

# Review of Senate and House Budget Differences, as Compared to Proposed Amendments

(Special Session I: HB 5001/HB 5002 and SB 29/SB 30)

**May 29, 2018**

# Presentation Outline

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 Overview/ Resources	Health & Human Res. 	 Higher Education	K-12 & Other Ed. 	 Retirement
 Public Safety & Veterans	Commerce & Trade 	 Natural Resources/ Ag. & Forestry	Transportation 	 Gen. Gov't. & Capital Outlay

# Overview/Resources

# Current Status

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- HB 5001 and HB 5002 passed the House Appropriations Committee on April 13<sup>th</sup> and the House on April 17<sup>th</sup>.
- Changes from the original budgets:
  - Includes a provision that disenrolls individuals who do not meet work requirements for three months out of the year, and they cannot reenroll until the next plan year.
  - Provides language for the Secretary of Health and Human Resources to develop and apply for a Section 1332 waiver to stabilize the individual insurance market.
  - Incorporates Revenue Reserve amendments offered by the Governor. These amendments dedicate 100% of the remaining surplus (after Rainy Day and WQIF deposits) at the end of FY 2018 to the Fund and also includes provisions from HB 763.
    - Eliminates the contingent employee bonus that would have been funded from a portion of a potential year-end surplus.

# House Budget Features

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- Medicaid “transformation.”
  - Expand through State Plan, and implement waiver *if approved*.
  - Fund \$306.4 million in costs with hospital provider assessment.
- Second year across-the-board and targeted compensation actions.
- Revenue Reserve total of \$247.4 million.
- New Higher Education research initiative (CyberX).

# Senate Budget Priorities

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- Maintain a strong cash position.
  - Cash Reserve balance of \$336 million by the end of the next biennium.
- Fully fund the Medicaid forecast.
- Preserve funding for SOQ rebenchmarking.
- Improve community-based services for the mentally ill.
- Provide higher education operating and financial aid funding.
- Make prudent infrastructure investments that best position our Commonwealth for future economic growth.

# Key Features of Proposal

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- Medicaid expansion consistent with House proposal.
  - Expand through State Plan, and implement waiver *if approved*.
  - Fund costs with hospital provider assessment; additional provider assessment to bring hospital reimbursement to 88 percent.
- 100 percent of FY 2018 surplus directed to Revenue Reserve (HB 5001).
- Additional \$137.1 million in GF resources recognized in HB 5002.
- Compensation actions, contingent on revenues.
  - 3 percent teachers FY 2020; 2 percent state and state-supported locals in July 1 paycheck, plus 2 percent merit increases, and other targeted groups.
- Other House and Senate spending items reflected.

# HB 500 I / SB 29: Resources

FY 2018	House	Senate	Prop.
<b>Changes to Balance</b>			
Revert DLS Balances	\$476,952	\$511,952	\$476,952
Revert Youth Commission Balances	15,000	0	15,000
Revert State Corporation Commission Balances	146,890	0	146,890
Revert JLARC Balances	675,000	675,000	675,000
Revert Jt. Commission on Health Care Balances	35,000	0	35,000
Revert DSS Balances for AG and Adoption	740,000	0	740,000
<b>Changes to Transfers</b>			
DGIF – Reduce Transfer Increase	\$1,600,000	\$1,600,000	\$1,600,000
OAG – Revolving Trust Fund	500,000	500,000	500,000
VASAP NGF Transfer	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
<b>Total Changes to Resources</b>	<b>\$4,688,842</b>	<b>\$3,786,952</b>	<b>\$4,688,842</b>



# HB 5002/SB 30: Resources

2018-20 Biennium	House	Senate	Prop.
<b>Balance Forward</b>			
Unappropriated Balance, as Introduced	\$12,113,042	\$12,113,042	\$12,113,042
Change to Balance Forward (HB 5001/SB 29)	3,924,251	6,388,202	10,603,545
<b>Changes to Revenues</b>			
Limitation on Historic Rehabilitation Tax Credit	\$13,000,000	\$13,000,000	\$13,000,000
Limitation on Land Preservation Tax Credit	13,200,000	13,200,000	13,200,000
Reverse Expansion of Sales and Use Tax Exemption for R&D	0	300,000	0
ATV Sales Tax Increase (SB 249)	0	450,000	450,000
Utility Rate Credit (SB 966)	3,400,000	0	3,400,000
Increase Tax Compliance Revenues	10,800,110	0	10,800,110
DNA Testing Fee Revenue (HB 1249)	335,538	0	208,776
Reinstate Coal Tax Credits	(900,000)	(900,000)	0
Revenue Reforecast	n/a	n/a	120,000,000

# HB 5002/SB 30: Resources (cont.)

2018-20 Biennium	House	Senate	Prop.
<b>Changes to Transfers</b>			
OAG – Revolving Trust Fund	\$1,000,000	\$1,000,000	\$1,000,000
OAG – Debt Collection Fund	400,000	0	400,000
Transfer Savings from Decrease in Telephone Relay Service	0	4,000,000	4,000,000
ABC Positions - New Stores Only	0	1,772,997	0
ABC Point of Sale	0	3,639,418	0
ABC Positions - PT/FT Stores	0	507,027	0
Un-refunded Marine Fuels	<u>0</u>	<u>5,167,062</u>	<u>5,167,062</u>
<b>Total Changes to Resources</b>	<b>\$41,235,648</b>	<b>\$42,136,504</b>	<b>\$171,625,948</b>
Net Spending	<u>54,933,468</u>	<u>46,091,116</u>	<u>192,199,812</u>
<b>Unappropriated Balance</b>	<b>\$2,339,473</b>	<b>\$14,546,632</b>	<b>\$2,142,723</b>

# Potential FY 2018 Surplus

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- Revenue surplus will depend primarily on final nonwithholding income tax collections.
  - Through April, nonwithholding collections were ahead of forecast by 19.3 percent.
  - However, collections are volatile and difficult to forecast with accuracy.
  - And typically, 30 percent of full-year nonwithholding revenues are received in the months of May and June.
- Estimates of the potential FY 2018 surplus:
  - **The Secretary of Finance suggested on May 15 that the surplus could be approximately \$460 to \$480 million.**
    - Based on GF collections through April totaling 81.1 percent of forecast, compared to the historical average of 78.7 percent.\*
  - **The proposed budget amendment package projects a surplus of approximately \$500 million.**
    - Assumes GF revenue growth of 3.7 percent in May-June 2018.
  - **Staff upper bound estimate indicates surplus could be as high as \$622 million.**
    - Based on April year-to-date revenue growth of 6.7 percent.
  - **Subtracting the “collar” and anticipating a year-over-year decline in May nonwithholding income tax collections, yields a lower bound estimate of approximately \$430 million.**

\* Presentation to Senate Finance Committee, May 15, 2018.

# Revenue Reserve Fund

Reserve Fund Deposits, 2018-20 Biennium (\$ in millions)	Gov.	House	Senate	Prop.
FY 2018 Deposit Based on FY 2017 Revenues	\$156.4	\$156.4	\$156.4	\$156.4
FY 2019-20 Deposits Per Appropriation:				
FY 2019	\$50.0	\$45.5	\$30.0	\$45.5
FY 2020	<u>\$220.7</u>	<u>\$45.5</u>	<u>\$150.0</u>	<u>\$45.5</u>
Deposits Per Appropriation	\$427.1	\$247.4	\$336.4	\$247.4
Additional Deposit, Percent of Revenue Surplus (after RDF & WQIF assignment)	50%	100%	50%	100%

- Additional Reserve Fund deposits are based on a percentage of the revenue surplus, after assignments to the Water Quality Improvement Fund (WQIF) and any required deposits to the Rainy Day Fund (RDF).
- A revenue surplus in FY 2018 may result in a mandatory deposit to the RDF in FY 2020.
  - The amount of the deposit is determined by the growth of corporate, individual income, and sales taxes, compared to their prior six-year average growth rate.

