Children's Museum of Virginia (Portsmouth)	65,000	65,000
Chrysler Museum	471,816	471,816
Council for America's First Freedom	390,000	316,000
Crab Orchard Museum	15,000	15,000
Explore Park	400,000	400,000
Fredricksburg Area Museum	12,500	12,500
Hanover Tavern	50,000	50,000
Holiday Lake 4-H Ed. Center	45,000	0
Lewis Ginter Botanical Gardens	100,000	100,000
Long Way Home	7,500	0
Martin Luther King Memorial	50,000	0
Maymont	0	50,000
Old Montpelier Elementary School	10,000	10,000
Peninsula Fine Arts Center	80,000	80,000
Piedmont Arts Association	37,500	37,500
Richmond Childrens' Museum	25,000	25,000
Richmond Math & Science Center	50,000	50,000

	<u>1994-95</u>	<u>1995-96</u>
<u>Nonstate Agencies (continued)</u>		
Science Museum of Western Virginia	875,000	250,000
Scotchtown	10,000	10,000
Virginia Air & Space Museum	200,000	200,000
Virginia Living Museum	246,908	246,908
Virginia Marine Science Museum	225,000	225,000
Virginia Museum of Transportation, Roanoke	100,000	100,000
Virginia School for the Arts	20,000	20,000
Virginia Sports Hall of Fame	26,550	0
Virginia Veterans' Memorial	200,000	0
Virginia Zoological Park, Education Program.	60,000	60,000
Volunteer Rescue Squad Museum	37,500	37,500
Watermen's Museum	25,000	0
Western Virginia Foundation for Arts and Sciences	311,915	311,915
White House of the Confederacy	50,000	50,000
William King Regional Arts Center	<u>100,000</u>	<u>100,000</u>
	=	=
Total: Non-state Agencies	\$4,616,439	\$3,488,389

The budget, as approved, also includes \$3.0 million for grants to historic landmarks. These grants -- which are budgeted to the Department of Historic Resources -- must also be matched by the recipient organization.

	<u>1994-95</u>	<u>1995-96</u>
<u>Historic Landmarks</u>		
Association for the Preservation of Va. Antiquities	\$ 200,000	\$ 200,000
Avenel	45,000	0
Confederate Cemeteries in Staunton and Hampton	2,000	2,000
Connor House	10,000	0
Crispus Attucks Theater	25,000	0
Eppington Plantation	50,000	0
Hume School	10,400	0
Jabez Smith Building	50,000	0
John Fox, Jr. House	13,000	0
Lee-Fendall House	10,000	0
Little England Chapel	10,000	10,000
Locust Grove	35,000	0
Miles B. Carpenter Museum	12,500	0
Montpelier	100,000	100,000
Nathaniel Friend House	75,000	0
Old Stone Warehouse	40,000	10,000
Pocahontas Presbyterian Church	4,800	0
Point of Honor	20,000	0
Red Hill	25,000	25,000
Rosewell	22,500	0

	<u>1994-95</u>	<u>1995-96</u>
<u>Historic Landmarks (continued)</u>		
Stevens Cottage	6,000	0
The Corporation for Jefferson's Poplar Forest	500,000	500,000
Valentine Museum	200,000	200,000
Virginia Historical Society	200,000	200,000
Woodlawn Plantation	30,000	0
Woodrow Wilson Birthplace	<u>35,000</u>	<u>35,000</u>
Total: Historic Landmarks	<u>\$1,731,200</u>	<u>\$1,282,000</u>
Grand Total: Historic & Non-state	\$6,347,639	\$4,770,389

Capital Outlay

Overview

The budget as adopted includes \$132.2 million in general funds for new capital outlay in 1994-96. General fund projects address critical life/safety corrections or hazardous materials disposal, the correction of infrastructure problems that cannot be deferred, and a limited number of planning projects.

Biennial funding for capital outlay includes \$50.5 million for maintenance reserve, to address repairs and replacement of roofs, mechanical systems, and other deferred maintenance at state agency buildings. Funding of \$4.7 million was provided for construction of the Humanities Building at Piedmont Virginia Community College, \$1.2 million for enclosure of the Science Building at Christopher Newport University, and \$2.0 million for an addition to the Child Study Center at Old Dominion University.

The budget also provides \$128.5 million for projects funded with either 9(c) or 9(d) bonded debt. These projects include \$15.0 million for new dormitories and \$18.0 million for a new dining hall at Virginia Tech; \$22.9 million of a convocation center at Virginia Commonwealth University, \$10.0 million for a swimming complex at George Mason University, and \$12.0 million for the renovation of dormitories at James Madison University. An additional \$196.5 million is provided for projects funded from other nongeneral fund sources.

The Virginia Public Building Authority (SB 79) provides \$34.5 million of new projects, including \$3.4 million of equipment for the Lunenburg Correctional Center, \$3.9 million for construction of regional agriculture laboratories, and \$4.2 million for improvements to administrative buildings in the seat of government. Projects totaling \$13.9 million are included for correction of life/safety and infrastructure deficiencies at public safety and mental health facilities. Funding of \$4.7 million was also provided to renovate the Education and Outreach Center of the Virginia Museum of Fine Arts.

General fund projects funded in 1994-96 are detailed below.

Central Accounts

- ***Maintenance Reserve.*** The budget provides \$20.75 million GF for maintenance reserve in the first year, and \$ 29.75 million in the second year for repair projects to maintain or extend the useful life of buildings.
- ***Handicapped Access Renovations.*** The budget as adopted includes \$17.0 million GF and \$2.9 NGF to renovate and eliminate barriers to improve access to state buildings and institutions of higher education.

- ***Asbestos Abatement.*** The budget provides \$9.4 million GF and \$1.3 million NGF to remove asbestos from state agency and higher education facilities.
- ***Correction of Environmental Hazards.*** The budget includes \$4.0 million GF and \$251,000 NGF to fund the replacement and remediation of underground fuel storage tanks at state agencies. All tanks must comply with the regulations of the U.S. Environmental Protection Agency and Virginia's State Water Control Board by December, 1998.
- ***Improvements to Heating, Electrical and Energy Systems.*** The budget includes \$1.6 million GF to renovate and upgrade heating, electrical, and energy management systems in state agency facilities.
- ***Life and Safety Code Renovations.*** The budget as adopted provides \$1.6 million GF to renovate state buildings to bring them into compliance with statewide building code requirements.
- ***Roof Repairs.*** The budget includes \$713,000 GF to repair roofs of buildings at state agencies.

Administration

- ***Veterans' Cemetery.*** The budget includes \$1.7 million GF and \$1.4 million NGF in the first year to fund the first of a four-phase project to plan and build a veterans' cemetery in Amelia County.

Higher Education

Virginia Community College System

- ***Roof Repairs and Replacement.*** The budget includes \$600,000 GF in 1995 to repair or replace the roofs on eighteen instructional buildings at nine community colleges.
- ***Mechanical System Repairs.*** The budget includes \$1.8 million GF in the first year and \$2.2 million GF in the second year to replace sixteen major mechanical and heat pump systems throughout the community college system.
- ***New Campus of John Tyler.*** The budget includes \$989,000 GF and \$718,000 NGF for planning for the new Midlothian Campus of John Tyler Community College.

- ***Humanities Building at Piedmont Virginia.*** Funding of \$4,658,000 GF and \$401,000 NGF is provided for the construction of a new humanities and fine arts building for PVCC.
- ***Renovations of Manassas Campus, Northern Virginia.*** The budget as adopted provides \$325,000 GF to allow Northern Virginia Community College to plan the renovation of the Manassas Campus.
- ***Renovations of Franklin Campus, Paul D. Camp.*** The budget as adopted provides \$75,000 GF to allow Paul D. Camp Community College to plan the renovation of the Franklin Campus.
- ***Planning for Business Tech Center, Blue Ridge.*** The budget as adopted provides \$90,000 GF for planning the construction of a Business and Technology Center on the campus of Blue Ridge Community College.
- ***Planning for New Buildings, Lord Fairfax.*** The budget as adopted provides \$90,000 GF for planning the construction of a new instructional building on the campus of Lord Fairfax Community College. Funding of \$200,000 GF is also provided for planning the first academic building on the Fauquier Campus of Lord Fairfax.
- ***Planning for New Library, Wytheville.*** The budget as adopted provides \$100,000 GF for the planning of construction of a library on the campus of Wytheville Community College.
- ***Planning for New Building, Thomas Nelson.*** The budget as adopted provides \$360,000 GF for the planning of construction of a new instructional support building on the campus of Thomas Nelson Community College.
- ***Planning for J. Sargeant Reynolds Campuses.*** The budget as adopted includes \$150,000 GF to allow JSRCC to plan for additions and renovations to the Western Campus and Parham Road Campus.
- ***Old Fine Arts Building, Virginia Western.*** Funding of \$500,000 GF is provided to renovate the old Fine Arts Building on the campus of Virginia Western Community College. The building will be vacated upon completion of a new GOB-funded facility scheduled for completion in FY 1995.
- ***Old Library, Danville.*** Funding of \$700,000 GF is provided to renovate the old library on the campus of Danville Community College. The building will be vacated upon completion of a new GOB-funded library scheduled for completion in FY 1995.
- ***Water System Improvements at Tidewater Community College.*** For 1995, \$278,000 GF is provided for the replacement of the existing well system with city-supplied water for the Portsmouth Campus.

Clinch Valley College

- ***Sewer System Upgrade.*** Funding of \$230,000 GF is provided in the budget to allow the College to connect to a new local water and sewer supply system.

Virginia Tech

- ***Coal Storage Facility.*** The budget as adopted provides \$160,000 GF to allow Virginia Tech to plan for a new off-campus coal storage facility.
- ***Health and Safety Code Compliance.*** The budget includes \$400,000 GF in 1995 to address air quality problems identified in University facilities.

Virginia Commonwealth University

- ***Life and Safety Code Compliance.*** The budget includes \$1.7 million GF in 1995 to install a fire suppression system throughout Sanger Hall.
- ***Life and Safety Code Compliance, MCVH.*** The budget includes \$202,000 GF and \$1.5 million GF for life and safety fire improvements in the inmate hospital ward.

Old Dominion University

- ***Construction of TELETECHNET Center.*** The budget provides \$448,000 GF in the first year for ODU to plan the construction of a building to house a statewide satellite education network.
- ***Construction of Child Study Center.*** The budget as adopted includes \$2.0 million GF and \$2.5 million NGF for the construction of an addition to and renovation of the Child Study Center.
- ***Installation of Power Protection System.*** The budget as adopted includes \$302,000 GF and \$279,000 NGF in the first year to allow ODU to design, purchase, and install an electrical power system in the University's main information technology resource center.

George Mason University

- ***Prince William Institute, Phase II.*** The budget as adopted includes \$600,000 GF in the first year for GMU to continue planning the second phase of the new campus planned for Prince William County.

College of William and Mary

- ***Equipment.*** General funds of \$450,000 are provided to meet a project shortfall in construction of Tercentenary Hall.

Richard Bland College

- ***Roof Replacement.*** General funds of \$254,000 in the first year is provided to replace the roof and clean up asbestos found in the roof of the physical education building.

Virginia Institute of Marine Science

- ***Replacement of Jefferson Hall.*** Construction of the Coleman Bridge Expansion required the sale of the Jefferson Hall property to the Department of Transportation, who will use the facility as an administrative headquarters. Funding of \$213,000 GF and \$425,000 NGF is provided for the construction of a replacement for this academic and research facility on the VIMS campus.

James Madison University

- ***Water System Improvements.*** The budget as adopted includes \$191,000 NGF in the first year and \$598,000 GF in the second year for JMU to replace undersized water lines, and to extend lines to provide adequate water pressure in case of an emergency.
- ***College of Science and Technology, Phase II.*** The budget provides \$1.2 million GF in the first year for JMU to plan construction of a second academic facility on the new campus.

Christopher Newport University

- ***Science Building Renovation.*** Funding of \$1.2 million GF is provided for the renovation of restrooms and the exterior of the Science Building to correct safety problems.

Longwood College

- ***Plan Hiner Renovation.*** The budget provides \$186,000 GF to allow Longwood to plan the renovation of the Hiner Business Building.

Mary Washington College

- ***Boiler Replacement.*** The budget provides \$186,000 GF in 1996 for the replacement of an inoperable coal-fired boiler with a more energy efficient unit.
- ***New Stafford Campus.*** The budget includes \$75,000 GF in the first year and \$455,000 GF in the second year for a master site plan and for planning the first building of the Stafford campus.

Radford University

- ***Renovation of Allen Building.*** The budget provides \$400,000 GF and \$150,000 NGF for Radford to complete renovations and install an elevator in the Allen Building.
- ***College of Global Studies, Phase II.*** The budget provides \$710,000 GF in the first year for Radford to plan construction of a second academic facility for the new college.
- ***Construction of Coal-Fire Boiler Plant.*** The budget includes \$1.5 million NGF in 1995 and \$1.5 million GF in 1996 for the construction of a new boiler plant to replace three aging gas boilers.
- ***Electrical Distribution System.*** The budget provides \$325,000 NGF in 1995 and \$325,000 GF in 1996 to replace the existing delivery system and install new cable.

Health and Human Resources

Department of Mental Health, Mental Retardation and Substance Abuse Services

- ***Systems Renovations.*** The budget provides \$298,000 GF in the first year and \$6.7 million GF in the second year for the repair and replacement of boilers, steam distribution systems, and chillers for air conditioning systems at MHMRSAS facilities.

- ***Improvements, Central Virginia Training Center.*** The budget provides \$103,000 GF in the first year and \$184,000 GF in the second year to install a central oxygen and suction system in the center's hospital building.

Woodrow Wilson Rehabilitation Center

- ***Birdsall-Hoover Renovations.*** The budget provides \$150,000 GF in the first year to plan the renovation of the facility to correct foundation problems, and to meet life safety code and Americans with Disabilities Act requirements.

Natural Resources

Department of Conservation and Recreation

- ***Pinnacle Natural Area.*** The budget includes \$65,000 GF to acquire the Pinnacle Point Natural Area, and \$50,000 GF for improvements to the site.
- ***Fort Hill Acquisition.*** The budget includes \$100,000 GF to acquire Fort Hill Historical State Park.

Public Safety

Department of Corrections

- ***Locking Systems.*** The budget includes \$950,000 to replace worn-out locks and locking systems at Powhatan and Brunswick Correctional Centers.
- ***Water and Wastewater Systems.*** The budget includes \$1.0 million to improve the water supply systems at Bland, James River, and Southampton Correctional Centers and two field units (Pocahontas and Appalachian), as well as to upgrade the wastewater treatment plants at Bland and the Virginia Correctional Center for Women.
- ***Heating Systems.*** The budget includes \$233,000 for replacing the heat distribution system at White Post Correctional Field Unit near Winchester.
- ***Electrical Systems.*** The budget includes \$463,000 million to upgrade antiquated electrical systems at five field units (Baskerville, Harrisonburg, Cold Springs, Stafford, and Appalachian).
- ***Fire Safety.*** The budget includes \$1.6 million to continue projects begun in the current biennium, as well as new projects, to bring four major prisons

into compliance with fire safety standards (Augusta, Nottoway, St. Brides, and Buckingham Correctional Centers).

Department of Youth and Family Services

- ***Fencing, Barrett Learning Center.*** The budget includes \$500,000 for the construction of new security fencing at the Barrett Learning Center in Hanover.
- ***Security Enhancements.*** The budget includes \$535,000 for improving security at learning centers, including fences, exterior lights, metal detectors, locking systems, and an emergency power generators.

Department of Military Affairs

- ***Danville Armory.*** The budget includes \$250,000 GF and \$1,800,000 NGF from federal funds for an addition to the Danville Armory.
- ***Kitchen Renovations.*** The budget includes \$95,000 (GF) and \$257,000 (NGF) for renovations to eleven kitchens at National Guard armories.
- ***Richlands Armory.*** The budget includes \$3.1 million GF and \$257,000 NGF for construction of the community building and armory in Richlands.

Nongeneral fund projects funded in the budget are detailed on the spreadsheet at the end of this section.

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

<u>Capital Project</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>§ 9 c Bonds</u>	<u>§ 9 d Bonds</u>	<u>VPBA Bonds</u>	<u>Total</u>
Central Accounts						
Asbestos Abatement/Remediation	\$9,368,000	\$1,298,000				\$10,666,000
Underground Petroleum Storage Tanks	3,980,000	251,000				4,231,000
Cheatham Annex Cleanup w/ Fed. Agree.	Language					Language
Life Safety Code Compliance (Suppl.)	1,627,000					1,627,000
Roof Repairs	713,000					713,000
HVAC Systems Repairs (Supplement)	1,604,000					1,604,000
Land Acquisition		500,000				500,000
Maintenance Reserve	1,000,000					1,000,000
Handicapped Access/ADA Compliance	16,984,000	2,837,000				19,821,000
Department of General Services						
Maintenance Reserve	1,621,850					1,621,850
8th, 9th & Supreme Ct. Bldg. Repairs	0				246,000	246,000
Parking Deck Renovations			\$3,589,000			3,589,000
Archives Records Storage Supplement					\$1,838,000	1,838,000
Jefferson Bldg. Renovation Supplement					2,376,385	2,376,385
Plan Old State Library Adaptive Reuse					900,000	900,000
Department of Veterans' Affairs						
State Veterans' Cemetery	1,739,000	1,424,000				3,163,000
Virginia Employment Commission						
Maintenance Reserve		205,000				205,000
Renovate Central Office		1,774,000				1,774,000
Exmore Office		1,546,000				1,546,000
Chesapeake Office		1,676,000				1,676,000
Woodbridge Office		1,484,000				1,484,000
Department of Agriculture & Cons. Services						
Maintenance Reserve	150,025					150,025
Warrenton Laboratory					1,936,400	1,936,400
Lynchburg Laboratory					1,968,120	1,968,120
Plan for Southeast Va. Farmers Market	185,000					
Department of Forestry						
Maintenance Reserve	139,120					139,120

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

Capital Project	General Fund	Nongeneral Fund	§ 9 c Bonds	§ 9 d Bonds	VPBA Bonds	Total
Virginia Port Authority						
Maintenance Reserve		\$3,750,000				\$3,750,000
Cargo Facility Renovations		3,750,000				3,750,000
Virginia School Deaf & Blind-Hampton						
Maintenance Reserve	\$352,617					352,617
Virginia School Deaf & Blind-Staunton						
Maintenance Reserve	226,000					226,000
Virginia Community College System						
Maintenance Reserve	3,668,386					3,668,386
Renovate Major Mechanical, Phase III	3,000,000					3,000,000
Portsmouth Water System-Tidewater CC	278,000					278,000
Improve Campus Exterior-Thomas Nelson		200,000				200,000
Parking Facilities-Thomas Nelson		310,000				310,000
Plan Midlothian Campus-John Tyler	989,000					989,000
Roof Repair & Replacement Systemwide	600,000					600,000
Parking Lot-Central Virginia		1,000,000				1,000,000
Parking Facilities-New River		300,000				300,000
Student Center-Central Virginia		400,000				400,000
Amphitheater, Manassas, Northern Va.		260,000				260,000
Renov. of Manassas Campus, No. Va.	325,000					325,000
Humanities Bldg., Piedmont Va.	4,658,000					4,658,000
Plan for Campuses, J. Sargeant Reynolds	150,000					150,000
Renov. Old Fine Arts Bldg., Va. Western	500,000					500,000
Plan Franklin Renov., Paul D. Camp	75,000					75,000
Plan Business Tech. Ctr., Blue Ridge	90,000					90,000
Renov. Old Library, Danville	700,000					700,000
Plan Class Lab Bldg., Lord Fairfax	90,000					90,000
Plan for Fauquier Campus, Lord Fairfax	200,000					200,000
Plan Instruc. Support, Thomas Nelson	360,000					360,000
Plan for New Library, Wytheville	100,000					100,000
Parking Lot, Portsmouth Campus, Tidewater			1,734,000			1,734,000
University of Virginia						
Maintenance Reserve	6,220,509	1,625,000				7,845,509
Renovate Medical School Facilities		3,000,000				3,000,000

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

<u>Capital Project</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>§ 9 c Bonds</u>	<u>§ 9 d Bonds</u>	<u>VPBA Bonds</u>	<u>Total</u>
Academic & Support Renovations		1,700,000				1,700,000
Research Facility Renovations, I, II, III		1,700,000				1,700,000
Rheumatology Dept. Renovations, II		1,790,000				1,790,000
Law School Expansion & Renovation		3,500,000				3,500,000
Expand Gilmer Field Recreation Center		3,740,000				3,740,000
Plan Special Collections Library		1,072,000				1,072,000
Renovate Orthopedics Department		800,000				800,000
Improve Sports Arena & Utility Service		3,028,000				3,028,000
Const 175 Space Parking Lot		577,000				577,000
Renovate Monroe Hall		1,188,000				1,188,000
Renovate Scott Stadium Seating		600,000				600,000
Replace Scott Stadium Playing Surface		\$2,900,000				\$2,900,000
University of Virginia Medical Center						
Maintenance Reserve	\$279,853	402,000				681,853
Renovate Medical Center Facilities		1,300,000				1,300,000
Renovate Orthopaedic Clinic		2,585,000				
Clinch Valley College						
Maintenance Reserve	207,808					207,808
Sewer System Upgrade	230,000					
Acquire Darden Drive Frontage		750,000				
Virginia Polytechnic Institute						
Maintenance Reserve	6,819,451	6,588,000				13,407,451
Plan for New Coal Storage Facility	160,000					
Renovate Lane Stadium		1,500,000				1,500,000
Renovate Rector Field House		2,865,000				2,865,000
Health & Safety Code Compliance						400,000
Residence Halls	400,000					15,075,000
Dining Hall						5,000,000
Student Health & Fitness Center				\$17,909,000		17,909,000
Virginia Commonwealth University						
Maintenance Reserve	4,301,232	1,308,000				5,609,232
Life & Fire Safety Compliance	1,658,000					1,658,000
Academic Campus Parking Deck			11,587,000			11,587,000
Recreation Facilities/Convocation Cntr.		13,162,000		9,692,000		22,854,000

