

2020 Special Session I: Senate Bill 5015

Overview of Governor's Proposed  
Amendments to 2020-2022 Biennial Budget

August 24, 2020

# Presentation Outline

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Overview/  
Resources

Economic  
Development



Higher  
Education &  
Other Ed.

K-12



Health &  
Human Res.



Public Safety  
& Veterans

Natural  
Resources/  
Ag. & Forestry



Transportation

General  
Gov't



Capital  
Outlay

# Overview/Resources

# Reminder: Regular Session Senate Budget Priorities

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- Investments in the people of Virginia:
  - **In Education:** SOQ rebenchmarking, early childhood, community college high demand workforce programs, undergraduate need-based aid.
  - **In Health and Human Resources:** Fully funding the Medicaid forecast. Enhancing provider rates, adding waiver slots, and expanding permanent supportive housing.
  - **In Employee Compensation:** For state, state-supported-locals, teachers, state police, personal care workers, and other targeted increases.
  - **In Transportation Infrastructure:** More than \$1.0 billion in new revenue to transportation agencies related to funding legislations.
  - **In Natural Resources:** Including the Water Quality Improvement Fund and Land Conservation.
- While also prioritizing structural balance:
  - Including initially cash to maintenance reserve, RDF & reserve deposits, funding one-time items in FY 2020 or the first year of the biennium, and a partial early repayment to VRS teacher plan related to deferred past payment.

# Current Economic Environment

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- Financial impacts of COVID-19 are not fully known at this time and continue to evolve.
  - In April, the Administration anticipated that revenues would decline by approximately \$1 billion in each fiscal year.
  - Revenue collections for FY 2020 ended the year \$234.2 million behind the forecast.
  - July revenues were better than expected. The July increase was largely due to timing of late individual and corporate estimated or final payments due June 1.
    - Over \$250 million in July payments were due June 1.
  - The reforecast process was conducted with the Joint Advisory Board of Economists (JABE) and Governor's Advisory Council on Revenue Estimates (GACRE) with meetings in late July and early August.
- **The Governor's introduced amended budget reduces GF resources by \$2.5 billion over the biennium.**

# Adopted GF Budget for 2020-22

(\$ in millions)	FY 2021	FY 2022	2020-22
Resources Available for Appropriation	\$24,649.0	\$24,203.9	\$48,853.0
Chapter 854 Base Budget	\$22,747.8	\$22,747.8	\$45,495.6
Operating Spending	870.2	1,845.0	2,715.1
Capital Outlay Spending	21.0	0.0	21.0
Total Appropriations	\$23,638.9	\$24,592.8	\$48,231.7
Chapter 1289 Unappropriated Balance	\$1,010.1	(\$388.8)	\$621.3

# Reminder: GF Appropriation Actions at Reconvened Session

<b>Operating:</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Remove planned voluntary Revenue Reserve deposits	(\$601,845,675)	\$0	\$0
COVID-19 response authority and match appropriation (Central Appropriations)	\$50,000,000	\$0	\$0
Reduce general fund support in the first year and expand uses of nongeneral funds (Virginia Innovation Partnership Authority)	\$0	(\$6,100,000)	\$0
Maintain existing school counselor ratios (Direct Aid to Public Education)	\$0	(\$21,681,426)	(\$28,395,270)
Fund initial cost of COVID-19 response (DMAS)	\$308,239	\$1,032,955	\$0
Adjust Funding for Legislation Projected to Increase the Need for Prison Beds (Dept. of Corrections)	\$0	(\$50,000)	\$0
	<b>(\$551,537,436)</b>	<b>(\$26,798,471)</b>	<b>(\$28,395,270)</b>
<b>Capital:</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Replace GF maintenance reserve amounts with bond proceeds (Central Capital Outlay)	\$0	(\$65,000,000)	\$0
	<b>\$0</b>	<b>(\$65,000,000)</b>	<b>\$0</b>
<b>Total, Direct GF Spending Change:</b>	<b>(\$551,537,436)</b>	<b>(\$91,798,471)</b>	<b>(\$28,395,270)</b>

# Reminder: Biennial Budget Unallotment Actions

<b>Unallotment Actions</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Operating: (80 amendments)</b>	<b>\$853,619,228</b>	<b>\$1,380,344,407</b>
<b>Capital: (3 amendments)</b>	<b>FY 2021</b>	<b>FY 2022</b>
Accomack Hangar	\$1,000,000	\$0
Planning	\$9,956,290	\$0
Va Beach - Nimmo Parkway	\$10,000,000	\$0
<i>Capital Total:</i>	<b>\$20,956,290</b>	<b>\$0</b>
<b>Total Unallotment Actions:</b>	<b>\$874,575,518</b>	<b>\$1,380,344,407</b>



# SB 5015 Changes to GF Resources

(\$ in millions)	Ch. 1289	SB 5015	Change
Beginning Balance	\$1,185.3	\$2,874.1	\$1,688.8
Balance Adjustments	119.6	(1,291.6)	(1,411.3)
Net Change to Balance			\$277.5
Revenue Estimate	\$46,226.1	\$43,538.6	(\$2,687.5)
Transfers	1,321.9	1,202.9	(119.0)
<b>Net Change to GF Resources</b>			<b>(\$2,529.0)</b>

# SB 5015 Resources

(\$ in millions)	2020-22 Biennium	
Beginning Balance	\$2,874.1	
Balance Adjustments	(1,291.6)	
GF Revenue Estimate	43,538.6	
Transfers	<u>1,202.9</u>	
<b>GF Resources Available for Appropriation</b>		<b>\$46,324.0</b>
GF Appropriations, Ch. 1289	\$48,231.7	
Proposed Operating Spending Amendments	(2,377.2)	
Proposed Capital Outlay Spending Amendments	<u>(21.0)</u>	
<b>Total Proposed GF Spending</b>		<b><u>\$45,833.5</u></b>
<b>Unappropriated Balance</b>		<b>\$490.5</b>

# Summary of Governor's Proposed Actions - One-Time Unallotment Restorations and Limited New Funding

- Restoration of one-time only initiatives that had been unallotted (some have spending in both years) a total amount of \$74.6 million GF in FY 2021 and \$44.9 million GF in FY 2022.
- Restoration of cultural initiatives that had been unallotted of \$9.6 million GF in FY 2021.
- Restoration of funding for Historically Black Colleges and Universities that had been unallotted: \$6.5 million GF for Virginia State University; \$1.5 million GF for Virginia State University Extension; and \$7.5 million GF for Norfolk State University all in FY 2021.
- Criminal Justice Reform and Policing Initiatives funding of \$2.6 million GF in FY 2021 and \$1.0 million GF in FY 2022. Funding is for mandatory curriculum, decertification, civilian review boards, and information sharing about law enforcement officers. Funding is included for eight positions at the Department of Criminal Justice Services.
- \$2.0 million GF for pre-paid postage for absentee ballots in FY 2021.
- \$8.5 million NGF (TANF or CRF funds) for various food security actions.
- Language amendments related to eviction and utility disconnection moratoriums, elections policy changes, and other specific language changes in the areas of natural resources and transportation.

# Tax Policy – Language Amendments

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- Includes language to enact a tax on heated tobacco products at \$0.45 per pack (2.25 cents per stick), beginning January 1, 2021.
- Includes language applying the Wayfair nexus standard for purposes of the Tobacco Products Tax.
- A technical amendment extends the sunset date on the limit an individual taxpayer may claim under the Land Preservation Tax Credit.
  - Chapter 1289 assumed the continuation of the limit in the official revenue forecast.