# Health and Human Resources

# Overview

## Health and Human Resources

(\$ in millions, GF)	FY 2018	FY 2019	FY 2020
<b>Total \$</b>			
<b>Base (FY 18, Ch. 836)</b>	\$6,437.3	\$6,437.3	\$6,437.3
<b>Net Change Proposed in Introduced Budget</b>	<u>61.5</u>	<u>163.4</u>	<u>388.1</u>
<b>SB 29/30, As Introduced</b>	\$6,498.8	\$6,600.7	\$6,825.4
<b>% Change, Over Prior Year</b>	6.0%	1.6%	3.4%
<b>House Amendments</b>	3.2	32.1	(34.4)
<b>Senate Amendments</b>	(3.7)	118.4	172.8
<b>Prop. Amendments</b>	3.2	47.0	(3.9)

- Original House and Senate budgets are net \$293.5 million apart in HHR for the biennium.

# Comparison of Medicaid Proposals

Provision	Governor	House	Senate	Prop.
Proposal	Expand Medicaid pursuant ACA (October 1, 2018)	Expand Medicaid pursuant ACA (January 1, 2019)	Expand existing GAP waiver to serve most vulnerable individuals	Expand Medicaid pursuant ACA (January 1, 2019)
Method	Expand through State Plan Amendment	Expand through State Plan Amendment and implement a waiver, if approved	Amend the existing GAP waiver	Expand through State Plan Amendment and implement a waiver, if approved
Population served	300,000 low-income non-disabled adults	300,000 low-income non-disabled adults	20,000 in GAP; 2,300 in waivers	300,000 low-income non-disabled adults
Biennial Cost	\$307 million in state funds	\$307 million in state funds	Est. cost of \$273 million in state funds subject to future appropriation	\$307 million in state funds
Fund Source	Provider tax on hospitals	Provider tax on hospitals	General Fund	Provider tax on hospitals
Work Requirement	None	Subject to federal approval, 9 exceptions, verification limited, lockout period	None	Subject to federal approval, 10 exceptions, verification limited, lockout period
Protection from Federal Action	Disenroll if federal match rate for expansion population reduced	Disenroll if federal match rate for expansion population reduced	Existing federal match, no protection necessary	Disenroll if federal match rate for expansion population reduced

# Prop. Medicaid Expansion Provisions

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- Dual track authority to expand under the State Plan (traditional Medicaid) while applying for an 1115 waiver (no backstop if waiver is not approved).
  - Within 45 days of passage of HB 5001 provides authority to amend the State Plan and begin process to apply for a 1115 waiver.
  - Requires waiver application be submitted within 150 days after passage of HB 5001.
  - If CMS approves State Plan Amendments, then coverage can take effect prior to submission of the waiver application.
  - If CMS takes no action on the State Plan Amendments (automatic approval), then coverage begins when the waiver application is submitted, but no later than January 1, 2019.
- Provides for State Plan provisions for referrals for job training, education and job placement assistance, and personal responsibility provisions as currently permitted under federal law.
- Individuals from 100 to 138% of poverty enrolled in Medicaid managed care or provided premium assistance for employer sponsored coverage.
- Other provisions include: (i) health and wellness account; (ii) sliding scale for member premiums and lock-out period due to failure to pay; (iii) elimination of retroactive eligibility; and (iv) supportive employment and housing benefit.
- Trigger language applies if federal funding for the Medicaid Expansion population is reduced.



# TEEOP Provisions (House & Proposal)

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- Training, Education, Employment and Opportunity Program (TEEOP).
  - Requires all able-bodied adults in Medicaid to work 80 hours a month except individuals who are: (i) age 18 in secondary education; (ii) 65 and older; (iii) blind or disabled; (iv) institutionalized; (v) medically frail; (vi) seriously mentally ill; (vii) pregnant or postpartum; (viii) former foster care children under age 26; (ix) the primary caregiver of a dependent child or adult dependent with a disability; and (x) already in compliance with TANF or SNAP work requirements.
  - Requirements satisfied through job skills training, job search, education related to employment, general education (including GED), enrolled in courses for industry certification, vocational education or training, community work experience programs, community or public service (excluding political activities), or care-giving services for a non-dependent relative or other person with a chronic, disabling condition.
  - Includes a provision that disenrolls individuals who do not meet TEEOP requirements for three months out of the year, and they cannot reenroll until the next plan year.
- Requirement can be waived in high unemployment areas.
- Medicaid would work with Virginia Workforce Centers or One-Stops to provide services.
- Program would utilize other federal funding sources (i.e. TANF) as permitted under federal law.

# Hospital Provider Assessment - Projections

- Proposed amendments create two assessments:
  - Coverage assessment for the costs of Medicaid Expansion
  - Rate enhancement to increase inpatient and outpatient hospital rates (100% of costs on average, 88% net of assessment)

(GF \$ in millions)	FY 2019	FY 2020
Coverage Assessment (January 1, 2019)	\$80.8	\$226.1
Rate Enhancement (October 1, 2018)	109.2	176.8
<b>Total Provider Assessment Paid by Hospitals</b>	<b>\$190.0</b>	<b>\$402.9</b>
<i>Effective Tax Rate on Net Patient Revenue</i>	<i>1.1%</i>	<i>2.3%</i>
Hospital Revenue from Coverage Expansion (Private Acute Hospitals)	153.3	550.3
Hospital Revenue from Medicaid Rate Enhancement	299.8	469.4
<b>Total Revenue to Private Acute Hospitals</b>	<b>\$453.1</b>	<b>\$1,019.7</b>
<b>Net Revenue Impact for Private Acute Hospitals</b>	<b>\$263.1</b>	<b>\$616.8</b>

# Community Behavioral Health Services Spending

(GF \$ in millions)	Gov.	House	Senate	Prop.
STEP-VA: Same-day access at remaining 22 CSBs ( <i>includes Medicaid share</i> )	\$15.0	\$15.0	\$15.0	\$15.0
STEP-VA: Outpatient Services at CSBs (New)	-	-	-	15.0
STEP-VA: Primary care screening at CSBs	11.1	11.1	3.7	11.1
STEP-VA: Detoxification Services at CSBs (New)	-	-	-	2.0
Medication Assisted Treatment (Set-aside for non-addictive medication)	10.0	10.0	10.0	5.0
Permanent Supportive Housing ( <i>200 adults with SMI; 75 pregnant women</i> )	7.1	7.1	7.1	7.1
Discharge Assistance Planning (DAP) funds	6.9	6.9	3.5	6.9
Addressing State Hospital Capacity (through appropriate options)	4.5	4.5	-	4.5
Alternative Transportation for TDOs	-	-	7.0	7.0
Jail Discharge Planning, Telemental Health, CIT Training, Court Diversion	-	-	8.1	8.1
CIT assessment sites (six rural communities)	-	2.7	-	2.7
<b>Total Community Behavioral Health</b>	<b>\$54.6</b>	<b>\$57.3</b>	<b>\$54.4</b>	<b>\$84.3</b>