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

<u>Capital Project</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>§ 9 c Bonds</u>	<u>§ 9 d Bonds</u>	<u>VPBA Bonds</u>	<u>Total</u>
Blanket Author.-Academic & Research		2,000,000				2,000,000
Blanket Authorization-Auxiliary Renovation		1,000,000				1,000,000
Medical College of Virginia						
Maintenance Reserve	355,663	1,200,000				1,555,663
Blanket Authorization for Renovations		3,000,000				3,000,000
Outpatient Cancer Center		3,518,000				3,518,000
Improve HVAC Sys. Main & North Hosp.		200,000				200,000
Life Safety Code Compliance	202,000	1,461,000				1,663,000
Renov. Clinical Support Center		689,300				
Renov. Nelson Clinic		3,500,000				
Old Dominion University						
Maintenance Reserve	1,386,770	2,860,000				4,246,770
Plan Teletechnet Center & Network	448,000					448,000
Install Power Protection System	302,000	279,000				581,000
Renovate Chemistry Building		1,740,000				
Child Study Ctr. Renov. & Addition	2,000,000	2,500,000				
George Mason University						
Maintenance Reserve	\$888,724	\$281,000				\$1,169,724
Prince Wm Institute Sitework		1,317,000	\$2,200,000			3,517,000
Arlington Metro Campus Parking		3,000,000	2,000,000			5,000,000
Renovate Student Union		1,500,000				1,500,000
Student Union Supplement		214,000				
Renovate Student Housing			3,400,000			3,400,000
Construct Swimming Pool Complex				10,006,000		10,006,000
Renovate Athletic & Recreation Facilities		2,000,000				2,000,000
Plan Prince Wm. Institute, Phase II	600,000	1,000,000				1,600,000
Improve Aquia and Pohick Lanes						
Construct Krasnow Institute				4,000,000		4,000,000
College of William & Mary						
Maintenance Reserve	1,814,162	358,000				2,172,162
Upgrade Underground Utility System			3,574,000			3,574,000
Renovate Fraternity Complex		1,001,000				1,001,000
Renovate Dormitories			3,915,000			3,915,000
Expand College Bookstore			2,881,000			2,881,000

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

Capital Project	General Fund	Nongeneral Fund	§ 9 c Bonds	§ 9 d Bonds	VPBA Bonds	Total
Alumni House Expansion		850,000				
Equipment for Tercentenary Hall	450,000					
Renovation of Rogers Hall		507,000				
Richard Bland College						
Maintenance Reserve	280,257					280,257
Replace Phys. Ed. Bldg. Roof	254,000					254,000
Virginia Institute of Marine Science						
Maintenance Reserve	285,449					285,449
Replace Jefferson Hall	213,000	425,000				638,000
James Madison University						
Maintenance Reserve	1,061,392	988,000				2,049,392
Blanket Authorization-Auxiliary Renovation		2,000,000				2,000,000
Equip New College of Science & Tech.		3,023,000				3,023,000
Const. Student Service Bldg. (new coll.)		1,150,000	6,221,000			7,371,000
Renovate Bluestone Dormitories		5,722,000				5,722,000
New College Residence Hall			11,771,000			11,771,000
Parking Facilities-New College	598,000		3,214,000			3,214,000
Upgrade Campus Water System	1,225,000	191,000				789,000
Plan New College, Phases II						1,225,000
Christopher Newport University						
Maintenance Reserve	\$194,106					\$194,106
Blanket Authorization-Auxiliary Renovation		\$500,000				500,000
Renovate Science Building	1,191,000					1,191,000
Longwood College						
Maintenance Reserve	413,262	1,054,000				1,467,262
Convert S. Rufner, Tab & French (Dorms)		1,363,000				1,363,000
Construct New Dining Hall						
Replace Campus Wide Electric System	204,000	296,000				8,150,000
Plan Hiner Business Bldg. Renovations	186,000		\$8,150,000			500,000
Plan Center for Visual Arts		103,000				
Mary Washington College						
Maintenance Reserve	460,873	120,000				580,873
Stafford Campus Planning	530,000					530,000
Replace Boiler	186,000					186,000

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

<u>Capital Project</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>§ 9 c Bonds</u>	<u>§ 9 d Bonds</u>	<u>VPBA Bonds</u>	<u>Total</u>
Melchers Monroe Memorials						
Maintenance Reserve	7,747					7,747
Norfolk State University						
Maintenance Reserve	475,548	433,000				908,548
Renovate Residential Service Building		1,281,000				1,281,000
Blanket Authorization-Auxiliary Renov.		1,500,000				1,500,000
Plan 2,500 Seat Football Stadium		400,000				400,000
Plan Warehouse & Maint. Facility	50,000					
Radford University						
Maintenance Reserve	567,510	2,146,000				2,713,510
Purchase Property, Auxiliary		1,000,000				1,000,000
Coal Fired Boiler Plant	1,450,000	1,450,000				2,900,000
Purchase Apartment Complex		1,900,000				1,900,000
Improve Primary Electric System	325,000	325,000				650,000
Blanket Authorization-Auxiliary Renovation		1,000,000				1,000,000
Planning, College Global Studies II	710,000					710,000
Renov. to Allen Building	400,000	150,000				
Virginia Military Institute						
Maintenance Reserve	1,482,917	280,000				1,762,917
Virginia State University						
Maintenance Reserve	\$858,875		\$2,621,000			\$858,875
Renovate Langston Hall						2,621,000
Renovate Foster Hall (Student Union)		\$152,000				152,000
Renovate Jones Dining Hall		203,000				203,000
Renovate Dormitories		151,000				151,000
Virginia Museum of Fine Arts						
Maintenance Reserve	671,967				4,700,000	671,967
Renovation of Education & Outreach Center						
Science Museum of Virginia						
Maintenance Reserve	723,007					723,007
Frontier Culture Museum						
Maintenance Reserve	89,995					89,995
Gunston Hall						
Maintenance Reserve	63,314					63,314

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

Capital Project	General Fund	Nongeneral Fund	§ 9 c Bonds	§ 9 d Bonds	VPBA Bonds	Total
Jamestown-Yorktown Foundation						
Maintenance Reserve	576,177					576,177
Jamestown Settlement, Phase II	2,033,000					2,033,000
Department of Mental Health & Retardation						
Maintenance Reserve	5,669,345					5,669,345
Oxygen & Vacuum Syst.-CVTC Hospital	287,000					287,000
Renovate Boilers, Steam Lines & HVAC	7,000,000					7,000,000
Fire Safety/Sprinklers Patient Areas						
Authority to Sell Surplus Prop. Any Facility	Language				5,945,000	5,945,000
Woodrow Wilson Rehabilitation Center						
Maintenance Reserve	909,725					909,725
Renovate Carter Hall Dormitory					3,400,000	3,400,000
Plan Renovation Birdsall-Hoover Hospital	150,000					150,000
Department for Visually Handicapped						
Maintenance Reserve	190,954					190,954
Department of Conservation & Recreation						
Maintenance Reserve		2,400,000				2,400,000
Kiptopeke Ferry Terminal Renov.		950,000				950,000
Acquisition of New River Trail Campground		650,000				650,000
Acquisition of Pinnacle Natural Area	65,000					65,000
Pinnacle Natural Area Improvements	50,000					50,000
Acquisition of Fort Hill Historical State Park	100,000					100,000
Department of Game & Inland Fisheries						
Maintenance Reserve		1,000,000				1,000,000
Virginia Museum of Natural History						
Maintenance Reserve	\$144,213					\$144,213
Department of State Police						
Maintenance Reserve	164,980					164,980
Appomattox Headquarters					980,000	980,000
Culpeper Headquarters					980,000	980,000
Department of Corrections						
Maintenance Reserve	3,698,466					3,698,466
Replace Heating Syst. - White Post	233,000					233,000
Upgrade F. Unit Electrical Systems	463,000					463,000

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

<u>Capital Project</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>§ 9 c Bonds</u>	<u>§ 9 d Bonds</u>	<u>VPBA Bonds</u>	<u>Total</u>
Replace Southampton Boiler	0				530,000	530,000
Locking Systems-Powhatan & Brunswick	950,000					950,000
Upgrade Water Systems	1,014,000					1,014,000
Fire Safety Upgrade-System Wide	1,600,000					1,600,000
Wastewater Systems.-Bland & VCCW	890,000				1,015,000	1,905,000
Renovate Electrical Systems-VCCW	0				2,900,000	2,900,000
Bland Isolation Bldg. Supplement					900,000	900,000
Equip Lunenburg Correctional Center					3,349,500	3,349,500
Department of Youth & Family Services						
Maintenance Reserve	1,615,843					1,615,843
Upgrade Learning Center Security	635,000					635,000
Equip Beaumont New Buildings				791,100		791,100
Fencing for Barrett Learning Center	500,000					500,000
Beaumont Security Wastewater				500,000		500,000
Department of Military Affairs						
Maintenance Reserve	461,908					461,908
Const. Richlands Armory/Community Bldg.	3,094,000		2,624,000			5,718,000
Renovate Various Kitchens	95,000		257,000			352,000
Addition to Danville Armory	250,000		1,800,000			2,050,000
Department of Alcoholic Beverage Control						
Maintenance Reserve					124,000	124,000
Department of Motor Vehicles						
Maintenance Reserve					1,433,000	1,433,000
Expand Fairfax Branch Office (Suppl.)					550,000	550,000
Replace Alexandria Branch Office					390,000	390,000
Replace Portsmouth Branch Office					600,000	600,000
Acquire West Henrico Branch Office					650,000	650,000
Replace Manassas Branch Office					\$500,000	\$500,000
Capital Lease-South Hill Office					Language	Language
Department of Transportation						
Acquire Northern Va. District Office		14,500,000				14,500,000
Replace Superintendent, etc. Offices		1,624,000				1,624,000
Potomac Regional Design Center		1,687,000				1,687,000
Relocate Harrisonburg Residency		244,000				244,000

**SB 30 and SB 79, as Adopted
1994-96 Capital Budget**

<u>Capital Project</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>§ 9 c Bonds</u>	<u>§ 9 d Bonds</u>	<u>VPBA Bonds</u>	<u>Total</u>
Relocate Winchester Sub-Residency		2,854,000				2,854,000
Equip. Bldg. Various Operational Facilities		3,904,000				3,904,000
Expand Sites-Mt Airy/Moscow		64,000				64,000
Const. Chemical Storage Buildings		2,297,000				2,297,000
State Lottery Department						
Purchase/Replace Computer Equipment		8,336,000				8,336,000
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
GRAND TOTAL	\$132,196,000	\$196,503,900	\$86,932,000	\$41,607,000	\$34,479,505	\$491,718,405

1992 - 1994

Summary of Amendments to the Budget for 1992-94

SB 31 adopts changes totaling \$206.1 million to the revenues available during 1992-94. These changes, combined with the \$31.1 million in balances previously embedded in the budget, and a small savings in existing appropriations will leave a total of \$253.9 million to be carried forward into the next biennium. The \$253.9 million is included as a beginning balance in SB 30. Of the total balance carried forward into the 1994-96 biennium, \$79.9 million would be appropriated for the Revenue Stabilization Fund in FY 1995.

Additional General Fund Revenue Available for Appropriation (FY 1994, \$ millions)

	<u>Original Amount</u>	<u>Revised Amount</u>	<u>Difference</u>
Unappropriated Balance	\$0.0	\$108.5	\$108.5
Additions to the Balance	1.6	11.7	10.1
Official Revenue Estimates	6,381.3	6,477.9	96.6
Transfers	<u>420.2</u>	<u>411.2</u>	<u>(9.0)</u>
Additional GF Revenues Available for Appropriation	\$6,803.1	\$7,009.2	\$206.1

Changes in the Balance

The unappropriated balance increased by a net total of \$108.5 million in FY 1993. Most of the increase was the result of a FY 1993 revenue surplus of \$112.1 million, plus unexpended appropriations. A decrease of \$10 million is also included for Maintenance Reserve, a contingent appropriation approved by the 1993 General Assembly.

Additions to the balance increased by \$10.1 million. This was mainly the result of reductions of carryforward balances, and capital outlay reversions.

Changes in Revenue

Revenue changes since the 1993 Session have resulted in an increase in expected revenues of \$96.6 million. The FY 1993 revenue surplus, upward revisions in economic data, and modest improvement in expected economic conditions for Virginia in FY 1994 combined to increase the official revenue forecast.

The current revenue forecast also includes \$17.3 million in additional compliance revenues as a result of the Enhanced Collection System implemented at the Department of Taxation.

Estimate of General Fund Taxes By Source

	<u>Estimated FY94</u>	<u>Estimated % Growth</u>	<u>Thru February % Growth</u>	<u>Change From 1993 Official</u>
Net Individual	\$3,820.1	6.6%	7.0%	\$21.3
Corporate *	315.0	(15.2)	5.6	8.2
Sales	1,549.3	7.5	6.3	31.4
Insurance	192.3	6.7	11.1	1.2
Public Service	102.9	5.2	(1.5)	(15.4)
Total Revenues	\$6,477.9	5.6%	7.5%	\$96.6

* A one-time corporate income tax payment of \$88 million was made in FY 1993.

Transfers

Total estimated transfers decreased \$9.0 million for fiscal year 1994. Lottery profits are expected to fall \$7.4 million short of last year's projection, while ABC profits are expected to be \$5.5 million short. Several small transfer increases account for the remainder of the changes.

A table detailing SB 31 changes is included on the next page. A summary of appropriation amendments follows the table.

**General Fund Revenue and Appropriation Changes
Since April 1993
(\$ in Millions)**

Unappropriated Balance and Additions to Balance:

	<u>1992-94</u>
Additional Balance in Comptroller's Report	\$ 28.6
Revenue Reserve Fund	79.9
Additional Reappropriation Savings	2.7
Sum Sufficient Appropriations	(0.7)
Repayment of State Bar Treasury Loan (FY 1993)	(0.3)
Litter Control Program	(0.4)
Capital Outlay Reversions	1.6
Reduce Carryforward Balances	6.8
Total Additional Balances	\$ 118.2

Revenue Amendments:

November Estimate	\$ 45.9
February Estimate	30.9
Virginia Power Refund	2.5
Tax Compliance	17.3
Repayment of State Bar Treasury Loan (FY 1993)	<u>0.3</u>
Total Revenue Adjustments	\$ 96.9

Transfers:

ABC Profits	\$ (5.5)
Local Sales Tax Compliance	0.1
Transportation Sales Tax Compliance	0.1
Lottery Profits	(7.4)
Mansville Trust Funds	0.2
DGS-Internal Service Funds Excess Balances	0.1
Revert AG Excess Balances-Legal Advice	0.7
Revert AG Excess Balances-Debt Collection	0.5
Health Dept.-Shift Special Fund Balances	0.7
MH&MR-Excess Special Fund Balances	<u>1.5</u>
Total Transfer Amendments	\$ (9.0)
Total Additional GF Revenues	\$ 206.1

Appropriation Amendments:

\$ 16.6

Revised K-12 Enrollment Savings	\$ (13.4)
Debt Service Savings	(6.0)
Updated Medicaid Forecast	(6.3)
Basic Aid Offset to Sales Tax Increase	(5.2)
UVA Shift Indigent Care to Medicaid	(4.0)
ABC Profit Distribution to Localities	(3.7)
Revised Estimates of Child Health Payments	(3.2)
Revisions in Adult Home Payments	(1.0)
Other Revisions in Human Services Costs	(0.6)
Literary Fund Shortfall	11.0
Sales Tax for Education	9.8
Special Education	4.2
Workforce Training	3.0
Indigent Care-Med. Coll. Hampton Roads	2.5
Wine Tax/Rolling Stock Tax	1.4
Free Textbook Payments	0.5
Open Deerfield Correctional Center	0.5
Miscellaneous	(0.1)
Additional 1 percent Budget Cut	<u>(6.0)</u>

Total **\$ (16.6)**

Tot. Rev. Increases /Approp. Reductions, SB 31 **\$ 222.8**
Unappropriated Balance, Chapter 994 **31.1**

Total Balance Available For Appropriation
In 1994-96 **\$ 253.9**

Summary of Appropriation Amendments

The principal changes to the existing budget which were adopted in Senate Bill 31 are highlighted below.

Public Education

- ***Increased Enrollment.*** Enrollment increases in public schools are beginning to slow. Based on actual September 30, 1993, membership, about 6,479 fewer students are enrolled than were budgeted for in FY 1994. The reduction in the cost due to fewer students will be \$13.4 million.
- ***Literary Fund Diversion.*** A reduction in the transfer of Literary Fund revenues for teacher retirement of \$11.0 million is recommended. Current Literary Fund Revenue projections indicate that revenue collections in FY 1994 will not be sufficient to pay for teacher retirement. Additional general funds in the amount of \$11.0 million are recommended to offset this reduction.
- ***Sales Tax Changes.*** Funding is also increased from \$499.7 million to \$509.5 million, due to a projected increase in sales tax revenues that are dedicated to public education of \$9.8 million in FY 1994. The increase in sales tax requires a corresponding decrease of \$5.2 million in state Basic Aid. When these two changes are combined, the result is a net increase of \$3.8 million for public school funding.
- ***Special Education Funding.*** Increased special education funding in the amount of \$4.2 million (GF) is provided to pay for the increased cost of special education tuition in regional programs and to partially fund the pilot projects for special education services in jails in FY 1994.
- ***Textbook Funding.*** Increased funding for textbooks of \$456,985 is provided. As an incentive to school divisions to provide free textbooks, the state currently pays for 75 percent of the local share of textbooks in systems which offer a free textbook system, but only 25 percent of the local share in rental systems. A shift by local school divisions from rental to free systems in FY 1994 resulted in an increased state cost.

(Note: A listing of projected FY 1994 SOQ enrollment and funding, by locality, is provided at the end of this section.)

Higher Education and Museums

- ***Poison Control Center.*** SB 31 provides \$100,000 GF in FY 1994 to the Blue Ridge Poison Control Center at the University of Virginia Medical Center. The funding will be used to provide poison hotline services to regions of Northern Virginia which are losing this service due to the closing of the Georgetown University poison control center. SB 30, as adopted, includes language to study the need for poison control centers in the Commonwealth.
- ***Norfolk Campus of Tidewater Community College.*** SB 31 authorizes the Community College System to enter into a long-term lease with the City of Norfolk for the development of a campus of Tidewater Community College in Norfolk. SB 30, as adopted, provides funding for development costs to be incurred in 1994-96.
- ***Northern Virginia Graduate Center.*** SB 31 authorizes \$18.5 million of 9(d) debt to allow the University of Virginia and Virginia Tech to construct a replacement facility for the Northern Virginia Graduate Center in Falls Church. The authorization calls for the two universities and the local governments to develop a memorandum of understanding regarding the sharing of long-term costs prior to the issuance of debt.
- ***Second-Year Adjustment for Science Museum of Virginia.*** SB 31 reduces the Museum's FY 1994 general fund appropriation by \$160,000 to reflect a transfer of appropriation to FY 1993. This transfer was needed to eliminate an operating deficit at the Museum.
- ***Minority Professorships.*** SB 31 includes \$148,000 GF in FY 1994 for the establishment of professorships for minorities at James Madison University.
- ***Community Outreach Project.*** SB 31 includes \$65,000 GF for Virginia State University to initiate a community outreach project for the Petersburg area.
- ***Indigent Care Reduction at the University of Virginia Medical Center.*** SB 31 includes a net savings of \$4.0 million by substituting Medicaid funds (50 percent federal funds) for state indigent care funds. Because the teaching hospital serves a disproportionate share of indigent patients, the medical center qualifies for increased Medicaid payments. As noted in the next item, a portion of this savings would be appropriated for MCHR.
- ***Indigent Care Support.*** For the Medical College of Hampton Roads, \$2.5 million GF is provided in SB 31 in support of care provided to indigent patients in the area. Funding would also support Area Health Education Centers.

Health and Human Resources

- **Homes for Adults.** Funding for implementation of a new, two-level reimbursement system in June 1994 is reduced by \$1.0 million. In June 1994, the basic rate would be increased to \$695 per month, but the enhanced, assisted living rate would not become effective until January 1995. (Although the Appropriations Act authorized the maximum basic rate to increase from \$631 to \$714 per month, revised estimates of service costs were used to set the \$695 ceiling.) Interim rates of \$665 per month are provided, in the event that new regulations are not adopted by June 1, 1994.
- **Reduced Estimates of Medicaid Costs.** Appropriations for Medicaid are reduced by \$6.3 million (GF) in FY 1994. Updated projections of Medicaid costs, based on expenditures through February 1994, have also reduced cost estimates in the 1994-96 biennium by \$23.3 million (GF).
- **Other Appropriation Reductions.** Appropriations are also reduced for a few other programs in which costs are expected to be less than anticipated: a new preventive health program for children (\$3.2 million), resident costs of the former Home for Needy Confederate Women (\$50,000), Department of Health programs (\$300,000), and child care programs (\$220,000).
- **Language Amendments.** Two language amendments are proposed for the Department of Medical Assistance Services. Effective May 1, 1994, DMAS would be authorized to initiate a voluntary system of a new type of managed care. "Capitated" reimbursement could be paid to networks of service providers. A negotiated total contract price would be set with the networks, based on the claims history of the Medicaid-eligible population to be served.