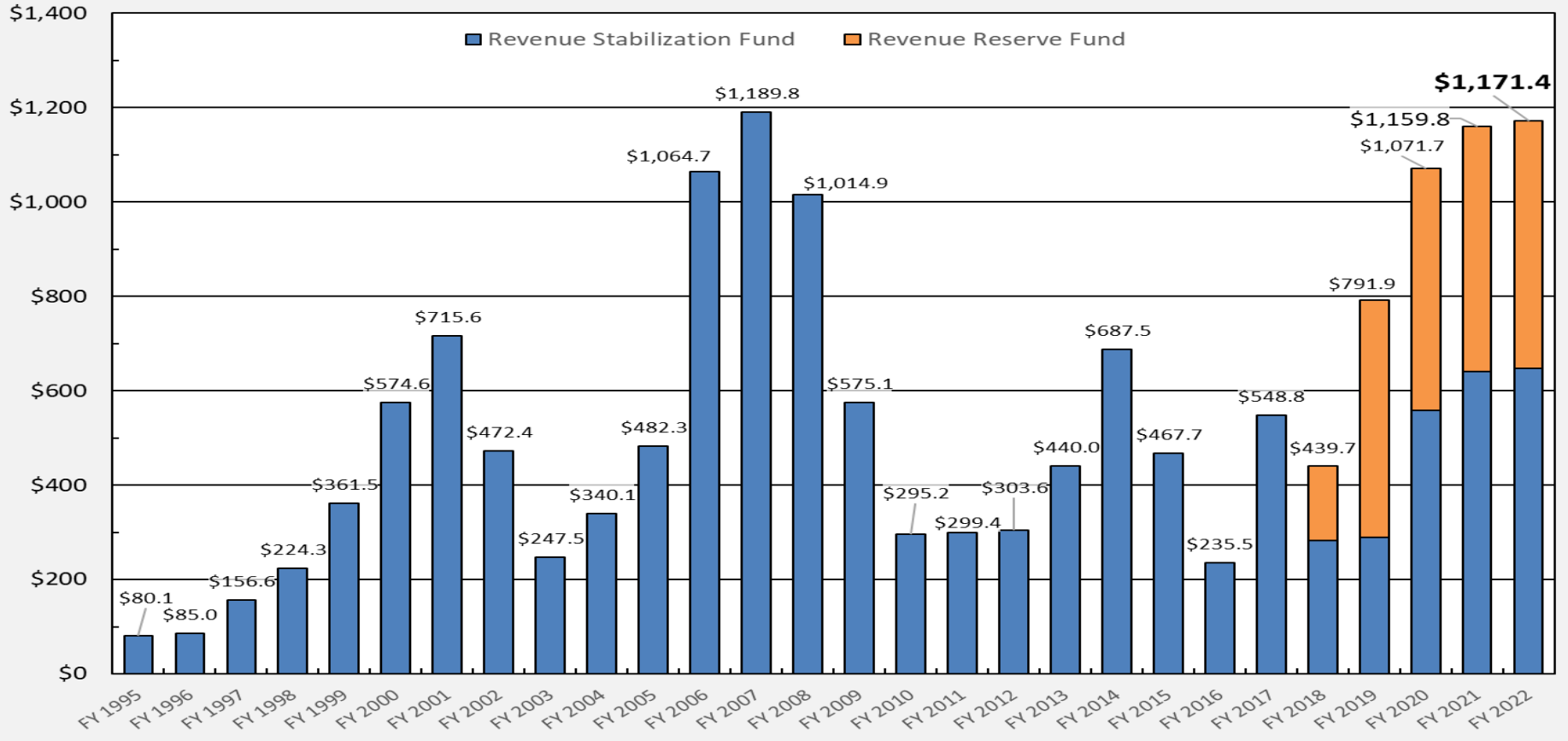
# One-Time Initiatives – Restoration of Unallotments

Agency	Initiative Description	(\$ in millions)	FY 2021	FY 2022
DHCD	Increase funding for the Virginia Housing Trust Fund (plus \$25.0 million in FY 2021)		\$23.0	\$23.0
DHCD	Broadband deployment/VA Telecommunications Initiative (plus \$15.0 million in FY 2021)		16.0	16.0
DCR	Supplemental Water Quality Improvement Fund amount		3.8	0
DCR	Dam Rehabilitation Projects		15.0	0
DCR	Virginia Land Conservation Fund		5.5	5.5
VSP	Record Sealing Reform Legislation		0.1	0
DGS	DGS review of DBHDS capital outlay		0.4	0
Ec. Dev. Incent. Pmts.	Support the Virginia Jobs Investment Program		2.0	0
DHCD	Establish an Eviction Prevention and Diversion Pilot Program		3.3	0
DMME	Establish Office of Offshore Wind		0.4	0.4
Direct Aid	Increase support for Jobs for Virginia Graduates		1.7	0
Direct Aid	Recruit and retain early childhood educators		3.0	0
Library of Virginia	Expedite release of gubernatorial records		0.4	0
DARS	Jewish Social Services Agency		0.05	0
<b>TOTAL</b>			<b>\$74.6</b>	<b>\$44.9</b>

# Cultural Initiatives – Restoration of Unallotments

Agency	Initiative Description	(\$ in millions)	FY 2021	FY 2022
Direct Aid	African American history education		\$1.3	\$0
Direct Aid	History education through the American Civil War Museum		1.0	0
DHR	Historical Highway Marker Program		0.2	0
DHR	Montpelier		1.0	0
DHR	County of Brunswick – St. Paul’s College Museum		0.05	0
DHR	Center for African-American History & Culture at Virginia Union Univ.		1.0	0
DHR	Digitize Highway Markers for the VA African American History Trail		0.1	0
DHR	City of Alexandria to support cultural initiatives		2.4	0
DHR	City of Charlottesville to support cultural initiatives		0.5	0
DHR	City of Richmond to support cultural initiatives		1.0	0
Cen.App.	Slavery and Freedom Heritage Site in Richmond		1.0	0
<b>TOTAL</b>			<b>\$9.6</b>	<b>\$0</b>

# Total of All Reserves



Source: DPB Director's Presentation, 8-18-2020.

# Coronavirus Relief Fund Commitments

*Total of \$1.8 billion committed with a remaining balance of \$1.3 billion.*

Agency	Commitment	FY 2020	FY 2021
N/A	Locality Allocations	\$644,573,383	\$644,573,383
VDEM	Testing	42,338,400	-
VDEM	Personal Protective Equipment	97,000,000	-
VDEM	Other	33,722,001	-
VDH	Replace Deficit Authorization	3,291,300	-
VDH	Contact Tracing / UVA Equipment	59,157,614	-
DGS	Consolidated Labs	6,052,673	-
DHCD	Emergency Housing for the Homeless	5,528,998	3,300,000
Various	Agency-Based Requests for FY 2020	80,480,698	-
DHCD	Mortgage and Rental Assistance	10,000,000	40,000,000
SBSD	Small Business Assistance Grants	-	70,000,000
DMAS	Long-Term Care Facilities Support	-	55,640,872
DMAS	Personal Protective Equipment for Personal Care Attendants	-	9,256,178
VDACS	Continuation of FY 2020 Food Insecurity Program	-	1,211,953
DSS	Food Security – Expand Emergency Food Supply Package	-	650,000
VDEM	Food Security – Purchase One Million Meals, Ready to Eat (MREs)	-	2,000,000
<b>TOTAL</b>		<b>\$982,145,067</b>	<b>\$826,632,386</b>



# Economic Situation Remains Unclear

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- General fund revenue uncertainty due to the pandemic continues.
- Medicaid spending may add additional pressure on the state budget as caseload is higher due to the required federal maintenance of eligibility requirement to receive the federal enhanced match rate. The effect of unemployment has not yet shown up in caseload and while utilization of certain services declined due to COVID-19, those declines have reversed and may return to normal.
- Requests related to testing, PPE, childcare, and housing.
- Unemployment Insurance Trust Fund is estimated to be at a record deficit.
- Question as to whether additional federal stimulus funding or flexibility will be provided.