# Behavioral Health Facilities Spending

(GF \$ in millions)	Gov.	House	Senate	Prop.
Electronic Health Records at all state facilities	\$10.1	\$10.1	\$10.1	\$10.1
Operating costs of 56-bed expansion at Western State Hospital	5.6	5.6	5.6	5.6
Fund 22 temporary beds at Piedmont Geriatrics for VCBR* residents	5.7	5.7	5.7	5.7
Fund operating costs of first phase 72-bed expansion of VCBR	7.8	7.8	7.8	7.8
Fund Hepatitis C treatment costs for VCBR	1.1	1.1	0.4	1.1
Supervision of monitoring of conditional releases from VCBR	0.8	0.8	0.8	0.8
<b>Total for Behavioral Health Facilities</b>	<b>31.1</b>	<b>31.1</b>	<b>30.4</b>	<b>31.1</b>

\* Virginia Center for Behavioral Rehabilitation

# DOJ Settlement Agreement Spending

(GF \$ in millions)	Gov.	House	Senate	Prop.
Fund 825 waiver slots (70 for discharge, 755 for community)	\$45.0	\$45.0	\$45.0	\$45.0
Reallocate waiver slot distribution (Creates 494 new slots)	-	-	-	-
Fund 326 additional Family and Individual Supports waiver slots	-	-	-	5.0
Expand crisis services	5.6	5.6	5.6	5.6
State Rental Assistance Program for independent living	4.6	4.6	3.6	4.6
Fund 50 reserve waiver slots for transitions between waivers	2.8	2.8	2.8	2.8
Developmental Disability Support Network in Central Virginia	1.3	1.3	1.3	1.3
Community Services for non-Medicaid training center discharges	0.4	0.4	0.4	0.4
Independent Reviewer costs	0.2	0.2	0.2	0.2
Savings from training center closure	(18.5)	(18.5)	(18.5)	(18.5)
<b>Total for DOJ Settlement Agreement</b>	<b>\$41.4</b>	<b>\$41.4</b>	<b>\$40.4</b>	<b>\$46.4</b>

# Developmental Disability Waiver Slots - Summary

Waiver	Existing Slots	Waiting List As of Jan. 2018	New Slots Proposed			
			Gov.	House	Senate	Prop.
Community Living	11,302	-	750	750	750	384
Family and Individual Supports	1,762	-	75	75	75	1,221
Building Independence	360	-	-	-	-	40
<b>Total</b>	<b>13,424</b>	<b>12,320</b>	<b>825</b>	<b>825</b>	<b>825</b>	<b>1,645</b>

*Waiting List*  
 Priority 1 – 3,051  
 Priority 2 – 5,334  
 Priority 3 – 3,935

# Other HHR Spending

(GF \$ in millions)	Gov.	House	Senate	Prop.
Medicaid Rate Increase for Personal Care Attendants	\$9.8	\$4.9	-	\$9.8
Hampton University Proton Therapy Foundation (New)	-	-	-	2.0
Hampton Proton Beam Therapy Institute (New)	-	-	-	0.2
Graduate Medical Residency Slots (Medicaid Funded)	-	-	1.7	1.7
Increase Auxiliary Grant Rate	-	-	1.0	1.0
Brain Injury Case Management	-	-	1.0	1.0
Address Waiting Lists for Aging Services	-	-	1.0	1.0
Improve Medicaid Enrollment Process for Incarcerated Individuals	-	0.9	-	0.9
Long-Term Care Ombudsman	-	-	0.6	0.6
Long-Term Employment Support Services Program	-	-	0.5	0.5
<b>Total</b>	<b>\$9.8</b>	<b>\$5.8</b>	<b>\$5.8</b>	<b>\$18.7</b>

# Major HHR Savings

(GF \$ in millions)	Gov.	House	Senate	Prop.
Savings from suspension of ACA insurance tax	-	(\$42.0)	(\$42.0)	(\$42.0)
Limit expenditure growth in CSA services (rates on private day special education)	-	-	(14.1)	(10.3)
Eliminate half of hospital inflation in FY 2019	-	(10.9)	-	-
Eliminate overtime for consumer-directed attendants	-	(9.6)	(9.6)	(9.6)
Eliminate 2% rate increase for consumer-directed attendants	-	(9.9)	(9.9)	(9.9)
Supplant Medication Assisted Treatment Funds with Federal Funds	-	-	-	(5.0)
Adjust revenue for the Health Care Fund (tobacco taxes)	-	-	(4.6)	-
Eliminate higher call center contract costs through merger of agency call centers	-	-	(4.9)	(4.9)
Modify electronic health records implementation for the Health Dept.	-	(1.8)	(1.8)	(1.8)
<b>Total Major Savings</b>	<b>-</b>	<b>(\$74.2)</b>	<b>(\$86.9)</b>	<b>(\$83.5)</b>



# Major Budget Language Differences

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- **Strategies to control CSA expenditures.**
  - **Senate:** Imposes a cap on private day rates, allows CSA funding for a pilot project in public day programs and establishes a workgroup for outcome measures for private day programs.
  - **Prop:** Imposes a cap in the 2<sup>nd</sup> year.
- **Strategy to reduce TDO pressure on state mental hospitals.**
  - **Senate:** Requires DMAS to develop a methodology to incentivize private hospitals to handle more TDOs and reduce funding to those that don't handle their share.
  - **Prop:** Requires DMAS and DBHDS to evaluate options to incentivize private hospitals and report back to the General Assembly.
- **Hospital participation to serve Medicaid recipients in managed care.**
  - **Senate:** Includes language that only allows hospitals to receive safety net supplemental payments if they fully participate in the Commonwealth's Medicaid managed care program.
  - **Prop:** No action.
- **Proposed amendments do not include the one-year moratorium on freestanding emergency departments to provide time to consider applying the Certificate of Public Need process to that type of facility.**

# Stabilizing the Individual Insurance Market

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- HB 5002 and the Prop. amendments include a provision for a Section 1332 Waiver.
- Directs the Secretary of Health and Human Resources to develop and apply for a state innovation waiver (Section 1332 of the Affordable Care Act) to develop solutions for the individual insurance market to reduce premiums and cost sharing.
  - Solutions may include a reinsurance program, high risk pool, and other options for consideration that could stabilize the individual insurance market.
- The Secretary shall report back to the General Assembly on costs and assumptions for a waiver, and also an analysis of options to fund the state share.
  - The Bureau of Insurance shall provide technical assistance as needed.
- The waiver cannot be implemented until the state share is appropriated by the General Assembly.
- Also creates a workgroup lead by the Secretary of Health and Human Resources to evaluate trends in the individual market and make recommendations.

# Higher Education

# Overview of Higher Education

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- **SB 30:** Senate redirects \$32.3 million GF for total support of \$212.1 million GF over the biennium (about \$126.7 million over the biennium of these actions are related to technical adjustments that have been reflected in the base budget in other years).
- **HB 5002:** House provides an additional \$74.0 million GF for total support of \$318.4 million GF over the biennium.
- **HB 5002 Proposal:** Alternative provides an additional \$16.0 million GF for total support of \$260.4 million GF over the biennium.
- An additional \$16.0 million GF for higher education research is available under the Virginia Research Investment Committee; retained in each budget (funding could have been reflected as part of the base adjustments).
- **Proposed** amendments include \$20.0 million GF for the CyberX Initiative and \$1.0 million GF for focused ultrasound research at the University of Virginia.