In the second amendment, DMAS is authorized to seek federal approval of a new physician reimbursement system. Primary care physicians would be paid at increased rates, as an incentive for more persons to practice general medicine rather than specialties.

Public Safety

- **Mecklenburg Study.** In Senate Bill 30, as adopted, the General Assembly has approved the closure of Mecklenburg Correctional Center, as of July 1, 1995. SB 31, as adopted, provides language directing the Secretary of Public Safety to study and determine an appropriate disposition for the facility. Potential options may include demolition and construction of a replacement facility, sale or lease of the property to a public or private

entity for use as a correctional facility, or renovation to create a special purpose facility.

If the Secretary selects replacement or conversion to a special purpose facility as the recommended options, SB 31, as adopted, includes \$50,000 in fiscal year 1994 for development of the necessary plans. The Secretary's decision is to be presented by July 1, 1994 to the chairmen of the money committees. If new construction or conversion is the recommended option, the plan is to be presented by October 1, 1994.

- ***Deerfield Start-up Expenses.*** SB 31, as adopted, includes \$500,627 in fiscal 1994 to enable Deerfield Correctional Center to open as close to July 1, 1994 as possible.
- ***Northern Neck Regional Jail.*** A lump sum payment of \$1.1 million GF for the Northern Neck Regional Jail is transferred from the Treasury Board to the Department of Corrections. This appropriation transfer represents the first of two payments for the state share of the capital costs for the jail. The second payment is included in SB 30, as adopted.
- ***Norfolk AMI Program.*** Senate Bill 31, as adopted, reduces start-up funding for the Associated Marine Institute program in Norfolk due to unanticipated delays in site selection. Funding for this program remains in the budget for the 1994-96 biennium.
- ***Language Amendments.*** Studies are required in Senate Bill 31, as adopted, concerning double-celling of state prisons, state police communications systems, and the use of federal funds for a specialized drug treatment facility.
- ***Emergency Services Vehicle.*** Authorization is granted for the Department of Emergency Services to use up to \$150,000 in projected balances to purchase and equip a mobile command post.

Finance

- ***Interest Rate Savings.*** Lower than projected interest rates and a somewhat slower issuance schedule have reduced the requirements for debt service on the General Obligation and Virginia Public Building Authority bonds by \$6.0 million (GF) in FY 1994. A reduction of this amount from the Treasury Board budget is included.
- ***ABC Profits Distribution.*** The Department's budget is reduced by \$3,686,467 the second year to reflect a decline in the local shares of ABC profits.
- ***Wine Tax Distribution.*** The budget includes an additional \$300,000 the second year in the distribution of the local share of increased wine tax revenues.

- ***Rolling Stock Tax Distribution.*** The Department's budget, as adopted, includes an additional \$1,133,709 the second year in the distribution of the local share of increased rolling stock tax revenues.

Commerce and Trade

- ***Industrial Training.*** SB 31 includes \$3 million more for industrial training, about double the current appropriation of \$3.2 million. Additional funding would meet an expected shortfall in the program. Commitment of training incentives to companies expanding in Virginia have exceeded appropriations in seven of the last nine years.
- ***Amateur Athletic Games.*** SB 31 includes \$25,000 for the promotion of the "Virginia State Games," an amateur sports competition.

1993-94 STANDARDS OF QUALITY PAYMENTS

DIVISION	1992-94 COMPOSITE INDEX	1993-94		1993-94	
		AVERAGE		STANDARDS OF	
		CHAPTER 994	REVISED	CHAPTER 994	REVISED
ACCOMACK	0.3087	5,487	5,407	\$14,787,047	\$14,587,120
ALBEMARLE	0.5324	10,540	10,425	20,027,303	19,969,759
ALLEGHANY	0.2526	2,403	2,418	6,801,738	6,829,018
AMELIA	0.3111	1,688	1,688	4,704,853	4,698,852
AMHERST	0.2785	4,657	4,601	12,865,902	12,733,133
APPOMATTOX	0.2686	2,291	2,291	6,442,141	6,442,592
ARLINGTON	0.8000	16,254	16,360	19,985,352	20,614,043
AUGUSTA	0.3289	10,097	10,254	25,540,701	25,953,902
BATH	0.8000	900	862	1,048,042	1,003,982
BEDFORD COUNTY	0.3589	8,175	8,264	19,977,795	20,217,889
BLAND	0.2054	978	1,046	3,857,120	4,081,908
BOTETOURT	0.3391	4,220	4,265	11,029,664	11,177,763
BRUNSWICK	0.2463	2,620	2,531	8,208,034	8,019,132
BUCHANAN	0.2331	5,634	5,707	16,959,738	17,134,177
BUCKINGHAM	0.2728	2,091	2,075	6,251,364	6,211,900
CAMPBELL	0.2806	8,348	8,356	21,913,570	21,919,502
CAROLINE	0.3162	3,594	3,579	9,261,597	9,316,891
CARROLL	0.2415	4,010	3,930	12,847,560	12,717,728
CHARLES CITY	0.3293	1,068	1,055	3,163,720	3,136,164
CHARLOTTE	0.2401	2,075	2,100	6,294,340	6,350,432
CHESTERFIELD	0.3869	48,322	47,855	108,836,112	108,164,727
CLARKE	0.5445	1,716	1,747	3,396,402	3,438,374
CRAIG	0.2858	681	681	1,906,078	1,896,009
CULPEPER	0.4296	5,072	5,025	11,358,676	11,355,346
CUMBERLAND	0.2939	1,105	1,152	3,334,793	3,406,191
DICKENSON	0.2043	3,216	3,301	9,866,557	10,043,773
DINWIDDIE	0.2756	3,801	3,765	10,605,053	10,522,630
ESSEX	0.4102	1,640	1,578	4,098,855	3,986,990
FAIRFAX COUNTY	0.7576	132,976	132,705	170,142,271	170,449,172
FAUQUIER	0.6863	8,661	8,490	12,256,781	12,099,086
FLOYD	0.2888	1,837	1,815	5,337,177	5,289,297
FLUVANNA	0.3537	2,381	2,365	6,097,952	6,075,074
FRANKLIN COUNTY	0.3398	6,577	6,399	16,313,872	15,926,400
FREDERICK	0.4100	8,809	9,013	18,848,478	19,293,290
GILES	0.2834	2,524	2,588	7,333,491	7,457,323
GLOUCESTER	0.3223	6,190	6,235	15,417,288	15,570,009
GOOCHLAND	0.6170	1,738	1,738	3,156,885	3,204,240
GRAYSON	0.2391	2,135	2,205	7,126,465	7,318,461
GREENE	0.3028	2,178	2,153	6,070,157	6,006,492
GREENSVILLE	0.2211	1,793	1,769	5,520,882	5,429,806
HALIFAX	0.2238	5,049	5,160	15,193,553	15,437,225
HANOVER	0.4540	12,676	12,835	26,043,546	26,445,325
HENRICO	0.4953	35,406	34,985	69,111,837	68,587,983
HENRY	0.2901	9,162	9,079	24,370,285	24,169,270
HIGHLAND	0.4765	366	385	1,079,210	1,128,214
ISLE OF WIGHT	0.3540	4,456	4,413	11,233,551	11,191,395
JAMES CITY	0.5663	5,871	5,911	10,479,116	10,615,489
KING GEORGE	0.3677	2,607	2,656	6,353,177	6,501,519

SOQ payments do not include Remedial Summer School Payments.

1993-94 STANDARDS OF QUALITY PAYMENTS

DIVISION	1992-94 COMPOSITE INDEX	1993-94		1993-94	
		AVERAGE		STANDARDS OF	
		DAILY MEMBERSHIP		QUALITY (SOQ) PAYMENTS	
		CHAPTER 994	REVISED	CHAPTER 994	REVISED
KING AND QUEEN	0.3565	880	885	\$2,569,469	\$2,572,313
KING WILLIAM	0.3294	1,528	1,566	4,221,028	4,315,178
LANCASTER	0.6120	1,645	1,604	2,785,880	2,733,915
LEE	0.1641	4,348	4,370	15,058,941	15,108,420
LOUDOUN	0.8000	16,574	17,012	18,264,856	18,821,895
LOUISA	0.6521	3,768	3,768	5,959,195	5,989,174
LUNENBURG	0.2169	2,286	2,170	6,919,046	6,678,363
MADISON	0.3793	1,857	1,870	4,859,649	4,896,778
MATHEWS	0.4605	1,274	1,282	2,829,052	2,851,009
MECKLENBURG	0.2857	5,067	5,047	14,536,654	14,520,553
MIDDLESEX	0.5457	1,256	1,288	2,609,797	2,694,653
MONTGOMERY	0.3518	8,731	8,715	21,665,959	21,601,007
NELSON	0.4151	2,093	2,075	5,023,707	4,997,869
NEW KENT	0.3978	1,984	1,984	5,068,957	5,087,523
NORTHAMPTON	0.2808	2,479	2,458	7,100,857	7,062,382
NORTHUMBERLAND	0.6234	1,519	1,519	2,691,332	2,720,680
NOTTOWAY	0.2536	2,460	2,460	7,256,464	7,258,619
ORANGE	0.3896	3,822	3,809	9,200,001	9,240,006
PAGE	0.3139	3,447	3,449	9,167,625	9,219,354
PATRICK	0.2651	2,683	2,647	7,580,169	7,503,467
PITTSYLVANIA	0.2353	9,327	9,235	27,108,427	26,872,100
POWHATAN	0.3851	2,461	2,536	5,863,539	6,051,097
PRINCE EDWARD	0.2905	2,640	2,585	7,434,173	7,299,540
PRINCE GEORGE	0.2282	5,224	5,215	14,411,250	14,414,517
PRINCE WILLIAM	0.4367	45,415	44,873	103,150,366	102,177,358
PULASKI	0.2785	5,253	5,215	14,415,790	14,329,869
RAPPAHANNOCK	0.6990	1,069	991	1,671,559	1,592,488
RICHMOND COUNTY	0.3615	1,390	1,330	3,613,032	3,473,220
ROANOKE COUNTY	0.3717	13,542	13,561	32,126,077	32,157,241
ROCKBRIDGE	0.3325	2,999	2,955	8,086,975	7,997,715
ROCKINGHAM	0.3636	9,721	9,721	23,360,772	23,419,376
RUSSELL	0.2053	4,869	4,789	14,676,287	14,487,529
SCOTT	0.1895	3,942	3,942	13,409,212	13,386,216
SHENANDOAH	0.4135	4,934	5,020	11,525,879	11,715,174
SMYTH	0.2334	5,285	5,360	15,378,655	15,509,517
SOUTHAMPTON	0.3083	2,765	2,760	7,807,954	7,799,476
SPOTSYLVANIA	0.3881	14,416	14,227	32,262,932	32,010,209
STAFFORD	0.3508	14,277	14,397	33,142,614	33,508,477
SURRY	0.8000	1,281	1,198	1,392,352	1,352,562
SUSSEX	0.3366	1,463	1,486	4,033,285	4,088,635
TAZEWELL	0.2239	8,473	8,447	24,058,621	24,010,895
WARREN	0.3961	4,462	4,540	10,255,877	10,449,772
WASHINGTON	0.2691	7,395	7,374	20,563,440	20,498,374
WESTMORELAND	0.4044	2,007	2,007	4,874,057	4,901,536
WISE	0.2016	8,184	8,179	24,080,746	24,126,470
WYTHE	0.2691	4,294	4,394	12,531,137	12,775,785
YORK	0.3610	11,005	10,700	25,179,079	24,599,577
ALEXANDRIA	0.8000	10,040	9,825	11,744,177	11,689,804

SOQ payments do not include Remedial Summer School Payments.

1993-94 STANDARDS OF QUALITY PAYMENTS

DIVISION	1992-94 COMPOSITE INDEX	1993-94 AVERAGE DAILY MEMBERSHIP		1993-94 STANDARDS OF QUALITY (SOQ) PAYMENTS	
		CHAPTER 994	REVISED	CHAPTER 994	REVISED
BEDFORD CITY	0.3533	936	956	\$2,383,792	\$2,436,010
BRISTOL	0.3489	2,564	2,495	6,776,394	6,668,732
BUENA VISTA	0.2273	1,059	1,060	3,272,234	3,267,514
CHARLOTTESVILLE	0.5328	4,706	4,571	9,315,926	9,124,483
CHESAPEAKE CITY	0.3379	32,995	33,185	78,477,252	79,313,777
CLIFTON FORGE	0.2589	678	728	2,018,138	2,132,601
COLONIAL HEIGHTS	0.4191	2,712	2,587	5,905,880	5,693,860
COVINGTON	0.3100	980	966	2,708,050	2,670,463
DANVILLE	0.2932	8,388	8,309	21,484,143	21,372,580
EMPORIA	0.3216	1,059	1,038	2,781,830	2,743,803
FAIRFAX CITY	0.8000	2,402	2,402	2,816,518	2,850,462
FALLS CHURCH	0.8000	1,274	1,357	1,437,295	1,517,296
FRANKLIN CITY	0.2610	1,867	1,778	5,030,909	4,854,736
FREDERICKSBURG	0.5992	1,964	2,079	3,538,476	3,739,121
GALAX	0.3433	1,157	1,184	2,864,382	2,928,437
HAMPTON	0.3139	23,465	22,975	57,117,433	55,469,261
HARRISONBURG	0.5805	3,574	3,474	5,730,873	6,014,609
HOPEWELL	0.2722	4,125	4,089	10,962,105	10,919,868
LEXINGTON	0.3929	661	661	1,479,149	1,482,326
LYNCHBURG	0.3706	9,294	9,294	21,919,500	21,953,159
MANASSAS CITY	0.6134	5,374	5,374	9,220,932	9,293,948
MANASSAS PARK	0.3146	1,412	1,379	4,453,294	4,369,715
MARTINSVILLE	0.3642	2,792	2,781	6,819,666	6,812,061
NEWPORT NEWS	0.2952	30,595	30,529	79,010,292	79,061,242
NORFOLK	0.2952	36,694	34,795	94,859,302	90,798,888
NORTON	0.2596	877	877	2,444,667	2,417,914
PETERSBURG	0.2823	6,084	6,134	16,308,784	16,461,286
POQUOSON	0.3092	2,468	2,409	6,069,512	5,936,989
PORTSMOUTH	0.2489	18,222	17,770	52,368,115	51,584,221
RADFORD	0.3276	1,444	1,490	3,536,186	3,595,314
RICHMOND CITY	0.4874	26,477	26,269	56,888,815	56,733,522
ROANOKE CITY	0.4157	12,726	12,749	30,102,162	30,061,097
SALEM	0.4343	3,784	3,735	7,965,463	7,900,152
SOUTH BOSTON	0.2768	1,467	1,353	3,850,251	3,579,472
STAUNTON	0.3773	3,002	2,975	6,996,266	6,964,053
SUFFOLK	0.3127	9,312	9,346	24,571,960	24,707,075
VIRGINIA BEACH	0.3503	75,420	74,397	175,853,545	173,516,404
WAYNESBORO	0.4243	2,837	2,775	5,951,652	5,848,276
WILLIAMSBURG	0.8000	726	698	835,959	833,842
WINCHESTER	0.5873	3,184	3,156	5,381,563	5,367,957
COLONIAL BEACH	0.2988	625	611	1,732,295	1,697,557
WEST POINT	0.3296	725	690	1,925,690	1,836,069
TOTALS		1,046,016	1,039,537	\$2,331,549,633	\$2,323,222,832

SOQ payments do not include Remedial Summer School Payments.

Appendix

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
LEGISLATIVE BRANCH			
General Assembly of Virginia			
1994-96 Base Budget	35,075,472	0	199.00
Office Expense Allowance	882,000	0	0.00
Aides' Compensation and Per Diems	Language	0	Language
Legislative Agency Heads' Salaries	Language	0	Language
House Clerk's Position	0	0	1.00
Senate Clerk's Positions	0	0	3.00
House Committee Support	237,600	0	2.00
Senate Committee Support	250,000	0	0.00
Joint Commission on Workforce (SJR 152)	50,000	0	0.00
Workforce Comm to Review Compensation	Language	0	Language
Regional Govt. Study (SJR 116 & HJR 281)	50,000	0	0.00
Total Increases	1,469,600	0	6.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	36,545,072	0	205.00
% Net Change	4.19%	NA	3.02%
Division of Legislative Services			
1994-96 Base Budget	7,141,246	120,000	56.00
Admin. Law Advisory Committee (SB 269)	100,000	0	1.00
Total Increases	100,000	0	1.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	7,241,246	120,000	57.00
% Net Change	1.40%	0.00%	1.79%
Virginia Code Commission			
1994-96 Base Budget	461,860	0	0.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	461,860	0	0.00
% Net Change	0.00%	NA	NA
Virginia Coal and Energy Commission			
1994-96 Base Budget	42,640	0	0.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	42,640	0	0.00
% Net Change	0.00%	NA	NA
State Water Commission			
1994-96 Base Budget	20,320	0	0.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	20,320	0	0.00
% Net Change	0.00%	NA	NA
Nat. Conf of Comm's Uniform State Laws			
1994-96 Base Budget	65,616	0	0.00
Dues Increase and other expenses	11,884	0	0.00
Total Increases	11,884	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	77,500	0	0.00
% Net Change	18.11%	NA	NA

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Virginia Housing Study Commission			
1994-96 Base Budget	255,608	0	2.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	255,608	0	2.00
% Net Change	0.00%	NA	0.00%
Virginia State Crime Commission			
1994-96 Base Budget	332,352	0	2.00
Additional Staff Support	104,754	0	1.00
Total Increases	104,754	0	1.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	437,106	0	3.00
% Net Change	31.52%	NA	50.00%
Virginia Commission on Youth			
1994-96 Base Budget	237,736	0	2.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	237,736	0	2.00
% Net Change	0.00%	NA	0.00%
Commission on Population Growth & Dev.			
1994-96 Base Budget	162,265	0	0.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	162,265	0	0.00
% Net Change	0.00%	NA	NA
Chesapeake Bay Commission			
1994-96 Base Budget	253,786	0	1.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	253,786	0	1.00
% Net Change	0.00%	NA	0.00%
Joint Commission on Health Care			
1994-96 Base Budget	686,102	0	5.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	686,102	0	5.00
% Net Change	0.00%	NA	0.00%
Division of Legislative Automated Systems			
1994-96 Base Budget	5,557,120	440,000	19.00
Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	5,557,120	440,000	19.00
% Net Change	0.00%	0.00%	0.00%

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Joint Legislative Audit & Review Comm.			
1994-96 Base Budget	4,181,051	0	33.00
VRS Oversight (SB 77 & HB 193)	0	216,600	1.00
Study Involuntary Commitment (continue)	Language	0	Language
Study Community Action (follow-up)	Language	0	Language
Total Increases	0	216,600	1.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	4,181,051	216,600	34.00
% Net Change	0.00%	NA	3.03%
Auditor of Public Accounts			
1994-96 Base Budget	17,269,726	1,625,476	195.00
DGS Rental Charges	240,867	0	0.00
Total Increases	240,867	0	0.00
Agency Decrease	0	0	(7.00)
Total Decreases	0	0	(7.00)
Budget, As Adopted	17,510,593	1,625,476	188.00
% Net Change	1.39%	0.00%	(3.59%)
Va. Comm. on Intergovernmental Cooperation			
1994-96 Base Budget	700,364	0	0.00
NCSL Dues Increase	10,000	0	0.00
Total Increases	10,000	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	710,364	0	0.00
% Net Change	1.43%	NA	NA
Division of Capitol Police			
1994-96 Base Budget	5,247,990	0	73.00
DGS Rental Charges	78,996	0	0.00
Total Increases	78,996	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	5,326,986	0	73.00
% Net Change	1.51%	NA	0.00%
Comm on VA Alcohol Safety Action Program			
1994-96 Base Budget	0	1,499,680	6.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	0	1,499,680	6.00
% Net Change	NA	0.00%	0.00%
Legis. Dept. Reversion Clearing Account			
1994-96 Base Budget	2,212,280	0	0.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Decrease	(1,112,280)	0	0.00
Total Decreases	(1,112,280)	0	0.00
Budget, As Adopted	1,100,000	0	0.00
% Net Change	(50.28%)	NA	NA
Legislative Branch			
1994-96 Base Budget	79,903,534	3,685,156	593.00
Increases	2,016,101	216,600	9.00
Decreases	(1,112,280)	0	(7.00)
Grand Total: Budget, As Adopted	80,807,355	3,901,756	595.00
% Net Change	1.13%	5.88%	0.34%