# Commerce and Trade – Economic Development

# Overview of Commerce & Trade

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- **Ch. 1289:** The adopted budget includes a net increase of **\$107.6 million GF** over the biennium above Chapter 854, including:
  - An increase of \$23.0 million GF each year for the Housing Trust Fund.
  - An increase of \$16.0 million GF each year for broadband.
  - \$6.6 million GF for an eviction prevention pilot program.
  - Unallotments total **\$118.2 million GF**.
- **SB 5015:** The introduced budget **restores \$84.1 million in unallotments** and proposes **new spending of \$40.0 million GF**.
  - Fully restores appropriations for the Housing Trust Fund (\$46.0 million), broadband (\$32.0 million), and the Office of Offshore Wind (\$775,000).
  - Partially restores eviction prevention program (\$3.3 million) and VJIP (\$2.0 million).
  - Proposes an additional \$25.0 million GF for the Housing Trust Fund and \$15.0 million GF for broadband.
  - Language amendments implement temporary moratoria on evictions and utility disconnections.

# Summary of Commerce & Trade Actions

GF Actions for the 2020-22 Biennium (\$ in millions)	FY21	FY22	Biennium
<b>Proposed Restorations of Unallotments:</b>			
Housing Trust Fund	\$23.0	\$23.0	\$46.0
VATI/Broadband	16.0	16.0	32.0
Virginia Jobs Investment Program (VJIP)	2.0	-	2.0
Eviction Prevention and Diversion Pilot Program	3.3	-	3.3
Office of Offshore Wind	0.4	0.4	0.8
<b>Proposed New Actions:</b>			
Housing Trust Fund	25.0	-	25.0
VATI/Broadband	15.0	-	15.0
Temporary moratorium on evictions until April 30, 2021			<i>Language</i>
Moratorium on utility disconnections until 60 days after end of the state of emergency			<i>Language</i>
<b>Totals</b>	<b>\$84.7</b>	<b>\$39.4</b>	<b>\$124.1</b>

# Commerce & Trade: Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Proposed Restoration (SB 5015)
Virginia Innovation Partnership Authority	\$65.4		
Virginia Housing Trust Fund (FY20 base = \$7.0 million)	46.0	✓	\$46.0
VATI/Broadband (FY20 base = \$19.0 million)	32.0	✓	32.0
MEI Project Incentives (AWS, Merck, Volvo, Morgan Olson)	18.9		
Virginia Business Ready Sites Program	12.5	✓	
Eviction Prevention and Diversion Pilot Program	6.6	✓	3.3
Custom Workforce Incentive Program	4.7	✓	
Virginia Jobs Investment Program (FY20 base = \$2.7 million)	4.0	✓	2.0
Virginia Occupational Safety and Health Program	3.0	✓	
Additional Labor Law Investigators (SB 7 / SB 8 / SB 48 / SB 662)	2.3		
Motion Picture Opportunity Fund (FY20 base = \$3.0 million)	2.0	✓	
Affordable Housing Pilot Program	2.0	✓	
Governor's New Airline Service Incentive Fund (SB 990)	1.3		
Southeast Rural Community Assistance Project (SERCAP)	1.2	✓	

# Commerce & Trade: Unallotments (continued)

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Proposed Restoration (SB 5015)
SWaM Strategic Sourcing Unit	\$1.1	✓	
Industrial Revitalization Fund	1.0	✓	
Office of Offshore Wind	0.8	✓	0.8
Support for Planning District Commissions	0.6	✓	
Enterprise Zone Program	0.5	✓	
Coalfield Regional Tourism Authority	0.2	✓	
Commercial Property Assessed Clean Energy (C-PACE) Program (HB 654)	0.1		
Birthplace of Country Music Expansion	0.1	✓	
GO Virginia (FY20 base = \$34.5 million)	(4.5)		
Transfer IEIA/VBHRC/CCAM to VIPA	(37.4)		
Other Commerce & Trade Actions (e.g. adj to econ development incentives)	_(56.8)		
<b>Total</b>	<b>\$107.6</b>	<b>\$118.2</b>	<b>\$84.1</b>

# Higher Education & Other Education

# Overview of Higher Education

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- **Ch. 1289:** The adopted budget includes a net increase of \$284.4 million over the biennium, nearly all of which was unallotted, including for:
  - Last-dollar plus community college workforce initiative (“G3”); undergraduate need-based financial aid; GMU and ODU to account for enrollment growth; new affordability initiatives at Norfolk State and Virginia State; Tuition Assistance Grants; and a tuition moderation incentive funding pool.
- **SB 5015:** In addition, the proposed amendments restore the new funding for VSU and NSU in the first year only.



# Higher Education: Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Prop. Restorations (SB 5015)
VCCS – New “Last Dollar” “Get Skilled, Get a Job, Give Back” G3 Initiative	\$69.0	✓	
Undergraduate Need-Based Aid (Commonwealth Award and VGAP)	60.5	✓	
NSU & VSU – Va. College Affordability Network Pilot Program	17.1	✓	8.6
Tuition Assistance Grant (TAG) – \$4,000 by FY 2022	12.0	✓	
Graduate Aid (Research) – GMU, ODU, UVA, VCU, VIMS, VT, and CWM	2.5	✓	
Military Survivors & Dependents Stipends (≤\$1800 to offset room/board, books and supplies)	1.5	✓	
Increase Massey Cancer Center (VCU) State GF	10.0	✓	
Cooperative Extension State Match (VSU)	3.0	✓	1.5
Jefferson Lab – Support for Center for Nuclear Femtography	0.5	✓	
Higher Education Centers – SWHEC (Rural IT Apprenticeship), SVHEC, Roanoke, NCI, IALR	2.5	✓	
VIMS – Continue Saltwater Fisheries Study	0.5	✓	

# Higher Education: Unallotments (continued)

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Proposed Restorations in SB 5015
GMU and ODU – Base Operating Support (Enrollment)	\$44.0	✓	
NSU and VSU – IT/Data Modernization & Student Success Initiatives	11.0	✓	5.5
Tuition Moderation Incentive Funding Pool – 2020-21 academic year only	79.8	✓	
VCCS – Operating Support (Advising)	8.0	✓	
Radford University – Funding to help equalize tuition for Roanoke campus	6.0	✓	
Eastern Virginia Medical School – Base Operating Support	1.25	✓	
Other Institution-Specific Initiatives	8.6	✓	
VCCS – Hosp.Apprent., LFCC Hub, VWCC Health Prog., Entrep. Collab., CVCC Campus,	3.0	✓	
UVA – Foundation for the Humanities – K-12 curriculum and classroom visits	1.0	✓	
SCHEV - Internship Fund; Virtual Library; Post-Secondary Success; Space Grant Consortium (Earth System Science Scholar); Grow Your Own Teachers program; Title IX training; cost study.	3.9	✓	
SCHEV – Student Loan Borrower Education	<u>0.2</u>		
<b>Total</b>	<b>\$345.8</b>	<b>\$345.6</b>	<b>\$15.6</b>

# Other Education

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restorations in SB 5015
JYF – Commemoration Closeout Costs	\$451,572	✓	
JYF – One-Time Funding for Site Infrastructure	167,113	✓	
JYF – Education Programs	836,300	✓	
JYF – Marketing and Tourism Promotion	453,000	✓	
LOV – Centennial Commemoration of Women’s Suffrage	95,000	✓	
LOV – Expedite Release of Gubernatorial Records	800,000	✓	400,000
LOV – Increase Aid to Local Libraries	2,000,000	✓	
SMV – Security Upgrades	420,000	✓	
VCA – Increase Support for Grants	4,291,772	✓	
VCA – Administration Support	270,000		
VMFA – Storage Lease Costs and IT Upgrades	<u>800,000</u>	✓	
<b>Total</b>	<b>\$10,584,757</b>	<b>\$10,314,757</b>	<b>\$400,000</b>

# K-12 Education

# Overview of Direct Aid

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- **Chapter 1289:** The adopted budget includes a net increase of \$1.3 billion GF over the biennium for Direct Aid with \$490.3 million GF unallotted.
  - Maintains \$854.7 million GF over the biennium for the required rebenchmarking costs and technical updates.
- **SB 5015:** Updates sales tax estimates and proposes to restore \$7.0 million GF in FY 2021 unallotments.