# Higher Education: Summary of Proposed Amendments

GF Actions for the 2018-20 Biennium (\$ in millions)	Gov.	House	Senate	Prop.
Undergraduate Need-Based Aid	\$45.5	\$45.5	\$22.8	\$29.2
Base Adequacy/Base Operations/Degree Production/O&M	35.1	53.8	28.1	38.5
Technology Infrastructure (UVA-Wise, VSU, & VIMS)	4.3	4.3	3.3	4.3
UVA-Wise – Enhance Academic Programs	3.8	3.8	0.5	1.8
Workforce Credential Grant Program	4.0	4.0	4.0	4.0
SCHEV Funding (cyber scholarships, transfer grant, VRIC support, VIVA, internships, loan ombudsman, and Space Grant Pilot Training)	3.0	4.5	4.3	4.9
HE Centers (So.VAHEC, IALR, & RHEA)	1.8	1.8	1.2	1.8
Tuition Assistance Grant (supplement for teacher career, transfer between years)	1.8	1.8	1.8	1.8
NSU – Cyber-Security & Cyber-Psych. Programs and Biofuel Research	1.3	1.3	0.0	0.0
Other: (UVA Pop./VFH,RBC Pos., VIMS Mon/O&M.,CWM Vet./Gov.,VCCS Trans/Plan/Train/Dist. Learn./Dual Track, NCI, Jeff. Lab, GMU STEP, UMW Car., VMI & VT UMA, Soil Sci.,OVN, & ODU Dig. Ship)	4.1	13.7	6.1	13.3
Additional Research	0	44.0	0	21.0
<b>HE Initiative Spending Total</b> (does not include technical amend. & restructuring incent.)	<b>\$104.5</b>	<b>\$178.6</b>	<b>\$72.3</b>	<b>\$120.5</b>

# K-12 & Other Education

# Overview

## Direct Aid to Public Education

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(\$ in millions, GF)	FY 2018	FY 2019	FY 2020
<b>Total \$</b>			
<b>Base (FY 18, Ch. 836)</b>	\$6,030.0	\$6,030.0	\$6,030.0
<b>Net Change Proposed in Introduced Budget</b>	<u>(57.3)</u>	<u>206.5</u>	<u>309.4</u>
<b>SB 30, As Introduced</b>	\$5,972.7	\$6,236.5	\$6,339.4
<b>% Change, Over Prior Year</b>	(1.0%)	3.4%	1.6%
<b>HB 5001/HB 5002 House Amendments</b>	(\$2.6)	\$29.1	\$54.5
<b>SB 29/SB 30 Amendments</b>	0.4	(12.9)	(74.0)
<b>Prop. Amendments</b>	<b>(9.8)</b>	<b>36.6</b>	<b>111.9</b>

# Direct Aid

(GF \$ in millions)	Gov.	House	Senate	Prop.
Re-benchmarking	\$481.0	\$481.0	\$481.0	\$481.0
State's Share Compensation Increase Gov: 2% Dec. 1, 2019; House: 2% July 1, 2019; Prop.: 3% July 1, 2019	51.3	87.7	0.0	131.4
Expand At-Risk Add-On Range to 14.0%	7.1	0.0	7.1	7.1
Lottery Per Pupil Amount		91.5	0.0	91.5
FY 2019 "No Loss" Funding (Compared to SB 29, as Introduced)	11.5	0.0	0.0	0.0
Extended Enrollment Loss Funding		6.1	5.0	6.1
State's Share for Full-Time Principal in Small Elementary Schools	7.7	0.0	0.0	0.0
Extend FY18 Governor's School Funding Policy (2.5% PP, \$50/course)	2.6	0.0	2.6	0.0
Positive Behavior Intervention & Support (PBIS) (Base is \$1.1M/yr.)	1.0	1.0	0.0	1.0
Establish New Fund for Principal Recruitment & Retention	1.0	0.0	0.6	0.0
New Cyber Security Two-Week Career Exploration/Skills Programs	1.0	0.0	0.0	0.0



# Other Savings in Direct Aid Items

(GF \$ in millions)	Gov.	House	Senate	Prop.
Technical Updates		(\$4.2)	(\$4.2)	(\$4.2)
Adjust Lottery Proceeds Forecast	(\$80.4)	(97.9)	(97.9)	(97.9)
Remove Local School Board Member Costs from SOQ			(5.0)	
Update School Breakfast Reimbursement Incentive Base Year			(4.5)	
Continue Phased Elimination of Project Graduation			(2.1)	
Praxis Assistance for Provisionally Licensed Teachers	0.1	0.1	0.0	0.1

# Other Spending in Direct Aid

(GF \$ in millions)	Gov.	House	Senate	Prop.
Replicate Teacher Residency Models			\$1.5	\$1.5
Regional Career & Technical Education Centers			1.4	1.4
Project Discovery (from \$662,000 to \$962,000 per year)	0.2	0.0	0.6	0.6
New Career & Technical Education Innovation School			0.5	0.5
Virginia Reading Corps (Literacy Lab)	0.3	0.3	0.3	0.6
H.S.Apprenticeship Program (Richmond City)			0.3	
Early Childhood STEM Teacher Training (Wolf Trap)			0.3	0.3
STEM Teachers Recruitment Incentives			0.2	0.2
District Choice Assessments Pilot (11 <sup>th</sup> Grade)			0.1	
Vision Screening		0.8		0.8
Power Scholars YMCA Summer Academies		0.5		0.5
CodeRVA High School (VPSA technology grant bond proceeds)		Lang.		Lang.

# Actions Related to Early Childhood

	Gov.	House	Senate	Prop.
Kindergarten Readiness	\$275,000/year	\$275,000/year	\$275,000/year	\$270,000/year
DOE/UVA – Kindergarten Readiness		\$275,000/year		\$275,000/year
DOE to Develop a Plan		\$75,000 in FY 19		\$75,000 in FY 19
Classroom Observations		\$350,000/year	\$250,000/year	\$350,000/year
Per Pupil Amount, S: For Curriculum/Prof. Dev.			\$4.6 million/year	\$2.3 million/year
H: UVA CASTL for Professional Development		\$300,000 in FY 19 \$700,000 in FY 20		\$300,000 in FY 19 \$700,000 in FY 20
Adjust VPI Non-participation Rate		(\$245,000/year)		(\$245,000/year)
Local Match; Teacher Qualifications			Language	Language
Joint Subcommittee on VPI			Language	Language
Workgroup on Integrated Fund			Language	Language
Prioritize Richmond for Mixed Delivery Grant		Language		Language
Use of VPI Balances for One-Time Wait Lists Slots		Language		Language
Provisionally-Licensed VPI Teachers Coursework				\$2.3 million/year

# Department of Education

(GF \$)	Gov.	House	Senate	Prop.
Automate Teacher Licensure Process	\$1,105,000	\$0	\$1,030,000	\$0
Align Office of Student Services Funding - to Ensure Federal IDEA Grant Compliance	1,004,335	0	1,004,335	1,004,335
eMedia Statewide Digital Content	400,000	0	400,000*	400,000*
School Performance Report Card	300,000	0	300,000	0
Teacher Misconduct Clearinghouse Subscription	156,168	156,168	186,168	186,168
Tiered System of Support Training and Technical Assistance		500,000		500,000
Environmental Education	500,000	0	0	0
Advisory Council for Digital Citizenship, Etc.	150,000	0	0	0
<i>*Shifts half from second year to first year.</i>				

# Department of Education (continued)

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## **Prop. Includes:**

### **Senate amendments:**

- Adds \$300,000 GF each year related to Social Studies.
- Adds \$290,000 GF each year for additional multi-sensory literacy (dyslexia) training for teachers.
- Directs DOE to develop and administer a School Personnel Survey within existing resources.

### **House amendments:**

- Directs the Communities in Schools organization to assist Community School organization.

## **Prop. Does Not Include:**

### **Senate amendments:**

- Directs DOE to evaluate options for student growth models and report to the Commission on Elementary and Secondary Education.
- Provides annual funding of \$300,000 per year for the legislative Commission on Elementary and Secondary Education (Item 30.10).
- Directs the Commission to develop, over two years, a plan related to small school divisions consolidating, jointly operating, contracting or otherwise sharing services.