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
JUDICIAL BRANCH			
Supreme Court			
1994-96 Base Budget	18,553,715	793,750	113.63
Automation of Inmate Time Computation	300,000	0	3.00
Family Violence Prevention (HJR 279)	150,000	150,000	2.00
Report on Notification of Victim Aid	Language	0	Language
Court Fines & Costs (SB 293)	Language	0	Language
Study of Court Interpreters (SJR 93)	50,000	0	0.00
DGS Rental Charges	1,443,240	0	0.00
Total Increases	1,943,240	150,000	5.00
Collection of Unpaid Court Fines & Costs	(365,200)	0	(3.00)
Total Decreases	(365,200)	0	(3.00)
Budget, As Adopted	20,131,755	943,750	115.63
% Net Change	8.51%	18.90%	1.76%
Court of Appeals			
1994-96 Base Budget	7,493,736	0	46.63
DGS Rental Charges	212,614	0	0.00
Additional Staff Support	169,000	0	2.00
Retired Senior Judges (SB 72)	56,000	0	0.00
Total Increases	437,614	0	2.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	7,931,350	0	48.63
% Net Change	5.84%	NA	4.29%
Circuit Courts			
1994-96 Base Budget	83,889,499	0	145.00
Criminal Fund	3,917,109	0	0.00
Crim Fund Transfer to Ch'ville Pub Def.	(350,000)	0	0.00
Alternative Dispute Resolution-Fairfax	78,107	0	1.00
New Judges-16th, 23rd (SB 71)	559,600	0	2.00
Revenues for Indexing Court Records	0	397,200	0.00
DGS Rental Charges	33,137	0	0.00
Total Increases	4,237,953	397,200	3.00
Criminal Fund Adjustment-Carry-forward	(4,676,968)	0	0.00
Criminal Fund Reestimate-FY 95, 96	(3,741,440)	0	0.00
Total Decreases	(8,418,408)	0	0.00
Budget, As Adopted	79,709,044	397,200	148.00
% Net Change	(4.98%)	NA	2.07%
General District Courts			
1994-96 Base Budget	109,705,781	0	819.50
Involuntary Mental Commitment Fund	3,398,537	0	0.00
Hepatitis Vaccinations & Protective Kits	18,712	0	0.00
Additional staff support per workload	1,000,000	0	30.00
New Judges-12th, 2A (SB 71)	521,192	0	2.00
DGS Rental Charges	110,419	0	0.00
Total Increases	5,048,860	0	32.00
Agency Position Level Adjustment	0	0	(30.80)
Total Decreases	0	0	(30.80)
Budget, As Adopted	114,754,641	0	820.70
% Net Change	4.60%	NA	0.15%
Juvenile & Dom. Rel. District Courts			
1994-96 Base Budget	58,985,384	0	387.50
DGS Rental Charges	46,940	0	0.00
Additional Staff Support	926,000	0	29.60
New Judges-14,18,22,23,24,26 (SB 71)	1,563,576	0	6.00
Agency Position Level Adjustment	0	0	19.70
Total Increases	2,536,516	0	55.30
Transfer to Public Defender Pilot Project	(50,000)	0	0.00
Total Decreases	(50,000)	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Budget, As Adopted	61,471,900	0	442.80
% Net Change	4.22%	NA	14.27%
Combined District Courts			
1994-96 Base Budget	21,673,131	0	175.50
DGS Rental Charges	60,745	0	0.00
Agency Position Level Adjustment	0	0	11.10
Total Increases	60,745	0	11.10
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	21,733,876	0	186.60
% Net Change	0.28%	NA	6.32%
Magistrate System			
1994-96 Base Budget	24,893,550	0	366.80
Additional Magistrate positions	138,250	0	4.00
Hepatitis Vaccinations & Protective Kits	53,783	0	0.00
Total Increases	192,033	0	4.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	25,085,583	0	370.80
% Net Change	0.77%	NA	1.09%
Judicial Inquiry & Review Commission			
1994-96 Base Budget	639,574	0	3.00
DGS Rental Charges	21,189	0	0.00
Total Increases	21,189	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	660,763	0	3.00
% Net Change	3.31%	NA	0.00%
Virginia State Bar			
1994-96 Base Budget	740,000	15,048,720	60.00
Use Revenues for Increased Staffing	0	492,200	14.00
Total Increases	0	492,200	14.00
Restrictions on Dues, Fees, Positions	0	(323,600)	(1.00)
Total Decreases	0	(323,600)	(1.00)
Budget, As Adopted	740,000	15,217,320	73.00
% Net Change	0.00%	1.12%	21.67%
State Board of Bar Examiners			
1994-96 Base Budget	1,055,600	0	4.00
Cost of Grading Bar Exams	120,000	0	0.00
Total Increases	120,000	0	0.00
Agency Decrease	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	1,175,600	0	4.00
% Net Change	11.37%	NA	0.00%
Public Defender Commission			
1994-96 Base Budget	22,256,800	0	221.50
Cost of New Leases	168,870	0	0.00
Public Defender-Charlottesville (HB 241)	674,000	0	7.00
Guardian ad Litem Pilot Project	50,000	0	0.00
Additional Positions	1,870,533	0	31.00
Total Increases	2,763,403	0	38.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	25,020,203	0	259.50
% Net Change	12.42%	NA	17.16%
Judicial Branch			
1994-96 Base Budget	349,886,770	15,842,470	2,343.06

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Increases	17,361,553	1,039,400	164.40
Decreases	(8,833,608)	(323,600)	(34.80)
Grand Total: Budget, As Adopted	358,414,715	16,558,270	2,472.66
% Net Change	2.44%	4.52%	5.53%

EXECUTIVE OFFICES

Office of the Governor

1994-96 Base Budget	4,564,404	0	37.00
DGS Rental Charges	186,210	0	0.00
Executive Mansion Operations	100,000	0	0.00
Total Increases	286,210	0	0.00
Agency Reduction	(357,680)	0	(2.00)
Total Decreases	(357,680)	0	(2.00)
Budget, As Adopted	4,492,934	0	35.00
% Net Change	(1.57%)	NA	(5.41%)

Office of the Lieutenant Governor

1994-96 Base Budget	608,562	0	6.00
DGS Rental Charges	27,296	0	0.00
Total Increases	27,296	0	0.00
Agency Reduction	(15,200)	0	0.00
Total Decreases	(15,200)	0	0.00
Budget, As Adopted	620,658	0	6.00
% Net Change	1.99%	NA	0.00%

Attorney General & Dept. of Law

1994-96 Base Budget	25,614,156	8,100,450	258.00
DGS Rental Charges	1,035,846	0	0.00
Establish Consumer Advocacy Trust Fund	0	500,000	0.00
Total Increases	1,035,846	500,000	0.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	26,650,002	8,600,450	258.00
% Net Change	4.04%	6.17%	0.00%

Secretary of the Commonwealth

1994-96 Base Budget	1,886,498	0	21.00
DGS Rental Charges	155,477	0	0.00
Lobbying Disclosure (SB 498)	47,000	0	0.00
Total Increases	202,477	0	0.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	2,088,975	0	21.00
% Net Change	10.73%	NA	0.00%

Virginia Liaison Office

1994-96 Base Budget	548,254	145,116	5.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Eliminate Research Position	(90,341)	0	(1.00)
Total Decreases	(90,341)	0	(1.00)
Budget, As Adopted	457,913	145,116	4.00
% Net Change	(16.48%)	0.00%	(20.00%)

Interstate Organization Contributions

1994-96 Base Budget	476,370	0	0.00
Agency Increase	0	0	0.00
Total Increases	0	0	0.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	476,370	0	0.00
% Net Change	0.00%	NA	NA

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Executive Offices			
1994-96 Base Budget	33,698,244	8,245,566	327.00
Increases	1,551,829	500,000	0.00
Decreases	(463,221)	0	(3.00)
Grand Total: Budget, As Adopted	34,786,852	8,745,566	324.00
% Net Change	3.23%	6.06%	(0.92%)
ADMINISTRATION			
Secretary of Administration			
1994-96 Base Budget	1,434,032	0	14.00
DGS Rental Charges	124,572	0	0.00
Total Increases	124,572	0	0.00
Agency Reduction	(51,241)	0	(1.00)
Other Decrease	0	0	0.00
Total Decreases	(51,241)	0	(1.00)
Budget, As Approved	1,507,363	0	13.00
% Net Change	5.11%	NA	(7.14%)
Virginia Veterans' Care Center			
1994-96 Base Budget	0	320,282	2.00
No Increase	0	0	0.00
Total Increases	0	0	0.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	320,282	2.00
% Net Change	NA	0.00%	0.00%
Council on Human Rights			
1994-96 Base Budget	463,326	0	4.00
DGS Rental Charges	47,483	0	0.00
Total Increases	47,483	0	0.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	510,809	0	4.00
% Net Change	10.25%	NA	0.00%
Department of Personnel & Training			
1994-96 Base Budget	9,999,268	1,522,906	95.00
DGS Rental Charges	552,259	0	0.00
Health Insurance Administration	0	784,894	0.00
Total Increases	552,259	784,894	0.00
Agency Reduction	(367,391)	0	0.00
Spread Agency Reduction	0	0	0.00
Reduce Carry Forwards	(550,000)	0	0.00
Total Decreases	(917,391)	0	0.00
Budget, As Approved	9,634,136	2,307,800	95.00
% Net Change	(3.65%)	51.54%	0.00%
Department of Employee Relations Counselors			
1994-96 Base Budget	1,703,904	55,796	13.00
Increased Administrative Costs	0	47,446	0.00
Increased workload	105,315	0	1.00
Total Increases	105,315	47,446	1.00
Unfunded MEL Adjustment	0	0	(1.00)
Total Decreases	0	0	(1.00)
Budget, As Approved	1,809,219	103,242	13.00
% Net Change	6.18%	85.03%	0.00%
Department of General Services			
1994-96 Base Budget	58,928,722	13,289,686	916.00
DGS Rental Charges	8,097,333	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Roanoke Laboratory Operations	132,000	0	0.00
Procurement Training Staff	0	154,140	2.00
Automobile Liability Claims Administration	0	470,000	4.00
Norfolk Health/Forensics Lease	814,000	0	0.00
Value Engineering Start-up Costs	50,000	0	0.00
Transfer DIT Procurement to DGS	302,080	0	6.00
DNA Data Bank, Phase II	1,741,000	0	14.00
Total Increases	11,136,413	624,140	26.00
Agency Reduction	(1,368,666)	0	(8.00)
DEQ Testing Pilot Project	(2,563,028)	0	0.00
Reduce Carry Forwards	(250,000)	0	0.00
Total Decreases	(4,181,694)	0	(8.00)
Budget, As Approved	65,883,441	13,913,826	934.00
% Net Change	11.80%	4.70%	1.97%
State Board of Elections			
1994-96 Base Budget	14,391,860	0	18.00
DGS Rental Charges	107,039	0	0.00
Temporary Campaign Audit Staff	33,500	0	0.00
Reprogram Voter Registration System (HB 223)	26,240	0	0.00
Const. Amendments (HB 1405, SB 103, SB 574)	40,776	0	0.00
Total Increases	207,555	0	0.00
Agency Reduction	(401,062)	0	0.00
Total Decreases	(401,062)	0	0.00
Budget, As Approved	14,198,353	0	18.00
% Net Change	(1.34%)	NA	0.00%
Virginia Retirement System			
1994-96 Base Budget	0	23,386,786	122.00
Investment Research Position	0	102,058	1.00
Total Increases	0	102,058	1.00
Transfer to Independent Agencies	0	(23,488,844)	0.00
Total Decreases	0	(23,488,844)	0.00
Budget, As Approved	0	0	123.00
% Net Change	NA	(100.00%)	0.82%
Compensation Board			
1994-96 Base Budget	644,837,726	0	10.00
New Jail Staffing	7,807,631	0	0.00
Additional Jail Staffing	4,063,574	0	0.00
Jail Overcrowding Positions	6,958,546	0	0.00
Additional Budget Position	0	0	1.00
Constitutional Officers Automation	1,829,188	0	0.00
Collection of Court Fines, Fees & Costs (SB 293)	222,550	0	2.00
24 Hour Law enforcement Coverage (6 Deputies)	250,780	0	0.00
James City County Workload (1 deputy)	45,000	0	0.00
1:2,000 Law Enforcement Deputies (17 Deputies)	710,500	0	0.00
Essex County Sheriff's Workload (3 positions)	117,052	0	0.00
Lynchburg Jail Expansion (8 positions)	300,000	0	0.00
Danville Jail Overcrowding (8 positions)	300,000	0	0.00
Part-time to Full-time Comm. Atty. (YR1:15/YR2:30)	2,300,955	0	0.00
Halifax & Spottsylvania Full-time Asst. Comm Atty	58,060	0	0.00
Transfer Special Drug Prosecutors from Public Safety	1,268,346	0	0.00
Commonwealth's Attorney's Office Automation	75,000	0	0.00
Suffolk Special Drug Prosecutor	80,000	0	0.00
Violent Crime Paralegal Positions (22 positions)	903,399	0	0.00
Assistant Commonwealth's Attorneys (6 positions)	318,383	0	0.00
Senior Asst. Commonwealth's Attorneys (22 positions)	1,875,562	0	0.00
Competitive Pay for Commonwealth's Attorneys	1,904,927	0	0.00
Circuit Court Clerks' Increased Workload (38 positions)	2,888,745	0	0.00
New Kent Circuit Court Clerk's Workload (1 position)	34,092	0	0.00
DGS Rental Charges	96,454	0	0.00
Total Increases	34,408,744	0	3.00
Agency Reduction	(24,940,663)	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Reduce Excess Compensation	(2,182,000)	0	0.00
Jail Per diem Payments	(8,250,102)	0	0.00
Transfer Fairfax Arbitration Position to Supreme Ct. (-1)	(68,580)	0	0.00
Jail Per diem Savings: Alternative Incarceration	(3,121,000)	0	0.00
Total Decreases	<u>(38,562,345)</u>	<u>0</u>	<u>0.00</u>
Budget, As Approved	640,684,125	0	13.00
% Net Change	(0.64%)	NA	30.00%
	71.05%		
Commission on Local Government			
1994-96 Base Budget	1,057,052	0	6.00
DGS Rental Charges	67,085	0	0.00
Study of Regional Co-operation	98,000	0	1.00
Total Increases	165,085	0	1.00
No Agency Reduction	0	0	0.00
Total Decreases	<u>0</u>	<u>0</u>	<u>0.00</u>
Budget, As Approved	1,222,137	0	7.00
% Net Change	15.62%	NA	16.67%
Department of Information Technology			
1994-96 Base Budget	16,241,490	0	394.00
Graduate Engineering Program	61,930	0	0.00
Radio Reading Service	108,530	0	0.00
WHRO-TV Transmitter	425,000	0	0.00
Public TV-Community Service Grants	855,000	0	0.00
Public Radio-Community Service Grants	132,000	0	0.00
Total Increases	1,582,460	0	0.00
Agency Reduction	(106,377)	0	0.00
Transfer Procurement to DGS	(1,579,309)	0	0.00
Total Decreases	<u>(1,685,686)</u>	<u>0</u>	<u>0.00</u>
Budget, As Approved	16,138,264	0	394.00
% Net Change	(0.64%)	NA	0.00%
Council on Information Management			
1994-96 Base Budget	1,274,894	0	8.00
DGS Rental Charges	73,614	0	0.00
Total Increases	73,614	0	0.00
No Agency Reduction	0	0	0.00
Total Decreases	<u>0</u>	<u>0</u>	<u>0.00</u>
Budget, As Approved	1,348,508	0	8.00
% Net Change	5.77%	NA	0.00%
Department of Veterans' Affairs			
1994-96 Base Budget	4,441,382	0	57.00
DGS Rental Charges	28,588	0	0.00
Total Increases	28,588	0	0.00
Unfunded MEL Adjustment	0	0	(5.00)
Total Decreases	<u>0</u>	<u>0</u>	<u>(5.00)</u>
Budget, As Approved	4,469,970	0	52.00
% Net Change	0.64%	NA	(8.77%)
Office of Administration			
1994-96 Base Budget	754,773,656	38,575,456	1,659.00
Increases	48,432,088	1,558,538	32.00
Decreases	<u>(45,799,419)</u>	<u>(23,488,844)</u>	<u>(15.00)</u>
Grand Total: Budget, As Approved	757,406,325	16,645,150	1,676.00
% Net Change	0.35%	(56.85%)	1.02%

COMMERCE AND TRADE

Secretary of Commerce & Trade			
1994-96 Base Budget	1,196,866	0	7.00
DGS Rental Charges	54,084	0	0.00
Total Increases	54,084	0	0.00
Base Adjustment - Trade Mission	(278,000)	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Agency Reduction	(33,850)	0	0.00
Total Decreases	(311,850)	0	0.00
Budget, As Adopted	939,100	0	7.00
% Net Change	(21.54%)	NA	0.00%
Dept. of Housing & Community Dev.			
1994-96 Base Budget	61,225,524	88,193,172	130.00
Homeless Assistance	800,000	0	0.00
Va. Water Project	651,540	0	0.00
Clean Site Fund	500,000	0	0.00
Indoor Plumbing	500,000	0	0.00
Weatherization Assistance	250,000	0	0.00
Ivanhoe Economic Development	80,000	0	0.00
Small Business Incubator	10,000	0	0.00
New River Valley Alliance	325,000	0	0.00
Southside Economic Dev. Commission	675,000	0	0.00
Alleghany/Highlands, Inc.	500,000	0	0.00
Microenterprise Loan Program	100,000	0	0.00
Federal Housing Funds	0	21,762,000	0.00
Total Increases	4,391,540	21,762,000	0.00
Eliminate Grants-Rural Development	(750,000)	0	0.00
Reduce Administrative Costs	(156,000)	0	0.00
Agency Reduction	(1,405,906)	643,000	0.00
Total Decreases	(2,311,906)	643,000	0.00
Budget, As Adopted	63,305,158	110,598,172	130.00
% Net Change	3.40%	25.40%	0.00%
Dept. of Economic Development			
1994-96 Base Budget	47,097,636	4,995,620	164.50
Industrial Advertising	1,000,000	0	0.00
Industrial Training	4,250,000	0	0.00
Southside Business & Ed. Commission	150,000	0	0.00
New Century Council	200,000	0	0.00
Business Resources Center CIT	350,000	250,000	2.00
Roanoke Amateur Sports	75,000	0	0.00
Virginia Film Office-Norfolk Office	146,406	0	1.00
State Game -Richmond/Hampton Roads	50,000	0	0.00
Coalfield Economic-Tourism Authority	50,000	0	0.00
Regional Marketing Councils	60,000	0	0.00
Manufacturing Extension	0	3,900,040	9.00
Base Closing Assistance	0	122,256	0.00
DGS Rental Charges	20,421	0	0.00
Total Increases	6,351,827	4,272,296	12.00
Agency Reduction	(2,021,990)	0	(14.00)
Total Decreases	(2,021,990)	0	(14.00)
Budget, As Adopted	51,427,473	9,267,916	162.50
% Net Change	9.19%	85.52%	(1.22%)
Dept. of Minority Business Enterprise			
1994-96 Base Budget	1,142,192	1,152,158	20.00
Positions for Highway Services	0	0	3.00
DGS Rental Charges	83,765	0	0.00
Total Increases	83,765	0	3.00
Agency Reduction	(172,462)	0	(1.00)
Total Decreases	(172,462)	0	(1.00)
Budget, As Adopted	1,053,495	1,152,158	22.00
% Net Change	(7.77%)	0.00%	10.00%
Department of Labor and Industry			
1994-96 Base Budget	15,718,490	8,090,398	225.00
DGS Rental Charges	451,543	0	0.00
Total Increases	451,543	0	0.00
Agency Reduction	(2,641,004)	0	0.00
Total Decreases	(2,641,004)	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Budget, As Adopted	13,529,029	8,090,398	225.00
% Net Change	(13.93%)	0.00%	0.00%
Dept. of Occupation & Profession Reg.			
1994-96 Base Budget	0	17,167,996	146.00
Upgrade Automation	0	2,271,380	4.00
Clerks for Licensing	0	116,782	6.00
Lead Contractors	0	111,298	2.00
Added Certification	0	568,438	3.00
Regulatory Exams	0	146,908	2.00
Tradesman Certification	0	54,400	0.00
Total Increases	0	3,269,206	17.00
No Decreases	0	0	0.00
Budget, As Adopted	0	20,437,202	163.00
% Net Change	NA	10.60%	11.64%
Dept. of Agriculture & Consumer Ser.			
1994-96 Base Budget	48,149,422	34,300,076	602.00
Positions for Meat Certification	0	128,786	2.00
Foreign Exchange Rate Difference	85,286	0	0.00
Weights & Measures Positions	151,570	0	2.00
Funding for Virginia Wine Growers	40,000	0	0.00
Carroll County Farmers' Market	73,000	0	0.00
Horse Center Debt Service	608,615	0	0.00
DGS Rental Charges	2,214,557	0	0.00
NGF Increase	0	174,500	0.00
Total Increases	3,173,028	303,286	4.00
Fee Revenue for GF	(400,000)	630,000	0.00
Agency Reduction	(3,646,394)	499,740	(22.00)
Total Decreases	(4,046,394)	1,129,740	(22.00)
Budget, As Adopted	47,276,056	35,733,102	584.00
% Net Change	(1.81%)	4.18%	(2.99%)
Virginia Agriculture Council			
1994-96 Base Budget	0	580,668	0.00
No Increases	0	0	0.00
No Decreases	0	0	0.00
Budget, As Adopted	0	580,668	0.00
% Net Change	NA	0.00%	NA
Milk Commission			
1994-96 Base Budget	0	1,439,022	12.00
No Increases	0	0	0.00
No Decreases	0	0	0.00
Budget, As Adopted	0	1,439,022	12.00
% Net Change	NA	0.00%	0.00%
Dept. of Mines, Minerals & Energy			
1994-96 Base Budget	21,223,260	34,969,702	287.00
Replace Energy Division Funds	250,000	0	0.00
Small Mine Safety Program	444,000	44,000	4.00
Total Increases	694,000	44,000	4.00
Transfer Position to Forestry	(55,124)	0	(1.00)
Agency Reduction	(576,500)	456,500	(3.00)
Total Decreases	(631,624)	456,500	(4.00)
Budget, As Adopted	21,285,636	35,470,202	287.00
% Net Change	0.29%	1.43%	0.00%
Virginia Employment Commission			
1994-96 Base Budget	1,928,774	625,664,190	1,073.00
No Increases	0	0	0.00
"Virginia View" Transfer to DOE	(92,800)	0	0.00
Agency Reduction	(324,200)	0	(3.00)
Total Decreases	(417,000)	0	(3.00)