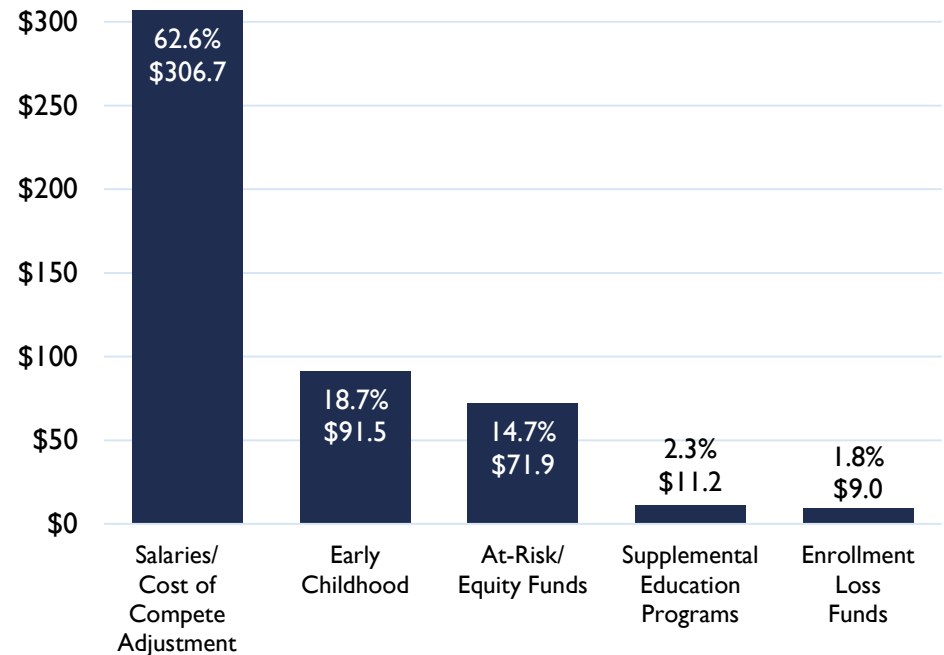
# SB 5015: Proposed Amendments for Direct Aid

Amendment to SB 5015 (\$ in millions)	FY 21 GF	FY 21 NGF	FY 22 GF	FY 22 NGF
<p><b>Update Sales Tax Revenue</b></p> <ul style="list-style-type: none"> <li>Revises estimates for the education component of sales tax (1-1/8%) to \$1,326.4 million in FY 2021 and \$1,354.6 million in FY 2022, which reflect decreases of \$215.3 million and \$211.6 million respectively, compared to Chapter 1289.</li> <li>The decreased sales tax revenues require GF backfill of \$120.1 million in FY 2021 and \$118.0 million in FY 2022 for the state's share of the SOQ Basic Aid payments.</li> </ul>	(\$95.2)	--	(\$93.6)	--
<p><b>Support VPI with TANF Funds</b></p> <ul style="list-style-type: none"> <li>Transfers \$16.6 million in TANF funds from Department of Social Services (DSS) to Direct Aid for the Virginia Preschool Initiative while Direct Aid transfers GF back to DSS to support in-person child care for school-aged children.</li> </ul>	(16.6)	16.6	--	--
<b>TOTAL for Direct Aid</b>	<b>(\$111.8)</b>	<b>\$16.6</b>	<b>(\$93.6)</b>	<b>\$0.0</b>

# Ch. 1289: K-12 Spending Increased \$1.3 billion and \$490.3 million GF was Unallotted

- In Chapter 1289, new Direct Aid GF spending totaled \$533.5 million in FY 2021 and \$792.6 million in FY 2022.
- Total unallotted Direct Aid spending is \$185.3 million GF in FY 2021 and \$305.0 million GF in FY 2022.
  - 63% of the total unallotted spending represents the state's share of a 2 percent salary increase each year for teachers and the cost of competing adjustment for support positions (\$306.7 million).

Direct Aid Unallotted Spending by Type  
\$ in Millions



# Direct Aid: Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Prop. Restorations (SB 5015)
Rebenchmarking Costs & Technical Updates	\$854.7		
2% Salary Increase Each Fiscal Year for SOQ Positions	287.2	✓	
Virginia Preschool Initiative Expansion	83.5	✓	
Increase At-Risk Add-On Max. from 16% to 23% and 26% in FY 22	61.3	✓	
Phase-in English as Second Language Instructors: FY21 1:54, FY22 1:50 (HB 975/SB 910)	21.0		
Lottery Proceeds Forecast, Adds GF to distribute 40% of Lottery NGF on Per Pupil Basis	20.3		
Increase Cost of Competing Adjustment for Support Positions from 10% to 16%	19.5	✓	
Eliminate Reduced Price School Meals	10.6	✓	
Early Childhood Educator Incentive Program	8.0	✓	3.0
Enrollment Loss Payments for Small Divisions with More than 2% Loss	4.6	✓	
Hold Harmless Funding	3.8	✓	
Increase Support for Jobs for Virginia Graduates	3.3	✓	1.7
Retiree Health Care Credit for Non-Teachers (HB 1513)	1.8		
Increase Support for Communities in Schools	1.5	✓	



# Direct Aid: Unallotments (cont.)

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Prop. Restorations (SB 5015)
African American History Education—Black History Museum and Cultural Center	\$1.3	✓	\$1.3
Civil War History Education—American Civil War Museum	1.0	✓	1.0
Blue Ridge PBS Education Outreach	1.0	✓	
Power Scholars Academy	0.9	✓	
Alleghany-Covington Consolidation Incentive	0.6	✓	
Brooks Crossing Innovation and Opportunity Center	0.5	✓	
Chesterfield Recovery High School	0.5	✓	
Emil and Grace Shihadeh Innovation Center	0.3	✓	
Literacy Lab-VPI Minority Fellowship	0.3	✓	
Active Learning Grants	0.3	✓	
Western Virginia Public Education Consortium	0.1	✓	
Bonder and Amanda Johnson Community Development	0.1	✓	
Soundscapes-Newport News	0.1	✓	
Reduce Support for Newport News Aviation Academy	(0.3)		
Transfer Virtual Virginia to DOE Central Office	(10.4)		
Apply Pre-K Non-participation @ 20%	(43.3)		
<b>Total Direct Aid</b>	<b>\$1,326.1</b>	<b>\$490.3</b>	<b>\$7.0</b>

# Ch. 1289 Maintains Investments Made to Fund Lower School Counselor Ratios in FY 2020

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- Chapter 1289 maintains the staffing ratios for school counselors at the level funded in FY 2020, superseding the lower counselor staffing ratios in Chapter 952 and 953, 2020 Acts of Assembly (SB 880 Locke/ HB 1508 McQuinn).
  - Funds the following counselors ratios, in elementary school at 1:455, in middle school at 1:370, and in high school at 1:325. (\$140.1 million in FY 2021 and \$140.8 million in FY 2022)
- Funding the state's share of counselors in Chapter 952 and 953, 2020 Acts of Assembly requires \$21.2 million GF the first year and \$24.9 million GF the second year.
  - In FY 2021, this funds the state's share of costs to lower the ratios, in elementary school from 1:455 to 1:375, in middle school from 1:370 to 1:325, and in high school from 1:325 to 1:300.
  - In FY 2022, this funds the state's share of costs to lower the ratio of school guidance counselors to 1:325 in all public elementary, middle, and high schools.