# Other Education

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	Gov.	House	Senate	Prop.
Library Aid	\$0	\$0	\$750,000	\$750,000
Eastern Shore Library	1,000,000	1,000,000	250,000	1,000,000
Comm. for the Arts	1,750,000	0	250,000	500,000
Gunston Hall	0	200,000	0	290,102
Virginia Museum of Fine Arts				377,542

# Other Education

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- **Library of Virginia:**
  - Senate: \$1.2 million GF over the biennium to replace outdated electronic records systems.
  - **House and Proposed: Same**
- **Jamestown-Yorktown Commemorations:**
  - Senate: \$958,490 GF the first year and \$400,665 GF the second year to maximize 2019 Commemorations programming impact.
  - **House and Proposed: Same**
- **Virginia Museum of Fine Arts:**
  - Senate: \$433,061 GF over the biennium for renovated Robinson House O&M.
  - **House and Proposed: Same**

# Retirement



# Virginia Retirement System

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- All fully fund the VRS Board approved rates.
- Prop. reflects House action:
  - Authorizes the VRS to adjust the contribution rate charged for university employees in positions that were transitioned from the Defined Benefit VRS program to an optional Defined Contribution retirement plan in order to recover stranded liabilities.
  - Also directs VRS, Department of Accounts, and the institutions to develop a methodology to identify and report separately personnel services expenditures for university personnel in positions that used to be classified positions but have transitioned to university staff positions.
- Senate: Similar reporting language only.

# Public Safety and Homeland Security

# Department of Corrections

(GF \$ in millions – Biennial Totals)	Governor	House	Senate	Prop.
Medicaid Expansion	(\$44.1)	(\$38.4)	\$0.0	(\$38.4)
Inmate Medical Costs	38.3	38.3	32.3	38.3
Specialized Mental Health Units	2.9	2.9	2.9	2.9
Probation and Parole Officers	2.3	2.3	1.1	2.3
Residential Opioid Treatment	0.9	0.9	0.9	0.9
Medical/MH Staff for Level I Women	0.5	0.5	0.5	0.5
Jail Death Investigator	0.2	0.2	0.1	0.2
DMV Connect	0.0	0.0	0.6	0.0
Base Operating	0.0	3.0	0.0	3.0
Medicaid Enrollment	0.0	0.1	0.0	0.1
Corrections Special Reserve Fund	<u>0.4</u>	<u>0.4</u>	<u>0.1</u>	<u>0.1</u>
<b>TOTAL</b>	<b>\$1.4</b>	<b>\$10.2</b>	<b>\$38.5</b>	<b>\$9.9</b>

- Language in proposal: report on inmate healthcare, capital needs, and plan to reduce number of mentally ill inmates who serve the entire sentence in jail, removes expanded capital outlay authority.

# Department of State Police

(GF \$ in millions – Biennial Totals)	Governor	House	Senate	Prop.
Special Operations Positions	\$2.8	\$2.8	\$2.8	\$2.8
Replacement Helicopters	3.7	1.8	2.9	1.8
Operating support for COMLINC	0.7	0.7	0.7	0.7
Fusion Center Analysts	0.4	0.4	0.0	0.4
Polygraph Quality Control Analysts	0.3	0.3	0.0	0.3
Positions for Firearms Background Check Legislation	0.9	0.0	0.0	0.0
Aircraft Mechanic	0.0	0.0	0.2	0.2
Electronic Summons Pilot	<u>0.0</u>	<u>1.9</u>	<u>0.0</u>	<u>1.9</u>
<b>TOTAL</b>	<b>\$8.8</b>	<b>\$7.9</b>	<b>\$6.6</b>	<b>\$8.1</b>

- Proposal maintains introduced NGF funding from Safety Fund to upgrade Computerized Criminal History system.

# Alcoholic Beverage Control

Operating Budget (NGF \$ in millions – Biennium)	Governor	House	Senate	Prop.
Cost of Goods Sold	\$75.0	\$75.0	\$75.0	\$75.0
Audit System	2.1	2.1	2.1	2.1
Point of Sales System	13.3	13.3	9.7	13.3
Email, SharePoint software	1.2	1.2	1.2	1.2
Positions for New/High Volume Stores	8.5	8.5	6.7	8.5
Convert PT employees to FT	1.5	1.5	1.0	1.5
Enforcement activities	<u>3.8</u>	<u>1.7</u>	<u>1.7</u>	<u>1.7</u>
<b>TOTAL</b>	<b>\$105.5</b>	<b>\$103.3</b>	<b>\$97.4</b>	<b>\$103.3</b>

Part 3 GF Transfers (NGF \$ in millions – Biennium)	Governor	House	Senate	Prop.
Net Profit Transfers to GF	\$225.3	\$225.3	\$231.2	\$225.3

# Other Public Safety

(GF \$ in millions – Biennial Totals)		Gov.	House	Senate	Prop.
Secretary	COMLINC Assessment	\$1.0	\$0.1	\$0.0	\$0.1
DFS	Positions and Equipment, DNA Databank	2.2	2.7	2.3	2.5
VDEM	Emergency Training, Federal Grant Coordinator Position, Vehicle Replacement	3.1	1.1	0.0	1.1
DMA	Emergency Coordinator, Emergency Response Specialist, IT Officer, Cyber Security Assessments	0.6	0.4	0.2	0.4
DCJS	“HB599” (Aid to localities with police depts.)	20.4	20.4	13.2	20.4
	“Drive to Work,” Post-Critical Incident Grants	0.03	0.03	0.2	0.23
	Mental Health in Jail Pilot Program	0.0	(2.5)	0.0	(2.5)
	School Resource Officer Grants	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>1.3</u>
	<b>TOTAL</b>	<b>\$27.3</b>	<b>\$22.2</b>	<b>\$15.9</b>	<b>\$23.5</b>

# Veterans and Defense Affairs

# Overview of Veterans & Defense Affairs

- **Senate** actions reduced the proposed new biennial GF spending by \$0.6 million.
- **House** actions increased the proposed new biennial spending by \$1.5 million.
- **Proposed** actions increase the proposed new biennial spending by \$1.5 million.

GF \$ in millions	Gov.	House	Senate	Prop.
Secretary Office	\$0.3	\$0.3	\$0.0	\$0.3
Benefit Services	0.5	0.5	0.5	0.5
New Positions	0.3	0.4	0.0	0.4
Cemetery Ops.	0.3	0.3	0.3	0.3
<b>Total</b>	<b>\$1.4</b>	<b>\$1.5</b>	<b>\$0.8</b>	<b>\$1.5</b>

- **Proposed** amendments include new language to extend the encroachment land acquisition program through FY 2020 and expands the program to authorize additional acquisitions in the vicinity of the auxiliary landing field.



# Commerce and Trade – Economic Development

# Commerce and Trade

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- Spending in proposed budget amendment package totals \$22.7 million **more** than in the Senate budget and \$6.9 million more than the House budget.
  - Largest increases are in GO Virginia and the Virginia Economic Development Partnership (VEDP).
- Significant increases for economic development in each of the budgets. For example, VEDP operating budget:
  - Gov., Senate: Increase \$8.7 million over base (+16.6%).
  - House, Prop.: Increase \$13.7 million over base (+26.2%).
- **Additional new spending** in proposed budget amendment package includes:
  - \$1.25 million GF for the Center for Innovative Technology (CIT).
  - \$500,000 GF in FY 2018 for the Commonwealth Center for Advanced Manufacturing (CCAM) in Central Appropriations.
  - \$250,000 GF in FY 2019 for infrastructure improvements to Great Meadow equestrian sports center.

# GO Virginia

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## **Senate Bill 30**

- Level funding at \$24.5 million GF each year for the Virginia Growth and Opportunity Fund and \$225,000 GF each year for administration.
- Reverses \$637,000 GF per year increase for administration; authorizes the Board to reallocate that amount from the Fund.
- Authorizes board to increase per capita grant allocations to \$750,000 for rural regions.