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Budget, As Adopted	1,511,774	625,664,190	1,070.00
% Net Change	(21.62%)	0.00%	(0.28%)
Department of Forestry			
1994-96 Base Budget	25,229,274	17,020,400	377.00
New Facility Costs	583,162	0	1.00
Total Increases	583,162	0	1.00
Agency Reduction	(837,164)	0	(3.00)
Total Decreases	(837,164)	0	(3.00)
Budget, As Adopted	24,975,272	17,020,400	375.00
% Net Change	(1.01%)	0.00%	(0.53%)
Virginia Port Authority			
1994-96 Base Budget	26,762,480	33,070,776	148.00
Foreign Exchange Rate Difference	352,370	0	0.00
Portable Fire Fighting Water Pumps	100,000	0	0.00
Total Increases	452,370	0	0.00
Agency Reduction	(1,267,758)	1,193,326	(7.00)
Total Decreases	(1,267,758)	1,193,326	(7.00)
Budget, As Adopted	25,947,092	34,264,102	141.00
% Net Change	(3.05%)	3.61%	(4.73%)
Virginia Racing Commission			
Sum Sufficient Budget			
Office of Commerce & Trade			
1994-96 Base Budget	249,673,918	866,644,178	3,191.50
Increases	16,235,319	29,650,788	41.00
Decreases	(14,659,152)	3,422,566	(54.00)
Grand Total: Budget, As Adopted	251,250,085	899,717,532	3,178.50
% Net Change	0.63%	3.65%	(0.41%)

EDUCATION

Secretary of Education			
1994-96 Base Budget	965,482	0	7.00
DGS Rental Charges	34,513	0	0.00
School Age Population Estimates	60,000	0	0.00
Total Increases	94,513	0	0.00
Agency Reduction	(29,324)	0	0.00
Unfunded MEL Adjustment	0	0	(2.00)
Total Decreases	(29,324)	0	(2.00)
Budget, As Approved	1,030,671	0	5.00
% Net Change	6.75%	NA	(28.57%)
Department of Education			
1994-96 Base Budget	43,324,438	33,072,376	378.00
DGS Rental Charges	1,564,348	0	0.00
Updated Educational Achievement Tests	690,100	0	0.00
Transfer Conference Travel	278,400	0	0.00
Virginia Business Partnership	120,000	0	0.00
Grades K-3 School Level Database	110,000	0	1.00
Southside Area Purchasing Consortium	75,000	0	0.00
SW VA Ed. Consortium - Expansion & Technology	300,000	0	0.00
Virginia VIEWS Program Funding	196,000	0	0.00
School Health Coordinator	90,000	0	0.00
Parental Involvement Summit	50,000	0	0.00
Technical Assistance - Four-Year-Old Program	305,000	0	1.00
Federal Funds-Drug Free Schools & V-Quest	0	7,442,000	0.00
Federal Funds-School Food	0	736,000	0.00
Total Increases	3,778,848	8,178,000	2.00
Agency Reduction	(5,258,000)	300,000	0.00
Excess Postage	(17,472)	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Teacher Certification - Reduce NonPers. Svcs.	(88,160)	0	0.00
Unfunded MEL Adjustment	0	0	(13.00)
Total Decreases	(5,363,632)	300,000	(13.00)
Budget, As Approved	41,739,654	41,550,376	367.00
% Net Change	(3.66%)	25.63%	(2.91%)
Direct Aid to Public Education			
1994-96 Base Budget	4,720,827,704	779,667,160	0.00
SOQ Funding Changes	165,486,666	0	0.00
Public School Employee Salary Increase	113,012,142	0	0.00
Increase GF Support for Teacher Retirement	92,570,000	(92,570,000)	0.00
Reduced Class Size in Grades K-3	76,030,135	0	0.00
Sales Tax Increases	50,545,482	0	0.00
Educational Technology Payments	15,882,916	0	0.00
Increased Special Education Tuition	15,440,877	0	0.00
Restore Maintenance Supplement Payment	12,130,620	0	0.00
Increase At-Risk Funding	10,879,667	0	0.00
Increase for Comprehensives Act	10,320,083	0	0.00
Programs for At-Risk Four-Year-Olds	10,286,597	0	0.00
Free Textbooks	8,698,770	0	0.00
Fully Fund Remedial Summer School	8,315,364	0	0.00
Increase Cost of Competing from 8.0% to 9.3%	5,205,001	0	0.00
Increase-Hospitals, Clinics & Detention Homes	3,177,029	0	0.00
Restore Enrollment Loss Program	2,785,504	0	0.00
Reduce Speech Pathologists' Caseload (70:1)	1,673,700	0	0.00
Lower Class Size for Educable Mentally Retarded	1,415,200	0	0.00
Governor's Schools - Increased Enrollment	1,371,724	0	0.00
Homework Assistance	1,300,000	0	0.00
Transfer Interagency Consortium funds	1,200,000	0	0.00
AVID Grants - Richmond, Newport News, Norfolk	824,544	0	0.00
Increased Homebound Instruction	696,148	0	0.00
Extend Small Schools Consolidation Benefit	374,885	0	0.00
Reading Recovery Training Site	336,253	0	0.00
School Comm. Health Continuation - Accomack	50,000	0	0.00
Project Discovery - Alexandria	35,200	0	0.00
Federal Funds - School Food	0	86,576,000	0.00
Total Increases	610,044,507	(5,994,000)	0.00
Transfer Teacher Training Funds	(278,400)	0	0.00
Total Decreases	(278,400)	0	0.00
Grand Total: Budget, As Approved	5,330,593,811	773,673,160	0.00
% Net Change	12.92%	(0.77%)	NA
School for the Deaf & Blind (Staunton)			
1994-96 Base Budget	11,223,296	974,816	165.00
Federal Funds - Summer Enrichment Program	0	110,000	0.00
Offset Tuition - Lower Enrollment	1,529	(1,529)	0.00
Total Increases	1,529	108,471	0.00
Agency Reduction (CA)	(794,474)	0	0.00
Unfunded MEL Reduction	0	0	(11.00)
Total Decreases	(794,474)	0	(11.00)
Grand Total: Budget, As Approved	10,430,351	1,083,287	154.00
% Net Change	(7.07%)	11.13%	(6.67%)
School for the Deaf & Blind (Hampton)			
1994-96 Base Budget	13,128,638	1,179,342	177.00
Offset Tuition - Lower Enrollment	84,212	(84,212)	0.00
Total Increases	84,212	(84,212)	0.00
Agency Reduction (CA)	(975,116)	0	(6.00)
Unfunded MEL Reduction	0	0	(13.00)
Total Decreases	(975,116)	0	(19.00)
Grand Total: Budget, As Approved	12,237,734	1,095,130	158.00
% Net Change	(6.79%)	(7.14%)	(10.73%)
Council of Higher Education			

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
1994-96 Base Budget	73,942,094	7,177,680	57.00
Common Market Tuition for Va. Residents	17,406	0	0.00
Expand Library Sharing	2,083,597	0	0.00
Appropriate Federally Funded Positions	0	0	3.00
Fund Rent at Seat of Government	409,377	0	0.00
Va. Women's Institute for Leadership	557,375	0	0.00
Federal Funding for Math & Science	0	500,000	0.00
Guaranteed Assistance Program	1,300,000	0	0.00
Tuition Assistance Grant	666,666	0	0.00
Space Grant Scholarships	125,000	0	0.00
Proprietary Schools Workstudy	25,000	0	0.00
SREB Minority Doctoral Program	177,000	0	0.00
Increase General Fund Support	100,000	0	0.00
Eminent Scholars	1,000,000	0	0.00
Transfer Program with Ind. Colleges	350,000	0	0.00
Total Increases	6,811,421	500,000	3.00
Agency Reduction	(705,026)	0	(3.00)
Elim. Funding for Va. Writing Project	(299,250)	0	0.00
Consolidate Student Financial Aid Programs	(4,078,300)	0	0.00
Total Decreases	(5,082,576)	0	(3.00)
Budget, As Approved	75,670,939	7,677,680	57.00
% Net Change	2.34%	6.97%	0.00%
 Virginia Community College System			
1994-96 Base Budget	373,282,114	299,422,300	7,095.33
Establish Distance Learning Network	703,800	0	0.00
Increase Faculty Salaries	6,138,162	3,537,377	0.00
New Facilities Coming On-Line	0	0	75.60
Expand Library Sharing	408,999	0	0.00
Increase Student Financial Aid	296,000	0	0.00
Faculty Salaries to 3.4% Year 1	427,138	0	0.00
Tuition Policy Adjustment	5,216,018	(5,216,018)	0.00
Fund Rent at Seat of Government	701,653	0	0.00
Tidewater CC - Norfolk Campus	2,000,000	0	0.00
New River CC - Special Programs	65,000	0	0.00
Support for Enrollment Levels	2,500,000	(2,578,091)	0.00
J. Sargeant Reynolds CC - Special Programs	50,000	0	0.00
Allied Health Distance Learning Project	75,000	0	0.00
Southwest Va. Telecommunications Project	120,000	0	0.00
SW Va. Manufacturing Center	200,000	0	0.00
Total Increases	18,901,770	(4,256,732)	75.60
Agency Reduction	(6,542,590)	15,848,513	0.00
Total Decreases	(6,542,590)	15,848,513	0.00
Budget, As Approved	385,641,294	311,014,081	7,170.93
% Net Change	3.31%	3.87%	1.07%
 University of Virginia			
1994-96 Base Budget	220,403,830	617,098,418	5,702.10
Expand Technology to the Classroom	290,000	0	2.50
Comply with Radioactive Waste Regulations	74,000	0	1.00
Va. Consortium for Engineering & Science	231,140	276,060	2.00
Additional Tuition for Financial Aid	0	15,500,000	0.00
Tuition for Law and Business Schools	0	2,600,000	3.00
New Facilities Coming On-Line	0	0	6.90
Increase Family Practice Salaries	160,855	0	0.00
Increase Faculty Salaries	3,039,119	3,630,003	0.00
Increase Student Financial Aid	3,007,203	0	0.00
Expand Library Sharing	131,284	0	1.00
Foundation for the Humanities	150,000	0	0.00
Restore Nuclear and Particle Physics	724,046	0	0.00
Restore Diabetes Center	350,000	350,000	3.50
Institute of Government	525,000	175,000	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
State Climatologist	226,000	0	0.00
Virginia Generalist Physician	1,046,287	1,218,073	0.00
Statewide Center - Generalist Initiative	227,500	300,000	0.00
Law School Tuition Policy	640,931	(320,466)	0.00
Faculty Salaries to 3.4 Percent	78,480	0	0.00
UVa/VPI&SU No. Va. Graduate Center	210,000	420,000	0.00
Classroom Technology Initiative	700,000	0	0.00
Tuition Policy	2,506,534	(2,506,534)	0.00
Total Increases	14,318,379	21,642,136	19.90
Agency Reduction	(10,670,249)	17,023,136	0.00
Reduce GF Support for Law School	(640,931)	640,931	0.00
Elim. Funding for Public Svc. & Res. Centers	(3,083,480)	0	0.00
Elim. Funding for Commonwealth Centers	(1,748,464)	0	0.00
Total Decreases	(16,143,124)	17,664,067	0.00
Budget, As Approved	218,579,085	656,404,621	5,722.00
% Net Change	(0.83%)	6.37%	0.35%
University of Virginia Medical Center			
1994-96 Base Budget	43,660,678	648,737,008	3,582.30
Provide Medical Care to Poor People	5,014,961	0	0.00
Increase NGF Support for Operating Costs	0	24,933,713	0.00
Poison Control Center for No. Va.	330,000	0	0.00
Increase NGF for Salaries	0	5,049,500	0.00
Total Increases	5,344,961	29,983,213	0.00
Agency Reduction	0	0	0.00
Replace Indigent Care Funding with Medicaid	(33,075,639)	33,075,639	0.00
Recalculate Medicaid Repayment Level	(15,600,000)	15,600,000	0.00
Total Decreases	(48,675,639)	48,675,639	0.00
Budget, As Approved	330,000	727,395,860	3,582.30
% Net Change	(99.24%)	12.12%	0.00%
Clinch Valley College			
1994-96 Base Budget	11,168,868	12,910,236	201.34
Repair Exhaust Fume Hoods	106,699	0	0.00
Appropriate Student Work Study Wages	0	284,738	0.00
Increase Faculty Salaries	154,298	91,361	0.00
Expand Library Sharing	245,495	0	0.00
Increase Student Financial Aid	83,782	0	0.00
Faculty Salaries to 3.4 Percent	12,637	0	0.00
Tuition Policy	163,671	(163,671)	0.00
Improve Staffing Levels	250,000	0	3.00
Total Increases	1,016,582	212,428	3.00
Agency Reduction	(189,856)	705,018	0.00
Total Decreases	(189,856)	705,018	0.00
Budget, As Approved	11,995,594	13,827,682	204.34
% Net Change	7.40%	7.11%	1.49%
Virginia Tech - Instructional Division			
1994-96 Base Budget	216,822,082	400,068,198	4,162.59
Enhance Technology in Instruction	200,000	0	0.00
Comply with Americans with Disabilities Act	200,000	0	0.00
Comply with Environmental Regulations	378,000	0	4.00
Comply with Laboratory Safety Practices	80,000	0	0.00
Va. Consortium for Engineering & Science	240,000	267,200	2.00
New Facilities Coming On-Line	0	0	26.00
Applied Math Commonwealth Center	300,000	0	0.00
Increase Faculty Salaries	3,095,408	3,446,030	0.00
Increase Student Financial Aid	3,694,626	0	0.00
Expand Library Sharing	131,284	0	1.00
Ctr. for Org. and Tech. Advancement	1,200,000	0	12.00
VPI Principal Assessment Center	52,926	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Restore Funds for Equine Center	400,000	0	0.00
Tuition Policy	3,368,252	(3,368,252)	0.00
Faculty Salaries to 3.4 Percent	244,948	0	0.00
Total Increases	13,585,444	344,978	45.00
Agency Reduction	(8,842,375)	13,385,952	0.00
Reduce Funds for Equine Center	(850,000)	0	0.00
Total Decreases	(9,692,375)	13,385,952	0.00
Budget, As Approved	220,715,151	413,799,128	4,207.59
% Net Change	1.80%	3.43%	1.08%
Virginia Tech - Research Division			
1994-96 Base Budget	53,033,466	164,377,083	1,073.12
New Facilities Coming On-Line	0	0	5.00
Increase Faculty Salaries	780,950	300,548	0.00
Wood Science Research Center	200,000	0	0.00
Water Research Center	150,000	0	0.00
Coal and Energy Research Center	200,000	0	0.00
Restore Ag. Experiment Station Cuts	300,000	0	0.00
Faculty Salaries to 3.4 Percent	60,162	0	0.00
Total Increases	1,691,112	300,548	5.00
Agency Reduction	(2,545,192)	485,338	0.00
Elim. Funding for Public Svc. & Res. Centers	(1,027,470)	0	0.00
Elim. Funding for Commonwealth Centers	(1,335,052)	0	0.00
Total Decreases	(4,907,714)	485,338	0.00
Budget, As Approved	49,816,864	165,162,969	1,078.12
% Net Change	(6.07%)	0.48%	0.47%
Virginia Tech - Extension Division			
1994-96 Base Budget	59,072,802	36,712,543	996.46
Continuing Ed Programs - Hotel Roanoke	0	3,872,145	12.00
Fund Rent at Seat of Government	49,620	0	0.00
Increase Faculty Salaries	1,099,021	438,501	0.00
Restore Portion of Cuts	1,100,000	0	0.00
Reynolds Homestead	25,000	0	0.00
Faculty Salaries to 3.4 Percent	63,372	0	0.00
Seafood Industry Program	306,800	0	1.50
Total Increases	2,643,813	4,310,646	13.50
Agency Reduction	(2,847,090)	186,318	0.00
Elim. Funding for Public Svc. & Res. Centers	(441,542)	0	0.00
Total Decreases	(3,288,632)	186,318	0.00
Budget, As Approved	58,427,983	41,209,507	1,009.96
% Net Change	(1.09%)	12.25%	1.35%
Virginia Commonwealth University			
1994-96 Base Budget	221,356,930	427,176,734	4,453.29
Expand Technology to the Classroom	310,000	0	1.00
Operating Support for Family Practice	208,086	0	0.00
Crime Prevention and Campus Security	603,000	0	9.00
Tuition Differentials for Selected Programs	0	1,590,550	5.00
New Facilities Coming On-Line	0	0	6.90
Expand Cancer Center Services	500,000	0	3.58
Debt Service Approp. for Fine Arts Center	0	132,400	0.00
Approp. for Instructional Fees	0	400,000	0.00
Transfer Steam Plant Operation	0	6,330,000	17.00
Appropriation for Comprehensive Fees	0	3,150,000	0.00
Increase Family Practice Salaries	262,697	0	0.00
Brain Injury Commonwealth Center	200,000	0	0.00
Increase Faculty Salaries	3,433,590	2,765,344	0.00
Increase Student Financial Aid	6,622,538	0	0.00
Expand Library Sharing	131,284	0	0.00
Economic Education Program	50,000	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Principal Assessment Center	52,926	0	0.00
Restore Center on Aging	570,000	0	0.00
Generalist Physician Initiative	1,094,268	969,768	0.00
Faculty Salaries to 3.4 Percent	293,794	0	0.00
Transfer Dental Scholarships	(50,000)	0	0.00
Manufacturing Network Conference	10,000	0	0.00
Tuition Policy	2,793,471	(2,793,471)	0.00
Total Increases	17,085,654	12,544,591	42.48
Agency Reduction	(4,381,243)	6,694,593	0.00
Elim. Funding for Public Svc. & Res. Centers	(580,000)	0	0.00
Elim. Funding for Commonwealth Centers	(637,068)	0	0.00
Total Decreases	(5,598,311)	6,694,593	0.00
Budget, As Approved	232,844,273	446,415,918	4,495.77
% Net Change	5.19%	4.50%	0.95%
MCV Health Sciences Division			
1994-96 Base Budget	18,763,116	771,553,820	4,333.87
Provide Medical Care to Poor People	1,805,444	0	0.00
Increase NGF Support for Operating Costs	0	18,540,861	0.00
Fund Rent at Seat of Government	18,530	0	0.00
Restore Funding for Va. Treatment Center	3,100,000	0	0.00
Increase NGF for Salaries	0	5,898,466	0.00
Poison Control Hotline for Hampton Roads	140,000	0	0.00
Total Increases	5,063,974	24,439,327	0.00
Shift Funds to Medicaid	(6,487,090)	6,487,090	0.00
Agency Reduction	0	0	0.00
Transfer Steam Plant Operation	0	0	(13.00)
Recalculate Medicaid Repayment Level	(17,200,000)	19,200,000	0.00
Total Decreases	(23,687,090)	25,687,090	(13.00)
Budget, As Approved	140,000	821,680,237	4,320.87
% Net Change	(99.25%)	6.50%	(0.30%)
Old Dominion University			
1994-96 Base Budget	100,089,208	162,411,048	2,118.49
TELETECHNET Instructional Network	4,635,361	2,880,000	34.00
Lease Costs for Va. Beach Higher Ed. Center	293,506	270,494	0.00
Compliance and Regulation Support	392,400	0	1.00
Va. Consortium for Engineering & Science	200,280	217,320	2.00
New Facilities Coming On-Line	0	0	20.00
Increase Faculty Salaries	1,539,667	1,418,956	0.00
Increase Student Financial Aid	2,439,211	0	0.00
Ports and Maritime Program	100,000	0	1.00
Principal Assessment Center	52,926	0	0.00
CEBAF Research Park Space	505,500	0	0.00
Faculty Salaries to 3.4 Percent	110,218	0	0.00
Tuition Policy	1,588,424	(1,588,424)	0.00
Expand Library Sharing	131,284	0	0.00
Total Increases	11,988,777	3,198,346	58.00
Agency Reduction	(5,125,531)	6,028,779	0.00
Elim. Funding for Commonwealth Centers	(791,330)	0	0.00
Total Decreases	(5,916,861)	6,028,779	0.00
Budget, As Approved	106,161,124	171,638,173	2,176.49
% Net Change	6.07%	5.68%	2.74%
George Mason University			
1994-96 Base Budget	113,686,736	282,115,134	2,368.02
Enhance Technology in Instruction	475,000	0	3.00
Restructure Schools of Law and Bus. Admin.	0	480,000	2.00
Comply with Americans with Disabilities Act	100,000	0	1.00
Increase Faculty Salaries	2,028,513	1,911,112	0.00
New Facilities Coming On-Line	0	0	21.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Increase Student Financial Aid	676,202	0	0.00
Principal Assessment Center	52,926	0	0.00
Virginia Writing Project	149,625	76,580	0.00
Support for Increased Enrollment	1,500,000	0	20.00
NGF for Continuing Education	0	3,205,600	0.00
Enterprise Hall Operating Expenses	100,000	0	0.00
Law School Tuition Policy	482,650	(241,325)	0.00
Faculty Salaries to 3.4 Percent	213,089	0	0.00
Tuition Policy	1,505,594	(1,505,594)	0.00
Expand Library Sharing	131,284	0	0.00
Total Increases	7,414,883	3,926,373	47.00
Agency Reduction	(7,596,790)	10,901,105	0.00
Reduced Support for Law School	(482,650)	482,650	0.00
Total Decreases	(8,079,440)	11,383,755	0.00
Budget, As Approved	113,022,179	297,425,262	2,415.02
% Net Change	(0.58%)	5.43%	1.98%
College of William & Mary			
1994-96 Base Budget	59,901,870	173,568,814	1,318.45
Va. Consortium for Engineering & Science	154,320	173,680	2.00
Graduate Students Teaching at VCCS	89,600	0	0.00
Tuition for Special Uses	0	3,560,000	0.00
New Facilities Coming On-Line	0	0	3.00
Increase Faculty Salaries	1,007,289	1,133,602	0.00
Funding for Research and Public Svc. Centers	400,000	0	0.00
Law School Tuition Policy	898,221	(449,110)	0.00
Global Studies/Networking Initiative	400,000	0	3.00
Faculty Salaries to 3.4 Percent	59,551	0	0.00
CEBAF Research Park Lease	336,000	0	0.00
Tuition Policy	388,997	(388,997)	0.00
Increase Student Financial Aid	1,535,163	0	0.00
Expand Library Sharing	131,284	0	0.00
Total Increases	5,400,425	4,029,175	8.00
Agency Reduction	(2,558,744)	4,488,688	0.00
Elim. Funding for Public Svc. & Res. Centers	(421,082)	0	0.00
Elim. Funding for Commonwealth Centers	(695,650)	0	0.00
Reduced Support for Law School	(898,221)	898,221	0.00
Total Decreases	(4,573,697)	5,386,909	0.00
Budget, As Approved	60,728,598	182,984,898	1,326.45
% Net Change	1.38%	5.42%	0.61%
Richard Bland College			
1994-96 Base Budget	5,398,372	5,310,076	98.19
Increase Faculty Salaries	83,467	58,002	0.00
Faculty Salaries to 3.4 Percent	7,909	0	0.00
Funding Mix	70,000	(70,000)	0.00
Tuition Policy	97,363	(97,363)	0.00
Expand Library Sharing	284,495	0	0.00
Total Increases	543,234	(109,361)	0.00
Agency Reduction	25,633	262,675	0.00
Total Decreases	25,633	262,675	0.00
Budget, As Approved	5,967,239	5,463,390	98.19
% Net Change	10.54%	2.89%	0.00%
Virginia Institute of Marine Science			
1994-96 Base Budget	23,179,422	23,662,462	316.27
Increase Faculty Salaries	279,650	13,823	0.00
New Facilities Coming On-Line	0	0	6.00
Faculty Salaries to 3.4 Percent	11,423	0	0.00
Telecommunications Network Planning	45,000	0	0.00
Mandated Research Programs	340,000	0	4.50