# Department of Education: Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Prop. Restorations (SB 5015)
Learning Management System, Language for a plan	\$7.1	✓	
VPI Classroom Observations and Professional Development	1.3	✓	
Cloud Migration-Executive Order 19	1.4		
Replace Online Management of Education Grant Awards	0.8		
Transfer Federal Child Care Development Fund Oversight from DSS	0.4		
Staffing in the Office of Teacher Education and Licensure	0.3	✓	
Education Equity Summer Institute	0.3	✓	
School Resource Officer Data Collection (HB 271)	0.1		
Teacher Licensure Process Study (SJ 15)	0.1		
Community Schools (HB 1355)	0.02		
School Division Vacancy and Teacher Preparation Program Data Collection (HB 376)	0.02		
<b>Total Department of Education</b>	<b>\$11.8</b>	<b>\$9.0</b>	<b>\$0.0</b>

# Health and Human Resources

# Summary of Proposed HHR Amendments

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- Governor's amendments in SB 5015 reduce the HHR budget by a net \$247.7 million GF and include an increase of \$586.7 million NGF in FY 2021.
  - General Fund savings reflects the enhanced federal Medicaid match rate approved by Congress to provide assistance to states.
  - Spending increases are all Nongeneral Fund.
- Proposed amendments include a restoration of \$50,000 GF of items that were unallotted in HHR.
  - Pass-through grant to the Jewish Social Services Agency.

# Medicaid Match Rate Change

- The Families First Coronavirus Relief Act increased the federal match rate (FMAP) for Medicaid by 6.2 percentage points for each quarter during the declared public health emergency, which began January 31<sup>st</sup>.
  - Currently the public health emergency is set to expire October 30, 2020, meaning the enhanced match will continue through the first two quarters of FY 2020.
  - The enhanced match does not apply to the Medicaid Expansion population.
  - The FMAP change frees up general fund to offset the state's revenue shortfall.
  - Currently, the FMAP assistance is the **only** funding that can assist in offsetting state revenue loss.

Fiscal Year	GF Savings (\$ in Millions)
2020	\$318.9
2021	\$331.0

FMAP = Federal  
Medical Assistance  
Percentage

# Proposed Amendments for Medicaid

Amendment to SB 5015 (\$ in millions)	FY 21 GF	FY 21 NGF
<p><b>Reflect Enhanced Federal Match Rate for Medicaid</b></p> <ul style="list-style-type: none"> <li>- 6.2 percentage point increase for the duration of the federal public health emergency.</li> <li>- Savings is for the first half of FY 2021.</li> </ul>	(\$331.0)	\$331.0
<p><b>Reflect Enrollment Increase in Medicaid</b></p> <ul style="list-style-type: none"> <li>- Mainly due to federal continuation of coverage requirement.</li> <li>- Enrollment is up by over 118,000 since the emergency began; 47 percent are in Medicaid Expansion.</li> <li>- The Department of Medical Assistance Services has indicated that enrollment has not yet been impacted by higher unemployment due to the emergency.</li> </ul>	89.1	245.3
<p><b>TOTAL for Medicaid</b></p>	<b>(\$241.9)</b>	<b>\$576.3</b>

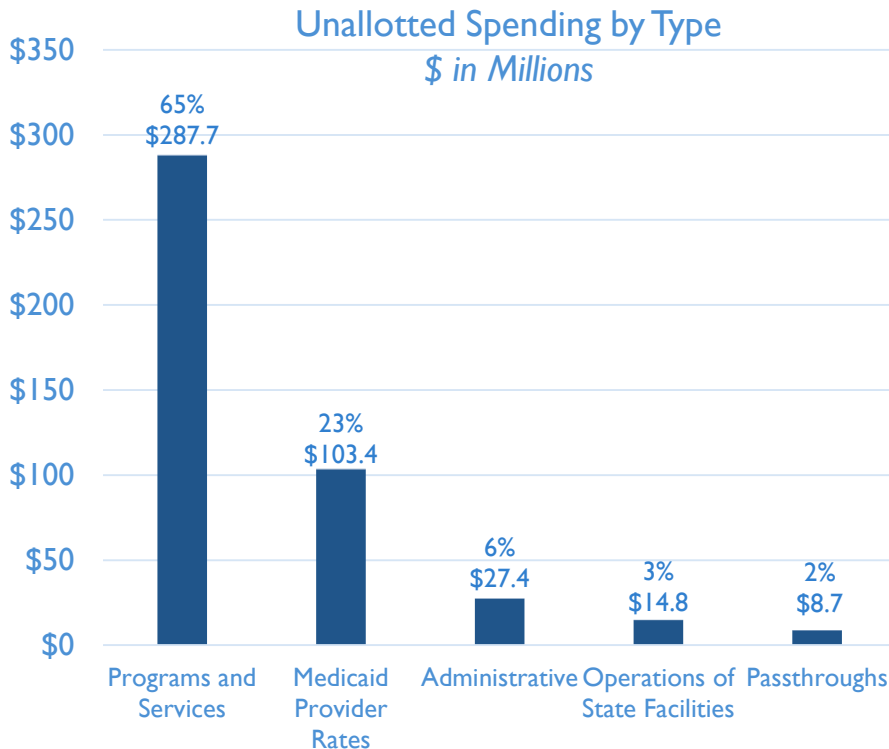
# Proposed Amendments for Social Services

Amendment to SB 5015 (\$ in millions)	FY 21 GF	FY 21 NGF
<b>Reflect Enhanced Federal Match Rate for Federal Foster Care Program</b>	(\$5.8)	\$5.8
<b>Increase Capacity for In-Person Child Care for School Aged Children</b> - Transfers \$16.6 million in TANF to Department of Education (DOE) for the Virginia Preschool Initiative while DOE transfers GF back to Social Services for the in-person child care.  - TANF funding will be backfilled with Child Care Development Block grant balances.	16.6	-
<b>One-Time Payment for TANF Two-Parent Families</b> - Funds a one-time payment from TANF equal to 15 percent of the monthly benefit for four months.	-	0.2
<b>Funding for Food Banks for Emergency Food Supply Packages</b>	-	0.7
<b>One-Time Benefit Payment to Families with Children in Head Start</b> - For families that did not receive a federal Pandemic food benefit payment.	-	3.7
<b>TOTAL for Social Services</b>	<b>\$10.8</b>	<b>\$10.4</b>



# Ch. 1289: HHR funding increased \$1.2 billion GF and \$441.9 million GF was Unallotted

- In the Chapter 1289, new GF spending in HHR totaled \$394.8 million in FY 2021 and \$809.1 million GF in FY 2022.
- Total unallotted spending is \$177.6 million GF in FY 2021 and \$264.3 million GF in FY 2022.
  - Two-thirds of the unallotted spending are for expanding or creating new programs and services.
  - Nearly a quarter of the unallotted spending is related to Medicaid provider rates.