## **House Bill 5002**

- Increases funding by \$15.0 million for the biennium.
- Board may waive local match requirement on regional capacity building grants.
- Directs the creation of “Interns for Virginia” program to be funded with GO Virginia grant allocations.
- GO Virginia Board to convene a workgroup to develop statewide broadband policies.
- Limits awards to no more than 90 percent of monies in the Fund each fiscal year.
- Board may increase per capita grant allocations to \$1.0 million.

## **Proposed Amendment Package**

- Same as House budget, but strikes “Interns for Virginia” program. (Includes Senate position on internship grant program under SCHEV.)

# Commerce and Trade (continued)

GF Actions for the 2018-20 Biennium (\$ in millions)	Gov.	House	Senate	Prop.
Chief Broadband Advisor & Transfer 1 FTE from Secretary of Technology	\$0	\$0.7	\$0	\$0.7
Transfers CIT to Commerce and Trade	0	21.1	0*	22.3
Virginia Jobs Investment Program	0	(3.0)	(4.5)	(3.0)
Transfer SBIGF and SBJGF to VEDP	0	1.6	1.9	0
Economic Development Incentives /VEDIG Grant Authorization			<i>Language</i>	<i>Language</i>
Virginia-Israel Advisory Board	0	0	(0.2)	0
VEDP Custom Workforce Recruitment and Training Incentive Program	7.5	7.5	6.4	7.5
VEDP Marketing and Site Development	0.4	5.4	1.5	5.4
Virginia Grocery Investment Fund	7.5	0	2.5	0
GO Virginia	1.3	16.3	0	16.3
Enterprise Zone Program	0	0	1.4	1.4
Broadband (H,P: Language)	2.0	2.0	6.0	6.0

\* Transfer agreed to in concept.

# Commerce and Trade (continued)

GF Actions for the 2018-20 Biennium (\$ in millions)	Gov.	House	Senate	Prop.
Building Collab. Communities; Entrepreneurial Economies (S,P: Language)	(\$1.3)	(\$1.3)	(\$1.3)	(\$1.3)
Solar/Energy Development Incentives	2.2	0	0	0
Energy Storage Capacity Study (related to HJ 101)	0	0.1	0	0.1
Transfer Programs from Department of Small Business and Supplier Diversity	0	(8.0)	(1.6)	0
Fort Monroe Authority	1.3	1.3	1.6	1.6
VEDP Advisory Board Language		<i>Language</i>		<i>Language</i>
VEC: TEEOP Priority for Medicaid Enrollees		<i>Language</i>		<i>Language</i>
Spearhead Trails	0	0.5	0.1	0.5
Coalfield Regional Tourism Authority	0	0.2	0	0.2
Williamsburg Area Marketing Destination Committee	0	0	0.1	0
Richmond Raceway Tourism Initiative	0.3	0	0.3	0.3
Great Meadow	0	0	0	0.3
<b>Total (excluding transfers between agencies)</b>	<b>\$7.9</b>	<b>\$16.5</b>	<b>\$0.8</b>	<b>\$23.5</b>

# Agriculture and Forestry

# Overview of Agriculture & Forestry

- **Senate** actions reduced proposed new biennial GF spending by \$0.2 million.
- **House** actions increased proposed new biennial GF spending by \$0.7 million.
- **Proposed** actions increase new biennial GF spending by \$0.7 million.

GF \$ in millions	Gov.	House	Senate	Prop.
Secretary Office	\$0.2	\$0.2	\$0.0	0.2
Nat. Res. Lead. Inst.	0.0	0.2	0.0	0.2
Beehive Grant Fund	0.0	0.3	0.0	0.3
Nursery Capacity	0.2	0.2	0.0	0.2
Reforestation	0.0	0.2	0.2	0.2
<b>Total</b>	<b>\$0.4</b>	<b>\$1.1</b>	<b>\$0.2</b>	<b>\$1.1</b>

# Natural Resources



# Overview of Natural Resources

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- The **proposed** amendment package for Natural Resources includes new GF spending of \$46.6 million in the first year and \$7.4 million in the second year.
  - Major new amendment provides \$20.0 million GF in the first year to the Stormwater Local Assistance Fund (SLAF). Senate amendments had included \$20.0 million in debt.
- **Proposal** reverses the increased transfer of watercraft sales tax revenues from the General Fund to the Department of Game & Inland Fisheries by \$1.6 million in the current year (HB 5001) and the ongoing dedication of \$1.35 million each year from the Game Protection to the Virginia Port Authority to capitalize the waterways improvement fund (HB 5002).
  - Specific language provides priority for projects in which a local government sponsor is willing to provide a match of at least \$3 to \$1.

# Overview of Natural Resources

- Both bodies retain the statutory deposit to the WQIF of \$22.5 million GF.
  - The **proposed** amendments provide \$2.6 million GF per year dedicated to the WQIF Reserve Fund by increasing the annual transfer of marine fuels sales taxes to \$10.0 million.
- The proposal includes limited offsetting reductions to land acquisition programs in order to account for recent settlements.
  - Senate reductions to the Virginia Outdoors Foundation (VOF) and the Virginia Land Conservation Foundation (VLCF) total \$10 million GF.
  - House reductions to VLCF total \$4.5 million GF.
  - Proposed reductions include a \$4.5 million GF reduction to VLCF
- Additional funding of \$1.9 million GF is provided for the opening of Seven Bends and Widewater State Parks.

GF \$ in millions	Gov.	House	Senate	Prop.
WQIF Reserve	\$0.0	\$0.0	\$5.2	\$5.2
Va. Outdoors Fdn.	4.0	4.0	0.0	4.0
Va. Land Conservation Fdn.	9.0	4.5	3.0	4.5
State Park WiFi	0.5	0.0	0.0	0.0
Open New Parks	0.0	0.0	1.9	1.9
Dam Repair	0.0	0.5	0.0	0.5
DEQ Initiatives	0.0	0.8	0.0	0.8
VMRC	0.2	1.0	2.3	2.3
DCR: SWCD Engineers	0.0	0.3	0.0	0.3

# Natural Resources Capital Outlay

GF \$ in millions	Gov.	House	Senate	Prop.
Alexandria CSO	\$20.0	\$0.0	\$0.0	\$0.0
Stormwater Local Asst.	0.0	0.0	20.0	0.0
DGIF	19.4	19.4	19.4	19.4
Natural Area Preserves	3.6	3.6	3.6	3.6
York River State Park	1.5	1.5	1.5	1.5
Park Infrastructure	4.0	4.0	0.0	0.0
CCC Cabins	7.5	7.5	7.5	7.5
<b>Total</b>	<b>\$56.0</b>	<b>\$36.0</b>	<b>\$52.0</b>	<b>\$32.0</b>

# Transportation

# Department of Motor Vehicles

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- **Driver's License Fees** – Proposed amendments increase the motor vehicle title fee by \$5, generating \$13 million NGF per year.
  - House proposed to double the fee charged on vehicle titles – from \$10 to \$20 – generating \$52 million NGF over the biennium.
  - Senate actions generated approximately \$1.1 million NGF per year for DMV.
- **REAL ID Compliance** – Proposed amendments reduces the DMV line of credit, beginning in FY 18, to \$10.5 million to cover the assumed costs and increased workloads associated with federal compliance.
  - Reduces new staff by one-third to 57.0 FTE.
  - Authorizes a one-time \$10 surcharge on customers choosing to purchase compliant credentials.
- Authorizes DMV to investigate privatization of adult driving tests and include language to allow the sharing of gas tax information with regional transportation authorities.