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Faculty Salary Adjustment	75,000	0	0.00
Restore Mariculture Program	0	0	0.00
Comply with Americans with Disabilities Act	75,000	0	0.00
Total Increases	826,073	113,823	10.50
Agency Reduction	(1,095,960)	251,897	0.00
Total Decreases	(1,095,960)	251,897	0.00
Budget, As Approved	22,909,535	24,028,182	326.77
% Net Change	(1.16%)	1.55%	3.32%
James Madison University			
1994-96 Base Budget	65,618,940	189,989,971	1,826.40
Support for College of Int. Science & Tech.	2,931,067	4,779,304	63.00
Funding for Faculty Productivity Initiatives	464,600	0	2.00
Computer Literacy Program	0	1,300,000	1.50
New Facilities Coming On-Line	0	0	33.40
Additional NGF for Off-Campus Instruction	0	120,000	1.00
Increase Faculty Salaries	1,156,125	1,028,127	0.00
Increase Student Financial Aid	1,887,688	0	0.00
Heating and Chilling Plant	350,000	0	0.00
Faculty Salaries to 3.4 Percent	99,431	0	0.00
Tuition Policy	802,275	(802,275)	0.00
System Upgrade	150,000	0	0.00
Expand Library Sharing	84,495	0	0.00
Total Increases	7,925,681	6,425,156	100.90
Agency Reduction	(1,477,281)	5,889,939	0.00
Elim. Funding for Commonwealth Centers	(255,690)	0	0.00
Total Decreases	(1,732,971)	5,889,939	0.00
Budget, As Approved	71,811,650	202,305,066	1,927.30
% Net Change	9.44%	6.48%	5.52%
Christopher Newport University			
1994-96 Base Budget	20,196,480	39,148,690	491.85
Expand Computerized Teaching	389,400	0	6.25
Tuition for Special Uses	0	272,000	0.00
Appropriate Special Program Funds	0	200,000	5.00
New Facilities Coming On-Line	0	0	2.00
Increase Faculty Salaries	363,579	357,237	0.00
Increase Student Financial Aid	73,424	0	0.00
Increase GF Per FTE Support	2,800,000	0	0.00
CEBAF Research Park Lease	158,500	0	0.00
Faculty Salaries to 3.4 Percent	33,712	0	0.00
Preplanning for Athletics Center	0	50,000	0.00
Tuition Policy	545,160	(545,160)	0.00
Expand Library Sharing	84,495	0	0.00
Total Increases	4,448,270	334,077	13.25
Agency Reduction	(888,760)	4,164,265	0.00
Total Decreases	(888,760)	4,164,265	0.00
Budget, As Approved	23,755,990	43,647,032	505.10
% Net Change	17.62%	11.49%	2.69%
Longwood College			
1994-96 Base Budget	24,670,796	49,089,492	542.44
Increase Faculty Salaries	381,540	278,792	0.00
New Facilities Coming On-Line	0	0	3.00
Increase Student Financial Aid	625,949	0	0.00
Faculty Salaries to 3.4 Percent	35,329	0	0.00
Restore Small Business Dev. Center	171,630	0	0.00
Access Control Software	125,000	0	0.00
Tuition Policy	370,458	(370,458)	0.00
Expand Library Shannig	84,495	0	0.00
Total Increases	1,794,401	(91,666)	3.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Agency Reduction	(635,199)	1,132,686	0.00
Elim. Funding for Res. & Public Svc. Ctrs.	(242,010)	0	0.00
Total Decreases	(877,209)	1,132,686	0.00
Budget, As Approved	25,587,988	50,130,512	545.44
% Net Change	3.72%	2.12%	0.55%
Mary Washington College			
1994-96 Base Budget	20,431,920	55,519,338	560.16
Increase Faculty Salaries	338,204	365,801	0.00
Curriculum Development Program	300,000	300,000	6.00
Increase Student Financial Aid	378,167	0	0.00
Faculty Salaries to 3.4 Percent	34,566	0	0.00
Telecommunications Network	270,000	0	0.00
Admin. Systems Software	300,000	0	0.00
Tuition Policy	312,525	(312,525)	0.00
Expand Library Sharing	84,495	0	0.00
Total Increases	2,017,957	353,276	6.00
Agency Reduction	(1,178,206)	2,218,020	0.00
Total Decreases	(1,178,206)	2,218,020	0.00
Budget, As Approved	21,271,671	58,090,634	566.16
% Net Change	4.11%	4.63%	1.07%
Melchers-Monroe Memorials			
1994-96 Base Budget	390,608	125,000	5.00
Increase Operating Support	42,924	0	0.00
Adjust Nongeneral Fund Appropriation	0	45,000	0.00
Total Increases	42,924	45,000	0.00
Agency Reduction	(17,924)	0	0.00
Total Decreases	(17,924)	0	0.00
Budget, As Approved	415,608	170,000	5.00
% Net Change	6.40%	36.00%	0.00%
Norfolk State University			
1994-96 Base Budget	45,289,526	118,384,634	989.60
Increase Faculty Salaries	624,836	712,856	0.00
Development of Doctoral Programs	1,146,480	0	3.00
New Facilities Coming On-Line	0	0	6.00
Increase Student Financial Aid	41,843	0	0.00
Faculty Salaries to 3.4 Percent	63,181	0	0.00
Tuition Policy	558,491	(558,491)	0.00
Enhance Administrative Systems	452,100	0	0.00
Expand Library Sharing	84,495	0	0.00
Total Increases	2,971,426	154,365	9.00
Agency Reduction	(744,039)	3,029,917	0.00
Total Decreases	(744,039)	3,029,917	0.00
Budget, As Approved	47,516,913	121,568,916	998.60
% Net Change	4.92%	2.69%	0.91%
Radford University			
1994-96 Base Budget	54,666,590	97,694,976	1,189.04
Increase Faculty Salaries	937,452	732,989	0.00
Comply with Americans with Disabilities Act	159,981	0	0.00
Continue Computer Network Enhancements	0	1,500,000	2.00
New Facilities Coming On-Line	0	0	11.00
Support for New College of Global Studies	3,096,200	0	27.50
Increase Student Financial Aid	2,113,112	0	0.00
Faculty Salaries to 3.4 Percent	84,683	0	0.00
Tuition Policy	749,484	(749,484)	0.00
Master of Social Work	75,000	0	0.00
Expand Library Sharing	84,495	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Total Increases	7,300,407	1,483,505	40.50
Agency Reduction	(1,237,560)	2,195,169	0.00
Total Decreases	(1,237,560)	2,195,169	0.00
Budget, As Approved	60,729,437	101,373,650	1,229.54
% Net Change	11.09%	3.77%	3.41%
Virginia Military Institute			
1994-96 Base Budget	18,388,200	35,186,334	433.35
Increase Faculty Salaries	225,744	230,396	0.00
Increased Funding for Instructional Equip.	247,450	252,550	0.00
Center for Interdisciplinary Studies	100,000	0	0.00
Increase NGF Funds in Unique Military	0	400,000	0.00
Increase Student Financial Aid	198,020	0	0.00
Faculty Salaries to 3.4 Percent	22,641	0	0.00
Tuition Policy	124,541	(124,541)	0.00
Marshall Foundation Support	75,000	0	0.00
Expand Library Sharing	84,495	0	0.00
Total Increases	1,077,891	758,405	0.00
Agency Reduction	(25,282)	475,821	0.00
Total Decreases	(25,282)	475,821	0.00
Budget, As Approved	19,440,809	36,420,560	433.35
% Net Change	5.72%	3.51%	0.00%
Virginia State University			
1994-96 Base Budget	30,768,110	74,213,166	786.26
Increase Faculty Salaries	428,725	476,522	0.00
Increase Funding for Cooperative Extension	256,972	0	0.00
New Facilities Coming On-Line	0	0	7.80
Upgrade University Technology	252,080	157,920	0.00
Increase Student Financial Aid	1,051,632	0	0.00
Faculty Salaries to 3.4 Percent	47,620	0	0.00
Tuition Policy	253,276	(253,276)	0.00
Physical Plant Equipment & Systems	250,000	0	0.00
Development Office	200,000	0	1.50
Expand Library Sharing	84,495	0	0.00
Total Increases	2,824,800	381,166	9.30
Agency Reduction	(511,985)	2,237,099	0.00
Total Decreases	(511,985)	2,237,099	0.00
Budget, As Approved	33,080,925	76,831,431	795.56
% Net Change	7.52%	3.53%	1.18%
Virginia State Library and Archives			
1994-96 Base Budget	32,712,644	8,765,524	154.00
Additional NGF for Circuit Court Records	0	600,000	0.00
Internet Study	10,000	0	0.00
Increase Aid to Local Libraries	4,500,000	0	0.00
Support for Bland County Library	50,000	0	0.00
Fund Rent at Seat of Government	1,552,366	0	0.00
Total Increases	6,112,366	600,000	0.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	38,825,010	9,365,524	154.00
% Net Change	18.69%	6.84%	0.00%
Virginia Museum of Fine Arts			
1994-96 Base Budget	14,246,974	6,777,866	189.00
Total Increases	0	0	0.00
Agency Reduction	(814,200)	534,000	0.00
Total Decreases	(814,200)	534,000	0.00
Budget, As Approved	13,432,774	7,311,866	189
% Net Change	(5.71%)	7.88%	0.00%

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Science Museum of Virginia			
1994-96 Base Budget	4,295,992	5,962,332	77.00
Increase Funds for Current Operations	526,660	0	1.00
Reduce Nongeneral Fund Appropriation	0	(1,877,332)	0.00
Total Increases	526,660	(1,877,332)	1.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	4,822,652	4,085,000	78.00
% Net Change	12.26%	(31.49%)	1.30%
Jamestown-Yorktown Foundation			
1994-96 Base Budget	6,426,166	4,179,720	97.00
Additional NGF for Operations	0	311,110	0.00
Town of Yorktown/Council on Indians	74,000	0	0.00
Increase Support for Mktg. & Operations	475,000	0	0.00
Jamestown Slave Museum	100,000	0	0.00
Total Increases	649,000	311,110	0.00
Agency Reduction	(505,982)	0	(1.00)
Total Decreases	(505,982)	0	(1.00)
Budget, As Approved	6,569,184	4,490,830	96.00
% Net Change	2.23%	7.44%	(1.03%)
Frontier Culture Museum			
1994-96 Base Budget	2,454,854	870,150	41.00
Operating Funds for New Facility	278,474	0	2.00
Total Increases	278,474	0	2.00
Agency Reduction	(92,000)	92,000	0.00
Total Decreases	(92,000)	92,000	0.00
Budget, As Approved	2,641,328	962,150	43.00
% Net Change	7.60%	10.57%	4.88%
Gunston Hall			
1994-96 Base Budget	1,130,140	261,168	11.00
Total Increases	0	0	0.00
Agency Reduction	(124,227)	0	0.00
Total Decreases	(124,227)	0	0.00
Budget, As Approved	1,005,913	261,168	11.00
% Net Change	(10.99%)	0.00%	0.00%
Virginia Commission for the Arts			
1994-96 Base Budget	3,271,494	1,272,802	6.00
Fund Rent at Seat of Government	55,357	0	0.00
Increase Aid for Local Arts Organizations	1,000,000	0	0.00
Total Increases	1,055,357	0	0.00
Agency Reduction	(22,000)	0	0.00
Total Decreases	(22,000)	0	0.00
Budget, As Approved	4,304,851	1,272,802	6.00
% Net Change	31.59%	0.00%	0.00%
Medical College of Hampton Roads			
1994-96 Base Budget	17,861,228	0	0.00
Generalist Physician Initiative	997,050	1,396,855	0.00
Dementia Center	100,000	0	0.00
Medical Care to the Poor	5,000,000	0	0.00
Total Increases	6,097,050	1,396,855	0.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	23,958,278	1,396,855	0.00
% Net Change	34.14%	NA	NA

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Innovative Technology Authority			
1994-96 Base Budget	17,316,588	0	0.00
Total Increases	0	0	0.00
Agency Reduction	(843,076)	0	0.00
Total Decreases	(843,076)	0	0.00
Budget, As Approved	16,473,512	0	0.00
% Net Change	(4.87%)	NA	NA
Southeastern Univ. Research Assoc.			
1994-96 Base Budget	1,642,550	0	0.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	1,642,550	0	0.00
% Net Change	0.00%	NA	NA
Southwest Va. Higher Education Center			
1994-96 Base Budget	556,500	0	9.50
Staff Support	145,000	0	3.00
Agency Reduction	(27,825)	0	(6.00)
Total Decreases	(27,825)	0	(6.00)
Budget, As Approved	673,675	0	6.50
% Net Change	21.06%	NA	(31.58%)
Office of Education			
1994-96 Base Budget	6,765,567,446	5,534,636,411	46,012.42
Increases	771,907,775	113,661,667	520.93
Decreases	(160,532,424)	174,915,459	(68.00)
Grand Total: Budget, As Approved	7,376,942,797	5,823,213,537	46,465.35
% Net Change	9.04%	5.21%	0.98%
FINANCE			
Secretary of Finance			
1994-96 Base Budget	663,928	0	4.00
DGS Rental Charges	17,854	0	0.00
Total Increases	17,854	0	0.00
Agency Reduction	(20,038)	0	0.00
Total Decreases	(20,038)	0	0.00
Budget, As Approved	661,744	0	4.00
% Net Change	(0.33%)	NA	0.00%
Department of Planning & Budget			
1994-96 Base Budget	10,082,684	0	88.00
DGS Rental Charges	767,479	0	0.00
Economic Impact of Regulations (HB 1073/SB558)	100,000	0	1.00
Virginia Geographic Information Network	1,400,000	0	0.00
Total Increases	2,267,479	0	1.00
Agency Reduction	(203,308)	0	(3.00)
Unfunded MEL Adjustment	0	0	(3.00)
Total Decreases	(203,308)	0	(6.00)
Budget, As Approved	12,146,855	0	83.00
% Net Change	20.47%	NA	(5.68%)
Department of Accounts			
1994-96 Base Budget	162,819,176	0	162.00
DGS Rental Charges	882,479	0	0.00
Wine Tax Distribution	600,000	0	0.00
Rolling Stock Tax Distribution	2,200,000	0	0.00
TVA Payments	18,000	0	0.00
Line of Duty Payments	500,000	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
ABC Profits from Lottery Sales	655,622	0	0.00
Human Resource Information System	0	6,000,000	0.00
Total Increases	4,856,101	6,000,000	0.00
Agency Reduction	(1,451,000)	352,000	(4.00)
ABC Profit Distribution	(8,373,734)	0	0.00
Total Decreases	(9,824,734)	352,000	(4.00)
Budget, As Approved	157,850,543	6,352,000	158.00
% Net Change	(3.05%)	NA	(2.47%)
Department of Taxation			
1994-96 Base Budget	101,870,416	1,437,584	1,011.00
Maintain enhanced tax collection system	336,800	0	0.00
Provide for credit card payment of taxes	189,151	0	0.00
Fund rent at seat of government	276,237	0	0.00
Court Fee Collection	940,378	923,890	4.00
Total Increases	1,742,566	923,890	4.00
Agency Reduction	(1,367,754)	0	(16.00)
Remove excess postage from base budget	(120,600)	0	0.00
Total Decreases	(1,488,354)	0	(16.00)
Budget, As Approved	102,124,628	2,361,474	999.00
% Net Change	0.25%	64.27%	(1.19%)
Department of Treasury			
1994-96 Base Budget	10,457,770	5,302,152	93.00
Fund banking service costs	1,224,260	0	0.00
fund revenue stabilization fund	79,896,927	0	0.00
Fund central mail personal service costs	289,151	0	0.00
Fund rent at seat of government	357,163	0	0.00
Total Increases	81,767,501	0	0.00
Agency Reduction	(516,030)	280,000	(1.00)
Remove excess postage from base budget	(159,480)	0	0.00
Total Decreases	(675,510)	280,000	(1.00)
Budget, As Approved	91,549,761	5,582,152	92.00
% Net Change	775.42%	5.28%	(1.08%)
Treasury Board			
1994-96 Base Budget	154,512,280	10,971,060	0.00
GO Bond Debt Service	46,823,799	0	0.00
VPBA Debt Service	15,230,446	527,366	0.00
Regional Jail Construction	7,696,613	0	0.00
Arlington Regional Reimbursement	1,200,000	0	0.00
Total Increases	70,950,858	527,366	0.00
Modify GOB/VPBA Debt Service	(24,976,123)	(477,517)	0.00
VPBA Interest Rate	(447,546)	0	0.00
Delay GOB Issue-Full Accrual Revenue Totals	(819,375)	0	0.00
Total Decreases	(26,243,044)	(477,517)	0.00
Budget, As Approved	199,220,094	11,020,909	0.00
% Net Change	28.93%	0.45%	NA
Department of the State Internal Auditor			
1994-96 Base Budget	2,119,600	0	16.00
DGS Rental Charges	73,189	0	0.00
Total Increases	73,189	0	0.00
Agency Reduction	(142,078)	0	(1.00)
Total Decreases	(142,078)	0	(1.00)
Budget, As Approved	2,050,711	0	15.00
% Net Change	(3.25%)	NA	(6.25%)
Office of Finance			
1994-96 Base Budget	442,525,854	17,710,796	1,374.00
Increases	161,675,548	7,451,256	5.00
Decreases	(38,597,066)	154,483	(28.00)
Grand Total: Budget, As Approved	565,604,336	25,316,535	1,351.00
% Net Change	27.81%	42.94%	(1.67%)

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
HEALTH & HUMAN RESOURCES			
Secretary of Health & Human Resources			
1994-96 Base Budget	1,014,136	0	7.00
DGS Rental Charges	41,589	0	0.00
Total Increases	41,589	0	0.00
Agency Reduction	(23,230)	0	0.00
Total Decreases	(23,230)	0	0.00
Budget, As Adopted	1,032,495	0	7.00
% Net Change	1.81%	NA	0.00%
Department for the Aging			
1994-96 Base Budget	16,507,368	35,773,440	30.00
Community and In-Home Services	750,000	0	0.00
Transportation Services	250,000	0	0.00
Adult Guardianship Alternatives Prgm.	20,000	0	0.00
Southwest Human Services Consortium	200,000	0	0.00
DGS Rental Charges	80,000	0	0.00
Total Increases	1,300,000	0	0.00
Declining Residents/Confederate Women	(100,000)	0	0.00
Agency Reduction	(52,500)	0	(1.00)
Total Decreases	(152,500)	0	(1.00)
Budget, As Adopted	17,654,868	35,773,440	29.00
% Net Change	6.95%	0.00%	(3.33%)
Board for People with Disabilities			
1994-96 Base Budget	173,642	457,258	4.00
Merge Dev. Disabilities Grants	115,430	2,514,000	0.00
DGS Rental Charges	7,369	0	3.00
Total Increases	122,799	2,514,000	3.00
Agency Reduction	(4,000)	0	0.00
Total Decreases	(4,000)	0	0.00
Budget, As Adopted	292,441	2,971,258	7.00
% Net Change	68.42%	549.80%	75.00%
Dept. for Rights of Disabled			
1994-96 Base Budget	469,852	2,175,876	22.00
DGS Rental Charges	8,280	0	0.00
Total Increases	8,280	0	0.00
Agency Reduction	(22,000)	0	0.00
Total Decreases	(22,000)	0	0.00
Budget, As Adopted	456,132	2,175,876	22.00
% Net Change	(2.92%)	0.00%	0.00%
Dept. for Deaf & Hard-of-Hearing			
1994-96 Base Budget	2,504,410	13,200	19.00
DGS Rental Charges	112,291	0	0.00
Total Increases	112,291	0	0.00
Agency Reduction	(89,000)	16,000	0.00
Total Decreases	(89,000)	16,000	0.00
Budget, As Adopted	2,527,701	29,200	19.00
% Net Change	0.93%	121.21%	0.00%
Department of Health Professions			
1994-96 Base Budget	0	19,013,360	122.00
Upgrade Automation	0	880,690	0.00
Positions for Expanded Workload	0	58,391	5.00
Professional Board Workload	0	500,000	0.00
Admin. Workload & NGF Pay Increase	0	193,135	5.00
Total Increases	0	1,710,235	10.00
No Decreases	0	0	0.00
Budget, As Adopted	0	20,723,595	132.00
% Net Change	NA	8.99%	8.20%