# HHR 2020-22 Budget – Summary of Allotment Status

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restorations (SB 5015)
Medicaid Utilization and Inflation Forecast (Includes Health Care Fund)	\$402.9		
Children's Health Insurance Program	148.5		
Medicaid Provider Rate Increases / Payment Changes (Including GME Slots)	107.4	✓	
Medicaid Personal Care Rates (5% First Year, 2% Second Year)	64.8		
MH Hospital Census Pressures (DAP, PSH, Pilot Projects)	60.5	✓	
DOJ Funding (Slots, Rental Assistance) (\$4.1 million for new GA added slots is unallotted)	59.4	Partial	
STEP-VA Implementation	54.6	✓	
Medicaid Benefit Changes (i.e. Home Visiting, Personal Care Overtime, etc.)	47.4	✓	
Children's Services Act Expenditure and Caseload Growth	44.0		
Medicaid Adult Dental Benefit	34.0	✓	
Mental Health Facility Operating Costs	14.8	✓	

# HHR 2020-22 Budget – Summary of Allotment Status (cont'd)

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restorations (SB 5015)
Family First: Local Staff, Evaluation Team, Prevention Programs	\$45.4	✓	
Other Mandatory Spending (Part C Early Intervention, Child Welfare, etc.)	17.5		
Other Social Services Programs, Grants or Administrative Costs	13.9	✓	0.1
Minimum Salary Increase for Local Social Workers	11.7	✓	
Mental Health - Children's Inpatient Services	14.7		
VDH Programs, Grants and Administrative Costs	14.3	✓	
Programs for People with Disabilities	8.2	✓	
Medicaid Eligibility Changes (40 Quarter Work Req., Post-Partum)	8.0	✓	
Other Mental Health Funding	5.6	✓	
<b>Total Spending</b>	<b>\$1,177.6</b>	<b>\$441.9</b>	<b>\$0.1</b>

# Public Safety and Homeland Security

# Summary of Proposals for Public Safety & Homeland Security

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- SB 5015 recommends \$266.2 million GF for the biennium above the Chapter 854 base budget. (**Majority (\$205.3 million GF) is for base budget adjustments.**)
  - **Remaining \$60.9 million GF includes:**
    - \$27.6 million GF for hepatitis C treatment for Department of Corrections inmates.
    - \$9.5 million GF for inmate healthcare cost increases.
    - \$6.0 million for the Community Policing Act.
    - \$3.6 million new funding for Governor's Criminal Justice Reform initiatives.
  - **Would remove \$74.4 million GF of funding unallotted in the 2020 Reconvened Session (\$74.5 million unallotted in Chapter 1289).**

# Summary of SB 5015 Proposed New Funding for Criminal Justice Reform

- **\$3.1 million under Department of Criminal Justice Services (DCJS) related to legislation.**

DCJS Proposed GF \$ in millions	FY 2021	FY 2022
Legislation related to law-enforcement civilian review boards	\$0.2	\$0.0
Legislation related to law enforcement officer decertification (2 FTEs)	0.2	0.2
Legislation related to statewide law enforcement officer database	0.1	0.1
Legislation related to law enforcement officer decertification process (1 FTE)	0.1	0.1
Legislation related to minimum law enforcement training standards (5 FTE)	1.5	0.6
<b>Total:</b>	<b>\$2.1</b>	<b>\$1.0</b>

- **\$0.5 million GF FY 2021 under Department of State Police for legislation related to officer training standards.**

# Department of Corrections Status of Allotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restoration (SB 5015)
Expand Hepatitis C Treatment for Inmates	\$27.6		
Correctional Officers Compensation	14.7	✓	
Pilots with UVA and VCU Health Systems for Inmate Medical Care	9.6	✓	
Electronic Health Records System	14.9	✓	
Offender Medical Costs	9.5		
Medical Services Delivery Study	0.5	✓	
Operating Funds for Lawrenceville Correctional Center	2.0	✓	
Board of Corrections Jail Investigators (Two Positions)	0.4	✓	
Woodrum Impact of Legislation	1.0		
Evaluate Options for DOC Management of Lawrenceville	Lang.		
Evaluate Program Options for Restrictive Housing	Lang.		
Review of Hepatitis C Treatment Subscription Models	Lang.		
Authority to Discharge Certain Prisoners from Incarceration	Lang.		
<b>Total:</b>	<b>\$80.1</b>	<b>\$42.1</b>	<b>\$0.0</b>

# Department of State Police Status of Allotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restoration (SB 5015)
Community Policing Act	\$6.0		
Funding for Various Proposed Legislation (10 FTEs) related to firearms legislation and background checks legislation.	3.6		
Offset E-Summons Revenue	(0.5)		
Cold Case Searchable Database	0.1		
Record Sealing / Expungement Legislation	0.1	✓	✓
Vehicle Safety Inspection (Three Positions)	NGF		
<b>Total:</b>	<b>\$9.3</b>	<b>\$0.1</b>	<b>\$0.1</b>



# Department of Criminal Justice Services Status of Allotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restoration (SB 5015)
“HB 599” Funding (Aid to Localities w/ Police Departments)	\$17.3	✓	
Local Pretrial and Probation Expansion Funding	4.6	✓	
Hate Crime Security Grant Funding	3.0	✓	
Violence Intervention and Prevention Fund	2.8		
Pre-release and Post-incarceration Services (PAPIS)	2.0	✓	
Red Flag Law Training Coordinator and Grant Funds	0.7		
Youth and Gang Violence Prevention Grants	0.2		
SB 373 - SAFE Coordinator	0.3		
Immigration Legal Social Services Grant Funding (Ayuda)	0.5	✓	
Post Critical Incident Support for Law Enforcement	0.4	✓	
SB 723 - Bail Pilot Project	Lang.		
School Resource Officer Data Collection	0.3		
<b>Total:</b>	<b>\$32.1</b>	<b>\$27.8</b>	<b>\$0.0</b>

# Other Public Safety Agencies Status of Allotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restoration (SB 5015)
<b>Secretary:</b> Continue Body Worn Camera & Sex Offender Workgroups	Lang.		
<b>Secretary:</b> Base Funding for Public Safety App Study	\$(0.05)		
<b>VDEM:</b> VGIN and E-911 Transfer from VITA (NGF)	NGF		
<b>VDEM:</b> Emergency Shelter Upgrade Assistance Fund	2.5		
<b>VDEM:</b> Cloud Storage	2.5	✓	
<b>VDEM:</b> Transfer Shelter Coordinator Position to Department of Social Services	(0.2)		
<b>ABC Authority:</b> Net Profits Transfer Increase to General Fund (\$13.6 million)	Transfer		
<b>DJJ:</b> Information Technology Savings	(1.0)		
<b>DFP:</b> Accounting Position (partially funded by NGF)	0.4	✓	
<b>DFS:</b> IT Analyst Positions	0.4	✓	
<b>DFS:</b> Laboratory Equipment Maintenance	0.6	✓	
<b>Parole Board:</b> Release Planning Coordinator & Pardon Investigators (part-time)	0.4	✓	
<b>Parole Board:</b> Geriatric Release Support Position (part-time)	0.04	✓	
<b>Total:</b>	<b>\$5.6</b>	<b>\$4.5</b>	<b>\$0.0</b>

# Veterans and Defense Affairs

# Veterans & Defense Affairs Status of Allotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Proposed Restoration (SB 5015)
National Museum of the United States Army	\$3.0	✓	
V3 Program	(0.8)		
Women's Veterans Program	0.2	✓	
Veteran's Service's Grant and Staffing – Transfer to VSF	(0.4)		
Veterans Services Representatives	0.9	✓	
Veterans Peer Specialists	0.5	✓	
VMSDEP Program Staff	0.2	✓	
NoVa Salary Differential	0.4	✓	
Facility Maintenance	0.2	✓	
Customer Service IT	0.1	✓	
<b>VSF:</b> Veterans Service's Grant and Staffing – Transfer from DVS	0.4		
<b>DMA:</b> State Tuition Assistance Program	0.5	✓	
<b>Total:</b>	<b>\$5.2</b>	<b>\$6.0</b>	<b>\$0.0</b>

# Agriculture and Forestry

# Agriculture & Forestry

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- **Ch. 1289:** included increases totaling \$7.0 million GF the first year and \$5.4 million GF the second year.
  - \$1.4 million each year unallotted
    - New staffing for various initiatives
    - Watershed Implementation Plan specific staffing
  - Retained adjustments provide \$1.25 million GF over the biennium for establishing the Virginia Food Access Investment program.
- **SB 5015:** proposes no spending changes but does include language requiring development of a uniform access agreement with the US Forest Service.