# Mass Transit Programs

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- Removes language within the Department of Rail & Public Transportation to authorize the issuance of \$110.0 million in transit capital bonds.
  - Includes language directing DRPT and Treasury to examine the creation of a MELP program for bus purchases.
- Includes specific funding allocations for transit providers consistent with WMATA legislation.

# Department of Transportation

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- Authorizes sharing of motor fuels tax data between DMV and regional transportation bodies;
- Corrects an erroneous interpretation of statutory payments to Arlington and Henrico counties;
- Directs a review of costs and financing approaches for special and unique structures; and
- Requires any toll proceeds or concession payments from actively managed lanes in Hampton Roads be used to reduce Hampton Roads Transportation Accountability Commission contributions to Hampton Roads Bridge Tunnel.

# Virginia Port Authority

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- **Hampton Roads Harbor Improvements** – Provides \$330 million in general fund supported bond proceeds for the full funding of the Port Harbor Widening and Deepening project in addition to the use of \$20.0 million in CTF revenues to advance the planning and preliminary engineering for widening and dredging the Norfolk Harbor Channel to 55' and the Southern Branch of the Elizabeth River to 45'.
  - **Senate had authorized only planning funds.**
- **Virginia Waterway Maintenance Fund** – Capitalizes the Virginia Waterway Maintenance Fund, pursuant to Chap. 642, with the transfer of \$1.35 million in each year from the Game Protection Fund.
- **Economic Development Zone Grant Program** – Authorizes up to \$2.0 million in each year from the Commonwealth Development Opportunity Fund to provide grants to qualified companies that expand shipments through the Port.



# Port of Virginia Capital Projects

\$ in millions	Gov.	House	Senate	Prop.
Harbor Widening	\$20.0	\$350.0	\$20.0	\$350.0
APM Terminal Equipment	67.0	67.0	67.0	67.0
Cargo Handling	24.0	24.0	24.0	24.0
Portsmouth Yard Expansion	24.0	24.0	24.0	24.0
VIG Terminal Capital Lease	12.0	12.0	12.0	12.0
Maintenance Reserve	6.0	6.0	6.0	6.0
<b>Total</b>	<b>\$153.0</b>	<b>\$483.0</b>	<b>\$153.0</b>	<b>\$483.0</b>

# General Government

# General Government

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## Technology

- Eliminates the functions and roles of the Technology Secretariat and redirects funding to the Secretariats of Administration and Commerce & Trade.
  - Establishes the roles of the Chief Data Officer within the Secretariat of Administration and the Chief Broadband Advisor within the Commerce & Trade Secretariat.
- Provides \$2.25 million GF in FY 2018 for repayment of a Working Capital Advance for the Virginia Enterprise Applications Program.
- **IT Disentanglement** – Both include actions to provide requisite funding for the transition to the new IT services provisioning environment.
  - Approximately \$5.4 million NGF over the biennium for direct expenses including consulting and legal services.
  - An increase of \$90 million in the VITA line of credit, to a total of \$165 million, to address anticipated disentanglement costs from the current vendor.

# General Government – Employee Compensation

GF \$ in millions	Gov.	House	Senate	Prop. <sup>(1)</sup>
2% increase for state employees and state-supported local employees, effective December 1, 2019	\$ 49.4	\$ -	\$ -	\$ -
Directs Governor to include funding for 2% raise for state employees, state-supported local employees and teachers, effective July 1, 2019	\$ -	\$ -	Language	\$ -
2% Raise for state employees and state-supported local employees, effective June 10, 2019	\$ -	\$ 86.3	\$ -	\$ 86.3
\$1,000 increase in deputy sheriffs' salaries in localities w/ primary law enforcement authority, effective February 1, 2019	\$ -	\$ 4.5	\$ -	\$ -
\$871 increase in deputy sheriffs' salaries, effective February 1, 2019	\$ -	\$ -	\$ -	\$ 5.5
Targeted increase for select DBHDS employees, effective January, 2019	\$ -	\$ 17.3	\$ -	\$ 17.3
Targeted increase for Virginia Marine Police, effective January 10, 2019	\$ -	\$ 0.5	\$ -	\$ 0.5
2% merit-based salary increase for state employees and state-supported local employees, effective June 10, 2019 (2)	\$ -	\$ -	\$ -	\$ 38.0
Targeted increase for Correctional Officers, effective January 10, 2019 (DOC, DJJ) (4)	\$ -	\$ 12.9	\$ -	\$ 26.0
SOQ funded positions (in Direct Aid) (3)	\$ 51.1	\$ 87.5	\$ -	\$ 131.4
State assumes cost of employee healthcare premium increases	\$ 13.8	\$ -	\$ 13.8	\$ -
<b>Totals</b>	<b>\$ 114.3</b>	<b>\$ 209.0</b>	<b>\$ 13.8</b>	<b>\$ 305.0</b>

(1) All compensation proposals contingent upon sufficient revenues.

(2) For state employees with at least three years of service. \$13.9 million in Introduced for state employee healthcare premiums redirected to pay for 2% merit based initiative.

(3) Proposal (Prop.) reflects 3% increase, effective July 1, 2019. Optional for localities, salary increase may be provided in either year of biennium.

(4) Increases the starting pay for DOC, DJJ correctional officers, and sheriffs' deputies in all localities to \$32,500. Assumes savings of \$3.5 million from reduced overtime.

# General Government – Legislative Agencies

GF \$ in millions	Gov.	House	Senate	Prop.
<b>General Assembly</b>				
Sexual Harassment Training	\$ -	\$ -	\$ 0.1	\$ -
General Assembly Operations	\$ -	\$ 3.8	\$ 4.9	\$ 4.5
Henrietta Lacks	\$ -	\$ >0.0	\$ -	\$ -
Clarify appointment authority	\$ -	\$ -	\$ -	Language
<b>Division of Capitol Police</b>				
Security Enhancements	\$ -	\$ 0.6	\$ 0.4	\$ 0.4
<b>Joint Legislative Automated Systems</b>				
DLAS - Replace bill tracking system	\$ -	\$ -	\$ 5.2	\$ 3.5
<b>Virginia Israel Advisory Board</b>				
Transfer from Commerce and Trade Secretariat	\$ -	\$ -	\$ -	\$ 0.4
<b>Joint Legislative Audit and Review Commission</b>				
Contracts and Rent Increase	\$ -	\$ 0.8	\$ 0.7	\$ 0.7
Review of Prepaid 529 Program (WAT) Model	\$ -	Language	\$ -	Language
VCSP - Independent Investment Review	\$ -	Language	\$ -	Language
Healthcare program oversight unit (Incl. 4.0 FTEs)	\$ -	\$ -	\$ -	\$ 1.1
<b>Virginia Commission on Intergovernmental Cooperation</b>				
Increased dues for legislative organizations	\$ -	\$ -	\$ -	\$ 0.1
<b>Legislative Department Reversion Clearing Account</b>				
Women's monument on Capitol Square	\$ -	\$ -	\$ -	\$ 0.5

# General Government – Judicial

GF \$ in millions	Gov.	House	Senate	Prop.
<b>Supreme Court</b>				
Funding for additional drug court dockets, language	\$ 0.8	\$ 0.8	\$ 0.2	\$ 0.8
Electronic case filing system	\$ -	Language	\$ -	Language
Funding for additional mental health dockets	\$ 1.0	\$ 1.0	\$ 0.5	\$ 1.0
Funding for Criminal Fund waivers, transfer authority	\$ -	\$ -	\$ 1.1	\$ 1.1
<b>Circuit Courts</b>				
Courts information technology systems changes (Ch. 78, 92, 2017 Session)	\$ -	\$ -	\$ 0.2	\$ 0.2
Circuit Court vacancies	\$ 0.6	\$ 0.6	\$ 0.6	\$ 2.3
<b>General District Courts</b>				
General District Court vacancies	\$ -	\$ 2.1	\$ -	\$ 3.4
<b>Juvenile &amp; Domestic Relations District Courts</b>				
J&DR Court vacancies	\$ -	\$ (0.5)	\$ -	\$ 1.8

- Provides funding in the first year (effective July 1, 2018) sufficient to fill all elected judgeships (16) throughout the Circuit (5), General District (5) and Juvenile and Domestic Relations District Courts (6).
- Provides funding in the second year (effective July 1, 2019) to fund all authorized but unfunded judgeships (31 – Circuit (9), General District (11), Juvenile & Domestic Relations (11)), for a total of 435 judgeships.