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Department of Health			
1994-96 Base Budget	218,197,424	395,136,082	4,435.00
Local Office Rent & Renovations	1,197,269	798,179	0.00
Sanitarian & Physician Regrades	2,086,810	1,422,914	0.00
Federal Mandates-Lab Quality	1,104,724	1,061,484	4.00
Roanoke Medical Examiner Office	198,650	0	1.00
Tuberculosis Victim Outreach	418,060	337,744	22.00
AIDS, Nutrition, Primary Care	0	15,720,154	65.00
Remove Excess Postage	(1,704)	(1,896)	0.00
Positions to Administer Grants	0	0	43.00
Teen Pregnancy Prevention	0	1,400,000	16.00
Resource Mothers (DMAS Transfer)	0	1,000,000	0.00
Contraceptive Demand	100,000	0	0.00
Sickle Cell Prevention	500,000	0	0.00
Scholarships to Improve Access to Care	90,000	360,000	0.00
Sexual Assault Crisis Centers	200,000	0	0.00
Vaccines for Children/Disease Prevention	0	1,113,422	37.00
Area Health Education Centers	80,000	0	0.00
Jail Health Inspections (SB 524)	43,712	29,142	1.00
Dental Scholarships	50,000	0	0.00
Virginia Transplant Council	50,000	0	0.00
Arlington Environmental Salaries	27,500	0	0.00
Arlington Nurse Salaries	82,500	0	0.00
DGS Rental Charges	2,214,747	0	0.00
Total Increases	8,442,268	23,241,143	189.00
Adjustment to Base-Children's Specialty	(162,396)	0	0.00
Vital Records Automation	(1,125,000)	3,375,000	0.00
Agency Reduction	(7,200,000)	5,050,973	(16.50)
Total Decreases	(8,487,396)	8,425,973	(16.50)
Budget, As Adopted	218,152,296	426,803,198	4,607.50
% Net Change	(0.02%)	8.01%	3.89%
Dept. of Medical Assistance Services			
1994-96 Base Budget	1,900,270,094	1,987,689,368	402.00
Organ Transplants for Children	7,572,315	7,572,315	0.00
OSHA Regs in Nursing Homes	1,121,435	1,121,435	0.00
Automated Management System	1,500,000	16,500,000	0.00
Homes for Adults Payments	7,305,406	5,557,894	3.00
Medicaid Use & Inflation	234,312,134	235,672,357	0.00
Managed Care Positions	184,265	184,265	10.00
Local School Health Services	10,000	922,000	0.00
Transfer MHMR Matching Funds	63,448,157	(1,561,829)	0.00
Medicaid for Indigent Care	8,000,000	8,000,000	0.00
Revised Payments for MCV, UVA	29,181,363	29,181,363	0.00
Resource Mothers Program/Prevention	500,000	500,000	0.00
Teen Pregnancy Prevention	700,000	700,000	0.00
Adult Day Care Reimbursement Increase	50,000	50,000	0.00
Personal Care Reimbursement Increase	1,688,000	1,688,000	0.00
Smaller Nursing Facility Reimbursement	539,076	539,076	0.00
Positions for Estate Recovery	100,000	100,000	2.00
10% Dental Rate Increase	320,000	320,000	0.00
Total Increases	356,532,151	307,046,876	15.00
Adjustment/Number in Kids Care	(800,000)	0	0.00
Voluntary Thresholds	(3,200,000)	(3,200,000)	0.00
Asset Transfer Restrictions	(1,500,000)	(1,500,000)	0.00
Personal Assistance Services Savings	(374,358)	(374,358)	0.00
Capitated Managed Care Savings	(3,000,000)	(3,000,000)	0.00
Agency Reduction	(22,500,000)	(12,000,000)	0.00
Total Decreases	(31,374,358)	(20,074,358)	0.00
Budget, As Adopted	2,225,427,887	2,274,661,886	417.00
% Net Change	17.11%	14.44%	3.73%

Health Services Cost Review Council

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
1994-96 Base Budget	0	3,160,782	26.00
Patient Level Data Base	400,000	0	0.00
Total Increases	400,000	0	0.00
Reduce Position Level	0	0	(3.00)
Total Decreases	0	0	(3.00)
Budget, As Adopted	400,000	3,160,782	23.00
% Net Change	NA	0.00%	(11.54%)
Mental Health, Retardation, Sub. Abuse			
1994-96 Base Budget	661,770,572	524,310,588	10,858.00
CSH Forensic Unit	1,918,006	57,686	77.00
GF Replacement for NGF Loss	5,852,180	0	0.00
NVMHI Deficiencies & Addition	3,403,152	735,929	115.00
SWVMHI Psychiatrists	729,874	224,958	0.00
NVTC Deficiencies	1,680,000	0	0.00
Drug Costs in State Facilities	1,444,690	739,234	0.00
Aftercare Pharmacy Costs	1,633,223	1,088,816	0.00
Staffing at DeJarnette	403,324	403,324	0.00
SEVTC Contract Costs	375,450	326,458	0.00
SVMHI Nonpersonal Services	197,666	52,988	0.00
Transfer Medicaid Match to DMAS	(63,448,157)	8,720,527	0.00
Foundation Grants for Inner City Youth	0	1,500,000	0.00
Fed. Grants for Mentally Ill Homeless	0	4,000,000	0.00
FTE Transfer to Disabilities Board	0	0	(3.00)
Savings-Cook/Chill	(1,700,000)	0	0.00
MHMR Facility Reductions to CSBs	(4,084,000)	(3,200,000)	0.00
Discharged Patient Costs- CSBs	5,784,000	3,200,000	0.00
Accreditation-Central State (Facility)	1,500,000	0	18.00
Accreditation-Central State (Community)	1,500,000	0	0.00
Waiting Lists-Community Services Brds.	1,500,000	0	0.00
One to One Mentoring	50,000	0	0.00
DGS Rental Charges	1,980,385	0	0.00
Total Increases	(39,280,207)	17,849,920	207.00
Agency Reduction	(11,475,000)	(3,600,000)	(227.00)
Restoration-Community Based Svcs.	2,800,000	0	0.00
Restoration-Facilities	2,250,000	400,000	25.00
Total Decreases	(6,425,000)	(3,200,000)	(202.00)
Budget, As Adopted	616,065,365	538,960,508	10,863.00
% Net Change	(6.91%)	2.79%	0.05%
Dept. of Rehabilitative Services			
1994-96 Base Budget	33,811,528	123,038,116	839.00
Personal Assistance Services	378,000	0	1.00
Supported Employment	750,000	562,500	0.00
Centers for Independent Living	300,000	0	0.00
Consumer Services Fund	100,000	0	1.00
Local Disability Services Boards	500,000	0	0.00
Add Indirect Cost Recoveries	0	953,760	0.00
Total Increases	2,028,000	1,516,260	2.00
Agency Reduction	(371,240)	325,000	(16.00)
Total Decreases	(371,240)	325,000	(16.00)
Budget, As Adopted	35,468,288	124,879,376	825.00
% Net Change	4.90%	1.50%	(1.67%)
Woodrow Wilson Rehab. Center			
1994-96 Base Budget	11,097,468	33,704,944	418.00
Position Transfer from DRS	0	0	16.00
Head Injury Program	300,000	0	2.00
NGF for Workload Growth	0	1,800,000	0.00
Total Increases	300,000	1,800,000	18.00
Agency Reduction	(125,000)	0	0.00
Total Decreases	(125,000)	0	0.00
Budget, As Adopted	11,272,468	35,504,944	436.00
% Net Change	1.58%	5.34%	4.31%

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Department of Social Services			
1994-96 Base Budget	475,457,976	1,150,283,676	1,587.00
AFDC Caseload Growth	3,177,695	3,177,695	0.00
Eligibility Automation	985,860	1,403,379	0.00
DIT Charges for Automation	3,556,757	3,249,131	0.00
DIT Charges for Support Enforcement	0	5,568,453	0.00
Child Support Automation	0	1,711,466	0.00
Rent-Child Support Offices	0	573,516	0.00
Postage-Child Support Billings	0	2,923,220	0.00
CSE Legal Staff	0	2,067,988	20.00
CSE Communications Costs	0	470,986	0.00
Additional CSE Staff	0	8,663,530	117.00
Admin. Staff-Homes for Adults	345,046	0	4.00
Federal CSE Requirements	161,722	0	0.00
CSE Hearing Officer	0	90,046	1.00
Rate Increase-Homes for Adults	4,480,646	0	0.00
Transfer Child Funds to DOE	(900,000)	0	0.00
Remove Excess Postage	(40,750)	0	0.00
Waiting Lists/Community Action Agencies	800,000	0	0.00
Waiting Lists/At-Risk Day Care	500,000	500,000	0.00
Child Abuse Prevention	200,000	0	0.00
Information & Referral System	240,082	0	0.00
Family & Children's Trust Fund	50,000	0	0.00
Jobs & Welfare Reform Bills	1,500,000	750,000	0.00
Total Increases	15,057,058	31,149,410	142.00
Agency Reduction	(2,316,127)	0	0.00
Total Decreases	(2,316,127)	0	0.00
Budget, As Adopted	488,198,907	1,181,433,086	1,729.00
% Net Change	2.68%	2.71%	8.95%
Dept. for the Visually Handicapped			
1994-96 Base Budget	13,483,216	20,917,630	207.00
Industries for the Blind	0	2,200,000	0.00
Total Increases	0	2,200,000	0.00
Agency Reduction	(403,551)	0	0.00
Total Decreases	(403,551)	0	0.00
Budget, As Adopted	13,079,665	23,117,630	207.00
% Net Change	(2.99%)	10.52%	0.00%
Va. Rehab. Center for the Blind			
1994-96 Base Budget	512,798	2,672,036	35.00
No Increases	0	0	0.00
Agency Reduction	(16,218)	0	0.00
Total Decreases	(16,218)	0	0.00
Budget, As Adopted	496,580	2,672,036	35.00
% Net Change	(3.16%)	0.00%	0.00%
Gov. Employment & Training Dept.			
1994-96 Base Budget	1,338,400	102,909,060	35.00
NGF-FTE for Older Worker Programs	0	0	2.00
Total Increases	0	0	2.00
Agency Reduction	(60,000)	0	0.00
Total Decreases	(60,000)	0	0.00
Budget, As Adopted	1,278,400	102,909,060	37.00
% Net Change	(4.48%)	0.00%	5.71%
Coun. on Day Care & Early Childhood			
1994-96 Base Budget	1,334,430	29,866,608	13.00
Federal Block Grants	0	3,193,552	0.00
Voucher System/Centers for Families	150,000	0	1.00
Position/At-risk Four Year Olds	44,000	0	1.00
DGS Rental Charges	40,746	0	0.00
Total Increases	234,746	3,193,552	2.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Agency Reduction	(100,000)	0	0.00
Total Decreases	(100,000)	0	0.00
Budget, As Adopted	1,469,176	33,060,160	15.00
% Net Change	10.10%	10.69%	15.38%
Office of Health & Human Resources			
1994-96 Base Budget	3,337,943,314	4,431,122,024	19,059.00
Increases	345,298,975	392,221,396	590.00
Decreases	(49,969,620)	(14,507,385)	(238.50)
Grand Total: Budget, As Adopted	3,633,272,669	4,808,836,035	19,410.50
% Net Change	8.85%	8.52%	1.84%
NATURAL RESOURCES			
Secretary of Natural Resources			
1994-96 Base Budget	713,012	0	5.00
DGS Rental Charges	38,475	0	0.00
Total Increases	38,475	0	0.00
Agency Reduction	(19,782)	0	0.00
Total Decreases	(19,782)	0	0.00
Budget, As Adopted	731,705	0	5.00
% Net Change	2.62%	NA	0.00%
Department of Environmental Quality			
1994-96 Base Budget	62,706,546	84,379,292	908.00
Transfer of Laboratory Testing Costs	2,563,028	0	0.00
Increased Office Rent	1,186,742	0	0.00
Environmental Emergency Response	0	860,540	7.00
Clean Air Act Compliance	0	16,073,230	154.00
Indirect Cost Recoveries	0	423,956	0.00
Oil Discharge Monitoring	0	646,303	9.00
Compliance of Tank Vessels	0	98,526	1.00
Abandoned Landfill Inventory	125,000	0	0.00
Monitoring Landfills	350,000	0	0.00
Underground Storage Tank Testing	0	102,600	0.00
Total Increases	4,224,770	18,205,155	171.00
Agency Reduction	(2,454,000)	500,000	0.00
Eliminate New WW Treatment Loan Funds	(2,000,000)	0	0.00
Transfer Coastal Zone Mgmt. to CBLAD	0	(1,386,818)	(2.00)
Revert Superfund Program to E.P.A.	(270,000)	(1,500,000)	(25.00)
Unfunded MEL Adjustment	0	0	(18.00)
Total Decreases	(4,724,000)	(2,386,818)	(45.00)
Budget, As Adopted	62,207,316	100,197,629	1,034.00
% Net Change	(0.80%)	18.75%	13.88%
Chippokes Plantation Farm Foundation			
1994-96 Base Budget	0	158,000	0.00
Total Increases	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Adopted	0	158,000	0.00
% Net Change	NA	0.00%	NA
Department of Historic Resources			
1994-96 Base Budget	4,208,580	1,269,046	43.00
DGS Rental Charges	301,102	0	0.00
Threatened Archaeological Sites Program	136,000	0	0.00
Main Street Program	67,500	0	0.00
Nelson County Survey	2,150	0	0.00
Funding for Historical Societies	3,013,200	0	0.00
Total Increases	3,519,952	0	0.00
Agency Reduction	(397,200)	0	0.00
Unfunded MEL Adjustment	0	0	(1.00)

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Total Decreases	(397,200)	0	(1.00)
Budget, As Adopted	7,331,332	1,269,046	42.00
% Net Change	74.20%	0.00%	(2.33%)
Department of Conservation and Recreation			
1994-96 Base Budget	42,355,992	12,110,894	344.00
DGS Rental Charges	931,713	0	0.00
Increased Operating Costs in Parks & Nat. Areas	1,446,802	894,606	19.00
Buena Vista Floodwall	1,800,000	0	0.00
Soil Survey and Soil Mapping	700,000	0	0.00
Shoreline Erosion Advisory Services	618,000	0	5.00
Public Beach Fund	127,024	0	0.00
Best Management Practices Program	120,000	0	0.00
Beach Replenishment	550,000	0	0.00
Breaks Park & Petersburg Special Projects	150,000	0	0.00
Fort Hill Historical State Park	125,000	0	1.00
Park Staffing	888,000	0	4.00
Cooperative Advertising for State Parks	100,000	0	0.00
Federal Funds: NonPoint Source Pollution	0	1,245,350	0.00
Natural Areas Inventory	0	543,116	0.00
Federal Funds: Land & Water Grants	0	307,566	0.00
Total Increases	7,556,539	2,990,638	29.00
Agency Reduction	(4,832,484)	0	(8.00)
Total Decreases	(4,832,484)	0	(8.00)
Budget, As Adopted	45,080,047	15,101,532	365.00
% Net Change	6.43%	24.69%	6.10%
Department of Game & Inland Fisheries			
1994-96 Base Budget	0	52,242,864	444.00
Trout License Fees	0	1,065,900	0.00
Watercraft Sales Tax	0	862,500	0.00
Hydrilla Management	100,000	0	0.00
Total Increases	100,000	1,928,400	0.00
Unfunded MEL Adjustment	0	0	(33.00)
Total Decreases	0	0	(33.00)
Budget, As Adopted	100,000	54,171,264	411.00
% Net Change	NA	3.69%	(7.43%)
Marine Resources Commission			
1994-96 Base Budget	15,819,584	8,670,326	162.00
Saltwater Fishing Fee Restoration	891,240	0	0.00
Total Increases	891,240	0	0.00
Agency Reduction	(1,271,240)	140,000	0.00
Total Decreases	(1,271,240)	140,000	0.00
Budget, As Adopted	15,439,584	8,810,326	162.00
% Net Change	(2.40%)	1.61%	0.00%
Chesapeake Bay Local Assistance Department			
1994-96 Base Budget	4,647,502	2,000	20.00
DGS Rental Charges	100,605	0	0.00
Transfer Coastal Zone Mgmt. Program	0	1,386,818	2.00
Total Increases	100,605	1,386,818	2.00
Total Decreases	0	0	0.00
Budget, As Adopted	4,748,107	1,388,818	22.00
% Net Change	2.16%	69,340.90%	10.00%
Virginia Museum of Natural History			
1994-96 Base Budget	4,035,428	275,892	35.00
Travel Advertising and Promotion	50,000	0	0.00
Total Increases	50,000	0	0.00
Agency Reduction	(114,078)	0	0.00
Total Decreases	(114,078)	0	0.00
Budget, As Adopted	3,971,350	275,892	35.00
% Net Change	(1.59%)	0.00%	0.00%