# Agriculture & Consumer Services: Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restoration (SB 5015)
Food Safety Programs	\$0.5	✓	
Animal Care Coordinator	0.4		
Hemp Testing	0.2		
Hemp Registry & Field Staff	0.3		
Cloud Utilization (E.O. 19)	0.3		
WIP III Compliance – Fertilizer Applications	0.4	✓	
Wine Promotion Fund	1.0		
Marketing Program	(0.1)		
Food Access Investment Fund	1.3		
Charitable Gaming	0.8		
Holiday Lake 4-H Center	0.3	✓	
<b>TOTAL – Agriculture &amp; Consumer Services</b>	<b>\$5.4</b>	<b>\$1.2</b>	<b>\$0.0</b>

# Forestry: Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	Chapter 1289	Unallotted	Proposed Restoration (SB 5015)
Watershed Implementation Plan (WIP) III Compliance	\$0.8	✓	
Apprenticeship Program	0.1	✓	
Hardwood Habitat	0.7	✓	
IT Upgrade Planning	0.1	✓	
<b>TOTAL – Forestry</b>	<b>\$1.7</b>	<b>\$1.7</b>	<b>\$0</b>



# Natural Resources

# Natural Resources

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- Ch. 1289 included new general fund investments totaling \$142.7 million GF over the biennium.
  - \$88.3 million GF unallotted.
  - Largest retained general fund action is statutorily required deposit to the Water Quality Improvement Fund (WQIF) of \$47.0 million GF in FY 21.
- GOV proposes new spending and restorations totaling \$66.5 million.
  - \$30.4 million for statutory WQIF Part B (agency balances) in FY 22 + \$3.8 million discretionary in FY 21;
  - \$15.0 million for dam rehabilitation;
  - \$11.0 million for land conservation; and
  - \$6.3 million for African American history and culture.
- Capital outlay authorizations totaling more than \$190.5 million in bond proceeds and NGF resources were not directly impacted through the unallotment process. These investments include:
  - \$50.0 million for deposit to the Stormwater Local Assistance Fund;
  - \$50.0 million for improvements to waste water treatment plants;
  - \$25.0 million for the City of Alexandria Combined Sewer Overflow project;
  - \$28.7 million for improvements across the State Park system; and
  - \$10.0 million for installation of artificial oyster reefs.

# Natural Resources Language

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- GOV includes language for four Natural Resources policy initiatives in advance of the 2021 Regular Session.
  - **WQIF allocation:** Directs the Secretary of Natural Resources to submit a plan for the allocation of FY22 deposit of \$30.4 million to WQIF prior to November 1, 2020.
  - **Tipping Fees:** Directs the Secretaries of Natural Resources and Agriculture & Forestry to develop a proposed fee schedule application of tipping fee per ton of solid waste received at a landfill.
  - **Nutrient Enhancement Fees:** Continues the six percent application fee on each application for water quality enhancement credits and establishes a workgroup to assess long-term sustainability of the water quality enhancement fee.
  - **Line of Credit:** Authorizes the Department of Conservation and Recreation to utilize existing line of credit to obtain a consultant for continued development of the coastal master plan. The expenses will be reimbursed through revenues generated through the sale of carbon allowances under the Regional Greenhouse Gas Initiative.

# Summary of Natural Resources Actions

GF Actions for the 2020-22 Biennium (\$ in millions)	FY21	FY22	Biennium
<b>Proposed Restorations of Unallotments:</b>			
Dam Safety	\$15.0	-	\$15.0
Land Conservation	5.5	\$5.5	11.0
Cultural Initiatives	6.3	-	6.3
Supplemental Water Quality Improvement Fund	3.8	-	3.8
<b>Proposed New Actions:</b>			
Water Quality Improvement Fund	-	30.4	30.4
Tipping Fee Assessment			Language
Nutrient Credit Fee Assessment			Language
Water Quality Improvement Fund Allocation Plan			Language
Line of Credit Utilization			Language
<b>Totals</b>	<b>\$30.6</b>	<b>\$35.9</b>	<b>\$66.5</b>

# Ch. 1289 DCR Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	CH 1289	Unallotted	Proposed Restoration (SB 5015)
Water Quality Improvement Fund - Statutory	\$47.0		
Water Quality Improvement Fund - Discretionary	29.3	✓	\$3.8
Virginia Land Conservation Foundation	11.0	✓	11.0
Dam Rehabilitation Fund	15.0	✓	15.0
Dam Safety	0.3	✓	
Floodplain Program	0.5	✓	
Park Maintenance	1.0	✓	
Park Operations	1.0	✓	
Green Pastures	0.6	✓	
Environmental Literacy	0.3	✓	
Mason Neck State Park	0.3	✓	
Pocahontas State Park	0.3	✓	
Natural Bridge State Park	0.7	✓	
Riverfront Park	0.7	✓	
<b>TOTAL – Conservation &amp; Recreation</b>	<b>\$108.2</b>	<b>\$61.2</b>	<b>\$29.8</b>

# Ch. 1289 DEQ Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	CH 1289	Unallotted	Proposed Restoration (SB 5015)
Water Permitting	\$ 2.3	✓	
Solid Waste Permitting	0.7	✓	
Biosolids Permitting	0.7	✓	
Air & Water Quality MELP	6.2	✓	
Communications & Outreach	3.1	✓	
Regulatory Staffing	1.8	✓	
Chesapeake Bay Local Assistance Program Staffing	0.9	✓	
Stormwater Program Staffing	2.2	✓	
Groundwater Monitoring Wells	0.5	✓	
Regional Water Resources Coordination	0.5		
<b>TOTAL – Environmental Quality</b>	<b>\$18.9</b>	<b>\$18.1</b>	<b>\$0.0</b>

# Ch. 1289 Cultural Investments Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	CH 1289	Unallotted	Proposed Restoration (SB 5015)
Freedom House	\$2.4	✓	\$2.4
Maymont	1.0	✓	1.0
Montpelier	1.0	✓	1.0
Monticello	0.5	✓	0.5
Center for African American History –VUU	1.0	✓	1.0
Saint Paul’s College	0.05	✓	0.05
Greensville Training School	0.1	✓	
Turning Point Suffragists Memorial	0.3	✓	
Woodrow Wilson Presidential Library	0.3	✓	
Woodville School	0.1	✓	
Women Veterans Memorial	0.1	✓	
Battlefield Preservation Fund	0.5	✓	
Confederate Battlefields*	--		(0.1)
<b>TOTAL – Cultural Attractions</b>	<b>\$7.3</b>	<b>\$7.3</b>	<b>\$5.9</b>

# Ch. 1289 Historic Resources Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	CH 1289	Unallotted	Proposed Restoration (SB 5015)
DHR:African American Cemeteries	\$0.1	✓	
DHR:African American History Trail	0.1	✓	0.1
DHR: Cemetery Preservationist	0.2	✓	
DHR: Highway Interpretive Markers	0.2	✓	0.2
DHR: IT Enhancements	0.4	✓	
DHR: Staff Salaries	0.3	✓	
DHR: Lease Space	0.2		
DHR: Underwater Archaeology	0.3	✓	
<b>TOTAL – Historic Resources</b>	<b>\$1.8</b>	<b>\$1.6</b>	<b>\$0.3</b>



# Ch. 1289 Marine Resources Unallotments

GF Actions for the 2020-22 Biennium (\$ in millions)	CH 1289	Unallotted	Proposed Restoration (SB 5015)
Coastal Resiliency	\$0.2	✓	
Fisheries Observer	0.2	✓	
Stock Assessment Scientist	0.2		
Outboard Motors	0.1	✓	
Marine Habitat / Waterways Improvement Fund	0.3	✓	
UAV Acquisition	0.02	✓	
IT Enhancements	0.1		
Virginia Aquarium	0.05	✓	
<b>TOTAL – Marine Resources</b>	<b>\$1.1</b>	<b>\$0.7</b>	<b>\$0</b>

# Transportation

# Transportation Revenues

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- **Chapter 1289:**
  - Assumed a net revenue increase of more than **\$1.0 billion NGF** over the biennium above Chapter 854 from funding legislation, including:
    - **Omnibus Transportation (HB 1414 / SB 890)** -  
Includes new revenues totaling almost \$800 million;
    - **Central Virginia Transportation Authority (HB 1541)** -  
Includes new revenues totaling more than \$350 million; and
    - **Hampton Roads Regional Transit Fund (HB 1036 / SB 1038)** -  
Includes new revenues totaling more than \$60 million.
  - Provided an additional \$9.4 million to the Department of Motor Vehicles from driver privilege card fee revenues.
- August 2020 reforecast assumes a biennial reduction in transportation revenues of **\$750 million NGF**.