# General Government – Administration

GF \$ in millions	Gov.	House	Senate	Prop.
<b>Secretary of Administration</b>				
Establish Chief Data Officer (CDO) Position	\$ -	\$ -	\$ 0.4	\$ 0.4
Division of Selected Agency Support - Administration of incentives programs	\$ -	\$ 0.1	\$ -	\$ -
Technology Functions to Administration Secretariat	\$ -	\$ 0.7	\$ -	\$ -
Move VITA to Administration Secretariat	\$ -	\$ 0.9	\$ -	\$ -
Technology to Administration, Chief Data Officer, Deputy Secretary for Technology (2.0 FTEs)	\$ -	\$ -	\$ -	\$ 0.7
<b>Compensation Board</b>				
Funding for Victim Notification System (SAVIN) Enhancements	\$ -	\$ -	\$ 0.4	\$ 0.4
Full-time Deputy Commissioner of the Revenue Position (Craig County)	\$ -	\$ -	\$ >0.0	\$ -
Multi-Jurisdictional Assistant Commonwealth's Attorney Positions - Ins. Fraud Fund (NGF) \$200,000 each year	\$ -	\$ -	\$ -	\$ -
Body-Worn Cameras and Additional Assistant Commonwealth's Attorneys	\$ -	\$ -	Language	Language
Operating Funding for Circuit Court Clerks Offices	\$ 0.5	\$ -	\$ 0.5	\$ (0.5)
Streamline Medicaid Enrollment Process	\$ -	\$ >0.0	\$ -	\$ >0.0
Study of Shared Positions Between Localities	\$ -	Language	\$ -	Language

# General Government – Administration (cont'd)

GF \$ in millions	Gov.	House	Senate	Prop.
<b>Department of General Services</b>				
Phase II Site Assessment for the Central Virginia Training Center	\$ -	\$ -	\$ 0.6	\$ -
O & M Carillon	\$ -	\$ 0.2	\$ -	\$ 0.2
Tenant Occupancy Lists for Old City Hall, Patrick Henry Building	\$ -	\$ -	\$ -	Language
<b>Department of Human Resource Management</b>				
Pilot Program to Monitor Contractors Productivity	\$ -	Language	\$ -	Language
<b>Administration of Health Insurance</b>				
Autism Spectrum Disorder Coverage*	\$ -	\$ -	Language	Language
Implement Shared-Savings Incentive Program	\$ -	Language	Language	Language
<b>Department of Elections</b>				
Funding for Call Center	\$ 0.2	\$ 0.2	\$ -	\$ 0.2
Help America Vote Act (HAVA) Backfill (12.0 FTEs)	\$ 10.4	\$ 10.4	\$ 7.1	\$ 10.4
Funding to Advertise Constitutional Amendments	\$ -	\$ 0.3	\$ -	\$ 0.2
<i>*Language in Prop. reflected in Central Appropriations.</i>				



# General Government – Finance

GF \$ in millions	Gov.	House	Senate	Prop.
<b>Secretary of Finance</b>				
Additional Funding for Base Operating Expenses	\$ 0.3	\$ 0.3	\$ -	\$ 0.3
<b>Department of Accounts</b>				
Transfer for Working Capital Drawdowns (CIPPS) to Secretary of Administration	\$ -	\$ -	\$ -	Language
<b>Department of Accounts Transfer Payments</b>				
Revenue Cash Reserve (Phase-In)	\$ 270.7	\$ 91.0	\$ 180.0	\$ 91.0
<b>Department of Planning and Budget</b>				
Regulatory Reduction Pilot Program 3.0 FTEs (Ch. 444, 445 of 2018)	\$ -	\$ -	\$ -	\$ 0.7
<b>Department of Taxation</b>				
Accelerated Sales Tax Workgroup (language)	\$ -	\$ -	Language	Language
Cloud Based File Image Storage Solution	\$ 0.6	\$ 0.6	\$ -	\$ 0.6
Identity and Access Management Program	\$ 1.1	\$ 1.1	\$ 0.2	\$ 1.1
Fee exemption for local assessing officers for advisory opinion concerning BPOL	\$ -	Language	\$ -	Language
TAX auditors (4.0) for audit initiative	\$ -	\$ 0.5	\$ -	\$ 0.5
TAX audit process	\$ -	Language	\$ -	Language
<b>Department of the Treasury</b>				
Relief for Robert Paul Davis	\$ 0.6	\$ 0.6	\$ -	\$ 0.6
Relief for Norfolk Four	\$ -	\$ 3.5	\$ 1.8	\$ 3.5
Funding for Accounting and Trust Services Unit Position	\$ 0.2	\$ 0.2	\$ -	\$ 0.2
<b>Treasury Board</b>				
Henry County Jail Project (25 percent state share, bonds)	\$ -	Bonds	Bonds	Bonds

# General Government – Central Appropriations

GF \$ in millions	Gov.	House	Senate	Prop.
<b>Central Appropriations</b>				
Pharmacy Benefit Transparency Language	\$ -	Language	\$ -	Language
Line of Credit Repayment	\$ -	\$ -	\$ -	\$ 1.0
Reduction in Unanticipated Expenditures	\$ -	\$ (2.0)	\$ -	\$ (2.0)
Autism Spectrum Disorder Coverage	\$ -	\$ -	Language	Language
Virginia Management Fellows Program (language)	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7

# Capital Outlay

# Capital Outlay Funding – HB 5002 / SB 30

Fund Type (\$ in millions)	Gov.	House	Senate	Prop.
General Fund Cash	\$15.0	\$0.0	\$10.0	\$0.12
VPBA/VCBA Bonds	453.7	993.6	697.9	1,001.9
9(c) Revenue Bonds	21.0	21.0	21.0	21.0
9(d) Revenue Bonds	260.7	185.2	262.2	185.2
Nongeneral Fund Cash	<u>223.6</u>	<u>237.3</u>	<u>237.4</u>	<u>239.3</u>
<b>Total</b>	<b>\$974.0</b>	<b>\$1,437.1</b>	<b>\$1,228.5</b>	<b>\$1,447.5</b>

- Senate provides planning for the Port dredging project at \$20.0 million; House and Proposal provide \$350.0 million for the entire project.
- Senate provides funding for two juvenile justice facilities (one 60-bed facility at Isle of Wight and one 96-bed facility at Bon Air); House provides funding for one 156-bed juvenile justice facility at Beaumont; Proposal rescinds previous approvals in 2016 bond bill, allows facility at Isle of Wight, and asks DGS for options for facility in Central Virginia (excludes the use of the Bon Air campus).
- Senate, House, and Proposal remove the \$20.0 million for the Combined Sewer Overflow Matching Fund for Alexandria.
- Senate, House, and Proposal appropriate funding for the ABC warehouse and administrative offices.
- Senate, House, and Proposal plan for a new/renovated Central State Hospital.