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Office of Natural Resources			
1994-96 Base Budget	134,486,644	159,108,314	1,961.00
Increases	16,481,581	24,511,011	202.00
Decreases	(11,358,784)	(2,246,818)	(87.00)
Grand Total: Budget, As Approved	139,609,441	181,372,507	2,076.00
% Net Change	3.81%	13.99%	5.86%
PUBLIC SAFETY			
Secretary of Public Safety			
1994-96 Base Budget	874,596	0	5.00
DGS Rental Charges	38,738	0	0.00
State & Local Offender Forecast & Plans	Language	0	Language
Total Increases	38,738	0	0.00
Agency Reduction	(24,090)	0	0.00
Total Decreases	(24,090)	0	0.00
Budget, As Approved	889,244	0	5.00
% Net Change	1.67%	NA	0.00%
Department of Criminal Justice Services			
1994-96 Base Budget	158,234,092	43,316,456	106.00
DGS Rental Charges	159,242	0	0.00
Agency Rental Charges	586,309	0	0.00
Expand Crime Prevention Training	200,000	0	0.00
Continue & Expand Anti-Crime Partnership	139,000	0	0.00
Pre-trial Release Programs	1,235,000	0	0.00
HEM & Pre-Trial Release	765,000	0	0.00
Court Appointed Special Advocates	0	0	0.00
Private Security Information Systems	0	29,743	0.00
Licensing Private Security (HB 395)	0	400,415	5.00
Match for Federal Juvenile Justice Funds	43,500	73,670	0.00
Federal Funds Positions (Restrntcd)	0	0	5.00
Danville Victim-Witness Program	70,000	0	0.00
Richmond Public Inebriate Center	150,000	0	0.00
Offset Reduction in Regional Police Academies	394,420	0	0.00
Offset Reduction in Victim-Witness Programs	162,414	0	0.00
Offset Reduction in Public Inebriate Centers	268,000	0	0.00
Establish New Mentoring Program	0	0	0.00
Total Increases	4,172,885	503,828	10.00
Reduce 599 Program by 6.3% in 2nd Yr	(4,250,500)	0	0.00
Reduce Other Local Assistance Programs	(1,933,874)	0	0.00
Reduce Crime Prevention Training	(52,900)	0	0.00
Eliminate Grant for Child Sex Abuse Training	(136,000)	0	0.00
Eliminate Law Enforcement Task Analysis	0	0	0.00
Reduce Oversight of Reg. Training Academies	(90,772)	0	0.00
Transfer Drug Prosecutors to Comp Board	(865,914)	0	0.00
Use NGF Prison Visitation Project	(34,000)	0	0.00
Increase Central Account Reduction	(170,000)	0	0.00
Eliminate 8 FTE	(630,992)	0	(8.00)
Total Decreases	(8,164,952)	0	(8.00)
Budget, As Approved	154,242,025	43,820,284	108.00
% Net Change	(2.52%)	1.16%	1.89%
Commonwealth's Attorneys' Services Council			
1994-96 Base Budget	534,160	0	3.00
Regional Drug Prosecutors	402,432	0	0.00
Prosecutorial Training	150,000	0	0.00
Total Increases	552,432	0	0.00
Eliminate Per Diems for Spring Institute	(50,000)	0	0.00
Transfer Drug Prosecutors to Comp Board	(402,432)	0	0.00
Total Decreases	(452,432)	0	0.00
Budget, As Approved	634,160	0	3.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
% Net Change	18.72%	NA	0.00%
Department of Fire Programs			
1994-96 Base Budget	0	17,863,318	24.00
Toxic Exposure Database (SJR120 & HJR 175)	0	72,420	1.00
Total Increases	0	72,420	1.00
Total Decreases	0	0	0.00
Budget, As Approved	0	17,935,738	25.00
% Net Change	NA	0.41%	4.17%
Department of State Police			
1994-96 Base Budget	237,079,045	31,671,040	2,323.00
Assume Cost of Federally-Funded Positions	1,761,950	0	0.00
Anti-Violent Crme Strike Force	1,700,000	0	24.00
Renew Unisys Software Charges	661,050	0	0.00
Sergeants and Dispatchers	731,496	0	12.00
Witness Protection Program	0	0	0.00
Criminal History Records Checks	97,600	0	2.00
AFIS Cost Responsibility Study	Language	0	Language
Hampton Roads Aviation Study	Language	0	Language
Communications System	394,000	0	0.00
Total Increases	5,346,096	0	38.00
Reduce Data Processing Expenditures	(777,400)	0	0.00
Reduce Training, Convention, Education	(200,000)	0	0.00
Reduce Equipment Replacement	(154,600)	0	0.00
Consolidate Leased Office Space	(68,000)	0	0.00
Offset Special Agents with HEAT Funds	(206,136)	1,300,000	0.00
Additional Central Account Reduction	(2,400,000)	0	0.00
Total Decreases	(3,806,136)	1,300,000	0.00
Budget, As Approved	238,619,005	32,971,040	2,361.00
% Net Change	0.65%	4.10%	1.64%
Department of Corrections			
1994-96 Base Budget	853,646,794	61,711,316	9,675.60
Open New Culpeper Prison	21,705,105	0	324.00
Open New Deerfield Prison	14,716,454	0	203.00
Open New Lunenburg Prison	638,171	0	9.00
Open New Work Release Center (Botetourt)	467,775	33,600	8.00
Contract for New Minimum Security Unit	2,050,000	0	0.00
Specify 2,000 Minimum Security Beds	50,000	0	0.00
Purchase Options on Land for New Prisons	100,000	0	0.00
Medical Services Enhancements	1,923,396	0	25.00
Automation of Classification & Records	710,586	0	11.00
Automation of Prison Commissaries	0	183,620	2.00
Clothing Industries (Haynesville, Culpeper)	0	3,452,262	8.00
Metal Fabrication Industry (Dillwyn)	0	3,328,942	5.00
Office Furniture Industry (Indian Creek)	0	2,117,224	4.00
Eyeglass Industry (Southampton)	0	350,816	2.00
Working Capital for Industries (Language)	0	0	0.00
Corrections Construction Corps	0	1,100,000	0.00
Security Staffing Formula Adjustment	441,834	0	15.00
Increase Security-Pocahontas Work Release	372,866	0	7.00
Increase Power Plant Staffing	555,580	0	14.00
Increase Reception Center Staffing	148,503	0	3.00
Substance Abuse Treatment (Replace Fed \$)	477,714	0	0.00
Drug Dog Handlers (Replace Federal \$)	233,696	0	0.00
Payroll Positions for New Prisons	117,630	0	3.00
Continue Probation & Parole Automation	3,970,695	0	0.00
Intensive Supervision (Replace Federal \$)	4,191,330	0	46.00
Substance Abuse Treatment-Probation & Parole	1,000,000	0	0.00
Rental Charges (Probation & Parole Offices)	602,011	0	0.00
Abingdon Day Reporting Center (NGF FTE)	0	0	5.00
Expand Residential Pre-Release Contracts	467,200	0	0.00
Expand Home Electronic Monitoring	241,263	0	1.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Expand ISP & HEM (Gov Allen)	1,004,654	0	11.00
Expand Post-Release Services	71,747	0	1.00
Expand Supervision of Sex Offenders	137,324	0	1.00
General District Court Services (Language)	0	0	0.00
Local Jail Support Positions	157,844	0	2.00
Lump Sum Payment for Northern Neck Jail	2,182,679	0	0.00
Review Plans for Womens Prison	0	0	0.00
Firearms Training Simulator for Academy	50,000	0	0.00
Prison Visitation Project (commissary profit)	0	34,000	0.00
Prison Impact of SB 520/HB 1243	407,820	0	0.00
Prison Impact of HB 1327	0	0	0.00
Specialized Drug Treatment Facility	882,232	0	30.00
Postpone Closure of Mecklenburg to 7/1/95	5,343,999	0	0.00
VCCW Law Library Materials on CD-ROM	0	0	0.00
VCCW Women's Health Services	39,400	0	0.00
Telemedicine Study with MCV	Language	0	Language
Mental Health Facility Study	Language	0	Language
Agribusiness Initiative	2,006,200	0	28.00
Factories Behind Walls Policy Statement	0	Language	Language
Richmond Day Reporting Center	575,000	0	6.00
Norfolk Day Reporting Center	575,000	0	6.00
Probation & Parole Security Equipment	225,000	0	0.00
Correctional Enterprises Study (SB 191)	0	Language	Language
Total Increases	68,840,708	10,600,464	780.00
Close Mecklenburg Correctional Center	(15,145,188)	0	(301.50)
Delay Filling Central Office Positions	(1,000,000)	0	0.00
Transfer Meat Processing to Agribusiness	0	(5,841,496)	0.00
Adjust NGF Appropriation	0	(1,419,280)	0.00
Adjust Federally-Funded FTE	0	0	(67.00)
Adjust Food Costs per Agribusiness Initiative	(356,200)	0	0.00
Additional Central Account Reduction	(1,400,000)	0	0.00
Total Decreases	(17,901,388)	(7,260,776)	(368.50)
Budget, As Approved	904,586,114	65,051,004	10,087.10
% Net Change	5.97%	5.41%	4.25%
Department of Correctional Education			
1994-96 Base Budget	38,689,848	3,109,754	458.00
Open Schools at New Prisons	2,334,121	0	17.00
Vocational Education (Youth)	687,686	0	13.00
Occupational Therapy (Youth)	82,998	0	1.00
Speech & Language Services (Youth)	70,480	0	1.00
Vocational Assessment (Adult & Youth)	408,696	0	4.00
Apprenticeship Training (Adult)	250,000	0	4.55
Replace Vocational Equipment	200,000	0	0.00
DGS Rental Charges	187,065	0	0.00
Total Increases	4,221,046	0	40.55
Eliminate 3 FTE (2 Central Office, 1 Field)	(390,362)	0	(3.00)
Postpone Closing Mecklenburg CC School	(380,834)	0	(10.00)
Total Decreases	(771,196)	0	(13.00)
Budget, As Approved	42,139,698	3,109,754	485.55
% Net Change	8.92%	0.00%	6.02%
Virginia Parole Board			
1994-96 Base Budget	5,185,454	0	55.50
Total Increases	0	0	0.00
Reduce Data Processing Expenses	(20,000)	0	0.00
Reduce Convention, Education, Lodging	(20,000)	0	0.00
Reduce Equipment Replacement, Repair	(10,000)	0	0.00
Additional Central Account Reduction	(50,000)	0	0.00
Total Decreases	(100,000)	0	0.00
Budget, As Approved	5,085,454	0	55.50
% Net Change	(1.93%)	NA	0.00%
Department of Youth & Family Services			

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
1994-96 Base Budget	203,622,522	2,152,046	1,743.00
Open New Beaumont Facility	277,317	0	5.00
Increase Security Staffing	619,100	0	20.00
Replace Federal Drug Treatment Grants	1,050,088	0	0.00
Serious Offender Pilot Program	1,737,100	0	0.00
Expand Serious Offender Programs	500,000	0	0.00
Federal Funds for School Food Program	0	977,600	0.00
Intensive Supervision (SB 520/HB 1243)	367,300	0	0.00
Learning Center Cost (SB 520/HB 1243)	250,000	0	0.00
Court Services Units Automation	600,000	0	0.00
Northern VA Detention Home -Operating Cost	553,425	0	0.00
Loudoun County Detention Home	0	0	0.00
Options on Land for New Learning Centers	50,000	0	0.00
Maximize Federal Title XIX, IV-E Funding	(334,690)	0	1.00
Barrett Learning Center Security Report	0	0	0.00
Central Office Staffing	230,354	0	2.00
Total Increases	5,899,994	977,600	28.00
Eliminate Funding for Offices on Youth (Yr 2)	(2,150,482)	0	0.00
Reduce Local-Operated Court Service Units	(800,000)	0	0.00
Reduce Block Grant for Local Facilities	(1,476,168)	0	0.00
Reduce Camp New Hope at Natural Bridge	(272,524)	0	(3.00)
Freeze Central Office Vacancies	(460,000)	0	0.00
Freeze Court Service Unit Vacancies	0	0	0.00
Transfer Interagency Consortium to DOE	(300,000)	0	0.00
Total Decreases	(5,459,174)	0	(3.00)
Budget, As Approved	204,063,342	3,129,646	1,768.00
% Net Change	0.22%	45.43%	1.43%
Department of Alcoholic Beverage Control			
1994-96 Base Budget	0	461,476,960	1,083.00
Inventory & Accounting Systems Review	0	0	0.00
Total Increases	0	100,000	0.00
Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	461,576,960	1,083.00
% Net Change	NA	0.02%	0.00%
Department of Emergency Services			
1994-96 Base Budget	7,123,162	7,264,772	84.00
Additional Hazardous Materials Training	40,800	215,000	0.00
Maintain Flood Warning System	40,550	0	0.00
Emergency Response Team State Grant	60,000	0	0.00
Lynchburg Disaster Relief	600,000	0	0.00
Petersburg Disaster Relief	1,200,000	0	0.00
Total Increases	1,941,350	215,000	0.00
Reduce Chemical Emergency Planning	(170,000)	0	0.00
Reduce Local Aid for HazMat Teams	0	0	0.00
Reduce Plans Management	(30,000)	0	0.00
Total Decreases	(200,000)	0	0.00
Budget, As Approved	8,864,512	7,479,772	84.00
% Net Change	24.45%	2.96%	0.00%
Department of Military Affairs			
1994-96 Base Budget	10,884,526	10,784,164	128.00
Military Youth Challenge Corps	0	6,515,675	100
Firing Range & Bomb Squad Training Study	0	Language	Language
DGS Rental Charges	62,203	0	0.00
Total Increases	62,203	6,515,675	50.00
Reduce Tuition Assistance	(86,000)	0	0.00
Close Farmvl, Hopewl, Chesapeake Armories	(176,000)	0	0.00
Reduce Armory Maintenance & Repair	(130,000)	0	0.00
Reduce Custodial Services	(160,000)	0	0.00
Reduce Clerical & Temporary Assistance	(160,000)	0	0.00
Reduce Other Administrative Functions	(104,000)	0	(2.50)

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Additional Central Account Reduction	(70,000)	0	0.00
Total Decreases	(886,000)	0	(2.50)
Budget, As Approved	10,060,729	17,299,839	175.50
% Net Change	(7.57%)	60.42%	37.11%
Office of Public Safety			
1994-96 Base Budget	1,515,874,199	639,349,826	15,688.10
Increases	91,075,452	18,984,987	947.55
Decreases	(37,765,368)	(5,960,776)	(395.00)
Grand Total: Budget, As Approved	1,569,184,283	652,374,037	16,240.65
% Net Change	3.52%	2.04%	3.52%

TRANSPORTATION

Secretary of Transportation			
1994-96 Base Budget	0	686,234	4.00
No Increase	0	0	0.00
Total Increases	0	0	0.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	686,234	4.00
% Net Change	NA	0.00%	0.00%

Department of Aviation			
1994-96 Base Budget	100,198	29,936,818	38.00
No Increase	0	0	0.00
Total Increases	0	0	0.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	100,198	29,936,818	38.00
% Net Change	0.00%	0.00%	0.00%

Department of Transportation			
1994-96 Base Budget	80,000,000	3,553,536,700	11,570.00
Maintenance of physical plant	0	2,301,000	0.00
Increase highway construction funds	0	54,174,420	0.00
Decrease NOVA building for construction funds	0	4,500,000	0.00
Total Increases	0	60,975,420	0.00
TTF funds for Rail	0	500,000	0.00
Total Decreases	0	500,000	0.00
Budget, As Approved	80,000,000	3,614,012,120	11,570.00
% Net Change	0.00%	1.70%	0.00%

Department of Rail and Public Transp.			
1994-96 Base Budget	0	169,890,822	30
Add Grant Management Position	0	95,280	1
Increase Funds for Mass Transit	0	10,034,578	0.00
Increase Funds for Rail	0	500,000	0.00
Total Increases	0	10,629,858	1.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	180,520,680	31.00
% Net Change	NA	6.26%	3.33%

Department of Motor Vehicles			
1994-96 Base Budget	0	240,513,264	1,939.00
Increase funds to run new computers	0	6,205,780	0.00
Add positions for South Hill & Abingdon	0	962,240	14.00
Add positions to counsel offenders	0	769,664	8.00
Provide drivers license road tests	0	338,895	0.00
Expand community traffic safety programs	0	1,748,060	5.00
Automate agency operations	0	16,832,256	0.00
Add administrative positions	0	0	3.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Total Increases	0	26,856,895	30.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	267,370,159	1,969.00
% Net Change	NA	11.17%	1.55%
Office of Transportation			
1994-96 Base Budget	80,100,198	3,994,563,838	13,581.00
Increases	0	98,462,173	31.00
Decreases	0	500,000	0.00
Grand Total: Budget, As Approved	80,100,198	4,092,526,011	13,612.00
% Net Change	0.00%	2.45%	0.23%

CENTRAL APPROPRIATIONS

Compensation Supplements			
1994-96 Base Budget	0	0	0.00
12/1/94 Classified Salary Increase	88,612,632	0	0.00
12/1/95 Classified Salary Increase	22,852,800	0	0.00
Master Deputy Program	1,510,389	0	0.00
Corrections Officers' Regrade	2,583,000	0	0.00
DGS Class Regrades	1,153,626	0	0.00
Technical Adjustment for Health Insurance	416,478	0	0.00
Increase in FICA Cap	1,071,234	0	0.00
Total Increases	118,200,159	0	0.00
Technical Adjustment for Premium Conversion	(146,700)	0	0.00
Total Decreases	(146,700)	0	0.00
Budget, As Approved	118,053,459	0	0.00
% Net Change	NA	NA	NA
Higher Education Equipment			
1994-96 Base Budget	23,578,930	12,902,190	0.00
Equipment Leases	6,637,901	0	0.00
Correction of Equipment Lease Debt Payments	5,465,536	0	0.00
Total Increases	12,103,437	0	0.00
Equipment Leases	0	(4,319,081)	0.00
Total Decreases	0	(4,319,081)	0.00
Budget, As Approved	35,682,367	8,583,109	0.00
% Net Change	51.33%	(33.48%)	NA
Economic Contingency			
1994-96 Base Budget	7,500,000	0	0.00
Solar Voltaic Incentive Grants	3,000,000	0	0.00
Motor Voter Registration Act	465,000	0	0.00
Defense Conversion Fund	2,000,000	0	0.00
Newport News Defense Conversion Fund	2,000,000	0	0.00
Economic Development Opportunity Fund	3,500,000	0	0.00
Lynchburg Office Relocation	295,625	0	0.00
Total Increases	11,260,625	0	0.00
Defense Conversion	(1,000,000)	0	0.00
Total Decreases	(1,000,000)	0	0.00
Budget, As Approved	17,760,625	0	0.00
% Net Change	136.81%	NA	NA
Reversion Clearing Account			
1994-96 Base Budget	(75,847,166)	0	0.00
Technical Adjustment for Turnover & Vacancy	4,925,662	0	0.00
Technical Adjustment for VRS Rates	11,418,923	0	0.00
Technical Adjustment for Group Life Rates	5,338,598	0	0.00
Technical Adjustment to Restore Compensation	2,949,449	0	0.00
Total Increases	24,632,632	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Agency Reductions (NOTE: See each agency)			
Additional Agency Reductions	(2,892,000)	0	0.00
DIT Internal Service Fund Rate Reductions	(2,902,000)	0	0.00
Savings from Resale of Telecom Services	(1,841,000)	0	0.00
Savings from Decentralization	(1,000,000)	0	0.00
Savings from Va. Power Rate Reduction	(2,000,000)	0	0.00
Financial Aid Adjustment	(1,915,000)	0	0.00
Reduce Travel Budgets	(6,000,000)	0	0.00
Additional Agency Reductions	(6,400,000)	0	0.00
Total Decreases	(24,950,000)	0	0.00
Budget, As Approved	(76,164,534)	0	0.00
% Net Change	NA	NA	NA
Oil Overcharge			
1994-96 Base Budget	0	0	0.00
Interest Earnings	0	1,000,000	0.00
Total Increases	0	1,000,000	0.00
No Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	1,000,000	0.00
% Net Change	NA	NA	NA
Virginia Plan for Equal Opportunity			
1994-96 Base Budget	7,437,430	0	0.00
Additional Funding for the Va. Plan	200,000	0	0.00
Total Increases	200,000	0	0.00
No Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	7,637,430	0	0.00
% Net Change	2.69%	NA	NA
Legal Defense			
1994-96 Base Budget	100,000	0	0.00
No Increase	0	0	0.00
Total Increases	0	0	0.00
No Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	100,000	0	0.00
% Net Change	0.00%	NA	NA
Employee Health Insurance Program			
1994-96 Base Budget	0	0	0.00
Local Government Health Insurance	0	112,997,786	0.00
Total Increases	0	112,997,786	0.00
No Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	112,997,786	0.00
% Net Change	NA	NA	NA
Central Appropriations			
1994-96 Base Budget	(37,230,806)	12,902,190	0.00
Increases	166,396,853	113,997,786	0.00
Decreases	(26,096,700)	(4,319,081)	0.00
Grand Total: Budget, As Approved	103,069,347	122,580,895	0.00
% Net Change	(376.84%)	850.08%	NA

INDEPENDENT

State Corporation Commission			
1994-96 Base Budget	0	106,596,498	612.00
Public Utility Regulation Workload	0	539,419	5.00
Communications Industry Regulation Workload	0	353,013	3.00
Building Maintenance and Operation	0	0	2.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
General Councils Workload Increase	0	0	1.00
Insurance Industry Regulation Workload	0	1,931,998	22.00
Enhanced Information Technology	0	0	6.00
Total Increases	0	2,824,430	39.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	109,420,928	651.00
% Net Change	NA	2.65%	6.37%
Virginia Workers' Compensation Commission			
1994-96 Base Budget	0	20,203,580	145.00
Uninsured Employers Fund	0	400,000	0.00
Total Increases	0	400,000	0.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	20,603,580	145.00
% Net Change	NA	1.98%	0.00%
State Lottery Department			
1994-96 Base Budget	0	136,613,090	330.00
Expanded Revenue Programs	0	1,058,198	0.00
Computer Terminals	0	3,888,000	0.00
Total Increases	0	4,946,198	0.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	141,559,288	330.00
% Net Change	NA	3.62%	0.00%
Virginia Retirement System			
1994-96 Base Budget	0	23,386,786	122.00
Investment Research Position	0	102,058	1.00
Total Increases	0	102,058	1.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	0	23,488,844	123.00
% Net Change	NA	0.44%	0.82%
Independent Agencies			
1994-96 Base Budget	0	286,799,954	1,209.00
Increases	0	8,272,686	40.00
Decreases	0	0	0.00
Grand Total: Budget, As Approved	0	295,072,640	1,249.00
% Net Change	NA	2.88%	3.31%

NON-STATE AGENCIES

1994-96 Base Budget	0	0	0.00
Appalachian Traditions (County Cabin)	10,000	0	0.00
Arts Museum of Western Virginia	230,000	0	0.00
Black History Museum and Cultural Center	100,000	0	0.00
Blue Ridge Zoological Society	48,500	0	0.00
Boissevian Coal Miners Museum	25,000	0	0.00
Charles City County Courthouse	100,000	0	0.00
Children's Museum of Virginia (Portsmouth)	130,000	0	0.00
Chrysler Museum	943,632	0	0.00
Council for America's First Freedom	706,000	0	0.00
Crab Orchard Museum	30,000	0	0.00
Explore Park	800,000	0	0.00
Fredricksburg Area Museum	25,000	0	0.00
Hanover Tavern	100,000	0	0.00
Holiday Lake 4-H Ed. Center	45,000	0	0.00
Lewis Ginter Botanical Gardens	200,000	0	0.00
Long Way Home	7,500	0	0.00

Summary of Detailed Actions in the Budget, As Approved

	1994-1996 BIENNIAL TOTAL		
	Gen. Fund	Nongen Fund	Total FTE
Martin Luther King Memorial	50,000	0	0.00
Maymont	50,000	0	0.00
Old Montpelier Elemen. School	20,000	0	0.00
Peninsula Fine Arts Center	160,000	0	0.00
Piedmont Arts Association	75,000	0	0.00
Richmond Childrens' Museum	50,000	0	0.00
Richmond Math & Science Center	100,000	0	0.00
Science Museum of Western Virginia	1,125,000	0	0.00
Scotchtown	20,000	0	0.00
Virginia Air & Space Museum	400,000	0	0.00
Virginia Living Museum	493,816	0	0.00
Virginia Marine Science Museum	450,000	0	0.00
Virginia Museum of Trans.,Roanoke	200,000	0	0.00
Virginia School for the Arts	40,000	0	0.00
Virginia Sports Hall of Fame	26,550	0	0.00
Virginia Veterans' Memorial	200,000	0	0.00
Virginia Zoological Park, Ed. Prog.	120,000	0	0.00
Volunteer Rescue Squad Museum	75,000	0	0.00
Watermen's Museum	25,000	0	0.00
Western Virginia Foundation for Arts and Sciences	623,830	0	0.00
White House of the Confederacy	100,000	0	0.00
William King Regional Arts Center	200,000	0	0.00
Total Increases	8,104,828	0	0.00
No Agency Reduction	0	0	0.00
Total Decreases	0	0	0.00
Budget, As Approved	8,104,828	0	0.00
% Net Change	NA	NA	NA
Grand Total: Operating Expenses			
1994-96 Base Budget	13,707,202,971	16,009,186,179	106,998.08
Increases	1,646,537,902	810,528,288	2,582.88
Decreases	(395,187,642)	128,146,004	(930.30)
Grand Total: Budget, As Approved	14,958,553,231	16,947,860,471	108,650.66
% Net Change	9.13%	5.86%	0.02