# Transportation Policy Proposals

	Proposal
Six Year Plan	<p>Provides flexibility to CTB for the reallocation of resources among existing projects to meet biennial cash flow needs</p> <p>Increased CTB flexibility for deferring local revenue sharing projects to later years of the current Six Year Improvement Program</p>
Driver's License Ceremony	<p>Allows a chief juvenile &amp; domestic relations judge to waive ceremonial license requirements for up to 90 days after declaration of a judicial state of emergency.</p> <p>Authorizes DMV to mail new licenses to eligible recipients</p>
DMV Documents	<p>Authorizes DMV Commissioner to extend validity of existing driver's licenses, special identification cards, vehicle registrations, and new resident registration requirements for up to 90 days after a declaration of emergency.</p>
Public Transportation	<p>Authorizes DRPT to serve as fiscal and business agent for the Virginia Passenger Rail Authority until the Board is convened and an Executive Director has been hired.</p> <p>Allows CTB to provide level funding for DRPT administrative costs</p>

# General Government and Retirement/Compensation

# Summary of Proposed Amendments – General Government (SB 5015)

<b>Amendment (2020-22 Biennium, GF \$ in Millions) – Reflects NEW Actions</b>	<b>Proposed Restoration (SB 5015)</b>
Dept. of Accts. Transfer Payments – Estimated future mandatory deposit to the Rainy Day Fund	\$71.5
ELECT – Absentee ballot prepaid postage (w/ language)	2.0
DGS – Removal of Robert E. Lee Monument (w/ language)	1.1
GOV – Office of Diversity, Equity, and Inclusion	0.3
JDR Courts – Waive ceremonial licensing requirements	Language
ELECT – Clarify procedures for absentee ballot errors, drop-off procedures	Language
TAX/Part 3 – Tobacco products tax	Language
Part 4 – Temporary moratorium on evictions through April 30, 2021	Language
<b>Total</b>	<b>\$75.2</b>

# Employee Compensation - Allotment Status

- **Ch. 1289 included \$265 million GF over the biennium for across-the-board and targeted salary actions for state employees, and state-supported local employees that was unallotted, and removed in SB 5015.**
  - Also included \$287.2 million for a 2% raise for SOQ positions in the first year, and another 2% raise in the second year, within Item 145 (Direct Aid to Education), that was unallotted, **and removed in SB 5015.**

Compensation Actions	Ch. 1289	Unallotted	Proposed Restoration (SB 5015)
State Employees – 3% first year bonus (Dec 1); 3% raise in second year (June 10, 2021, for July 1 pay)	\$194.5	✓	
State Police Troopers - \$110 per year of service for those w/ ≥ 3 years of service (up to 30 years) in first year, and a 2% raise in first year (Aug 10, 2020); and a 3% raise in second year (June 10, 2021 for July 1 pay)	16.1	✓	
State-supported Local Employees – 2% bonus in first year (Dec 1); 3% raise in second year (July 1, 2021)	49.6	✓	
Adjunct Faculty – 3% bonus in first year, 3% base pay increase in second year	4.6	✓	
<b>Totals</b>	<b>\$264.8</b>	<b>\$264.8</b>	<b>\$0.0</b>

- *Salary totals exclude \$385,000 for VITA and DGS personnel costs recovered through internal service fund charges to agencies.*

# Employee Compensation - Allotment Status (cont'd)

- Ch. 1289 included funding for a variety of targeted salary actions totaling \$40.4 million GF, which was unallotted, and removed in SB 5015.

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Proposed Restoration (SB 5015)
Local DSS staff salary adjustments/higher minimum salary	\$11.2	✓	
DOC correctional officers	14.7	✓	
Adjust entry level salary for regional jail officers	5.6	✓	
General registrars/electoral board members (100% reimbursement of state salary to localities)	5.1	✓	
Circuit court clerk office staff (parity w/ general district court clerk pay scale)	3.8	✓	
<b>Totals</b>	<b>\$40.4</b>	<b>\$40.4</b>	<b>\$0.0</b>



# VRS/Compensation Supplements - Allotment Status

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Proposed Restoration (SB 5015)
State Employee Retirement Rates/Other Post Employment Benefits Costs	\$32.2		
Adjust Premiums for State Health Insurance Plans/UVA premiums	40.3		
Reduce Amortization Period for Retiree Health Credit	7.9	✓	
Provide \$1.50 Health Insurance Credit for Non-Teacher Positions	1.8		
<b>Totals</b>	<b>\$82.2</b>	<b>\$7.9</b>	<b>\$0.0</b>

- SB 5015 maintains funding for VRS Board approved rate changes included in Ch. 1289.
- In Ch. 1289, State employee health plan premiums were adjusted to remove a 2.4% first year increase for both the employer and employee shares of premiums, due to sufficient health insurance fund balances. SB 5015 maintains second year funding for an estimated increase in premiums.
- \$7.9 million to reduce the amortization period for the state retiree health insurance credit by five years was unallotted, and removed in SB 5015.
- SB 5015 maintains \$1.8 million for the state's share of costs associated with local school divisions providing a \$1.50 per year of service retiree health insurance credit for non-teaching positions (funding for Ch. 1091, 2020 Acts of Assembly).

# Other General Government - Allotment Status

GF Actions for the 2020-22 Biennium (\$ in millions)	Ch. 1289	Unallotted	Proposed Restoration (SB 5015)
Voluntary Deposit to Revenue Reserve Fund	\$300.0	✓	
Mandatory Rainy Day Fund Deposits	94.9		
Funding in Compensation Board for Constitutional Officer staffing, and other actions	14.4	✓	
Additional funding for general district court clerks – 120 positions over biennium ( <i>companion amendment in Part 4 increases civil filing fees, \$3.9 million GF revenues was <b>not unallotted</b></i> )	13.3	✓	
Add public defender positions/pay (Indigent Defense Commission), flexibility language	9.5	✓	
Fund Medical Expenses for Victims of Sexual Assault (SAFE Payment program)	9.4	✓	
Increase Minimum Wage (Chapter 1242, 2020 Acts of Assembly)	6.0		
New Public Defender Office in Prince William County/Manassas/Manassas Park (Ch. 376, 2020 Acts of Assembly)	5.4		
DGS Enhanced Security Rent Costs, Review of DBHDS capital, Other Items (DGS)	5.0	✓	\$0.4
Additional funding and positions for civil housing attorneys, pay increases	3.0	✓	
Slavery and Freedom Heritage Site, IFLOWS Flood Warning System	3.0	✓	1.0
<b>Total</b>	<b>\$463.9</b>	<b>\$357.6</b>	<b>\$1.4</b>

# Capital Outlay

# Capital Outlay

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- **Chapter 1289:** The adopted budget for the capital outlay program totals \$3.3 billion from all fund sources.
- All general funds, totaling \$21.0 million GF in FY 21, were unallotted, including:
  - \$1.0 million for Accomack Hanger;
  - \$10.0 million for Capital Planning; and
  - \$10.0 million Virginia Beach Nimmo Parkway.
- **SB 5015:** The proposed amendments remove funding for these three projects, and include language adjusting options for a new juvenile Correction Center in Central Virginia to include the state property on Old Bon Air Road.