

2001 SPECIAL SESSION I

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011837238

HOUSE BILL NO. 6

House Amendments in [] — May 4, 2001

A *BILL to amend and reenact Items 543, 547, 548, and 549 of Chapter 1073 of the Acts of Assembly of 2000, and to amend Chapter 1073 by adding an item numbered 541.10, all relating to providing revenue and to appropriating funds for the 2000-2002 biennium for salary adjustments and certain fringe benefits for certain state employees; locally elected constitutional officers; general registrars and members of local electoral boards; full-time employees of locally elected constitutional officers; and full-time employees of Community Services Boards, Centers for Independent Living, secure detention centers supported by juvenile block grants, juvenile delinquency prevention and local court service units, local social services boards, and local health departments where a memorandum of understanding exists with the Virginia Department of Health.*

Patron Prior to Engrossment—Delegate Dickinson

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That Items 543, 547, 548, and 549 of Chapter 1073 of the Acts of Assembly of 2000 are amended and reenacted, and that Chapter 1073 of the Acts of Assembly of 2000 is amended by adding an item numbered 541.10 as follows:

CENTRAL APPROPRIATIONS (995)

540 through 541. Not set out.

541.10	Reversion Clearing Account - Appropriation	[-27,727,408	-27,814,354
	Reduction (Operating) (223000)		
		-23,127,408]	

Fund Sources:	General	[-27,727,408	-27,814,354
		-23,127,408]	

Authority: Discretionary Inclusion.

A. *The State Comptroller shall transfer to the general fund on or before June 30, 2001, and amount estimated at \$22,009,408, and on or before June 30, 2002, an amount estimated at \$23,590,592 from the Virginia Commonwealth University Health System Authority in recognition of the Commonwealth's ongoing financial support of the Authority. Such amounts are hereby appropriated to this item.*

B. *The Director of the Department of Planning and Budget shall transfer to this item from the general fund of the state treasury by June 30, 2002, an amount estimated at \$1,000,000 representing loan repayments to the Governor's Motion Picture Opportunity Fund.*

C.1. *The State Comptroller shall transfer to the Special Project Management Program in the second year an amount estimated at \$1,731,793, resulting from savings pursuant to a telecommunications contract signed between a new vendor and the Department of Information Technology effective July 1, 2000. The amount shall be transferred from agency nongeneral fund accounts. The Director of the Department of Planning and Budget shall provide the Comptroller with the amount to be transferred from each nongeneral fund account in the affected agencies.*

2. *On or before June 30, 2002, the State Comptroller shall then transfer \$930,380 from the Special Project Management Program to the general fund. Such amounts are hereby appropriated to this item.*

D. *On or before June 30, 2002, the State Comptroller shall transfer to the general fund \$50,000 from the Special Unemployment Compensation Administration Fund at the Virginia Employment Commission. Such amounts are hereby appropriated to this item.*

E. *On or before June 30, 2002, the State Comptroller shall transfer to the general fund \$200,000 from the Flood Prevention and Protection Assistance Fund in the Department of Conservation and Recreation. Such amounts are hereby appropriated to this item.*

F. *The State Comptroller shall transfer to the general fund from the special fund balance of the Intensified Drug Enforcement Jurisdiction Fund an amount estimated at \$500,000 on or before June 30, 2001, and an amount estimated at \$500,000 on or before June 30, 2002. Such amounts are hereby appropriated to this item.*

G. *On or before June 30, 2001, the State Comptroller shall transfer \$218,000 to the general fund from the Department of Housing and Community Development from the unobligated balances of the*

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55 *Southside Economic Development Commission. Such amounts are hereby appropriated to this item.*

56 *H. The Director of the Department of Planning and Budget shall transfer to this item \$500,000 the*
 57 *second year from the general fund from the Virginia Economic Development Partnership for the*
 58 *Certified Community Cooperative Advertising Program.*

59 *I. The Director of the Department of Planning and Budget shall transfer to this item \$500,000 the*
 60 *second year from the general fund from the Department of Technology Planning for the Geographic*
 61 *Information Access Services Program.*

62 *J. The Virginia Public School Authority shall transfer to the general fund an amount estimated at*
 63 *\$643,382 on or before June 30, 2002. Such amounts are hereby appropriated to this item.*

64 *[K. On or before June 30, 2001, the State Comptroller shall transfer \$400,000 to the general fund*
 65 *from unspent balances of the Attorney General and the Department of Law. Such amounts are hereby*
 66 *appropriated to this item.]*

67 542. Not set out.

68	543.	Personnel Management Services (70400)	82,940,427	79,353,835
69				94,655,316
70		Medical/Hospitalization Benefits - State (70406)	sum suf	sum suf
71		Medical/Hospitalization Benefits - Local (70407)	65,000,000	65,000,000
72		Other Services (70499)	17,940,427	14,353,835
73				29,655,316
74	Fund Sources:	General	17,940,427	14,353,835
75				29,655,316
76		Enterprise	65,000,000	65,000,000
77		Internal Service	sum suf	sum suf

78 Authority: § 2.1-20.1, Code of Virginia.

79 A. The amounts for Medical/Hospitalization Benefits - State are from all funds appropriated to state
 80 agencies for this purpose. It is an internal service fund for appropriation purposes in Central
 81 Appropriations. Revenues will be paid from state agencies to the Department of Personnel and Training.

82 B. The amounts for Medical/Hospitalization Benefits - Local include estimated revenues received
 83 from localities for the local option program.

84 C. The Department of Planning and Budget shall effect such transfers from this appropriation to the
 85 Department of Personnel and Training as are required for the payment of medical/hospitalization
 86 benefits.

87 D.1. In the event that the total of all eligible claims exceeds the balance in the state employee
 88 medical reimbursement account, there is hereby appropriated a sum sufficient from the general fund of
 89 the state treasury to enable the payment of such eligible claims.

90 2. The term "employee medical reimbursement account" means the account administered by the
 91 Department of Personnel and Training pursuant to § 125 of the Internal Revenue Code in connection
 92 with the health insurance program for state employees (§ 2.1-20.1 of the Code of Virginia).

93 E.1. Out of this amounts for Personnel Management Services, \$17,940,427 the first year and
 94 \$14,353,835 \$29,655,316 the second year shall be transferred to state agencies and institutions of higher
 95 education to effect changes in the employer's share of premiums paid for the Commonwealth's health
 96 benefit plans. Costs associated with the increases for employees of Educational and General programs at
 97 institutions of higher education shall be borne by the general fund.

98 2. Except as provided for in paragraph E1 above, agencies supported in whole or in part by
 99 nongeneral funds shall pay the proportionate share of the increase in the employer's share of the
 100 premiums, subject to the rules and regulations prescribed by the appointing or governing authority. Such
 101 nongeneral fund revenues and balances are hereby appropriated for this purpose, subject to the
 102 provisions of § 4-2.01 b of this act.

103 F. No amounts shall be obligated or expended from the reserved component of the Employee Health
 104 Insurance Fund unless prior approval is obtained from the Secretary of Finance and the Secretary of
 105 Administration. The Department of Planning and Budget shall notify the Chairmen of the House
 106 Appropriations and Senate Finance Committees of any disbursements made from or commitments
 107 against the reserved component.

108 544 through 546. Not set out.

109	547.	Compensation Supplements (State) (75700)	9,660,286	44,227,851
110			8,760,286	[95,317,032
111				95,690,084]
112	Fund Sources:	General	9,660,286	35,731,010

113		8,760,286	[86,820,191
114			87,193,243]
115	Higher Education Operating	0	8,496,841

116 Authority: Discretionary Inclusion.

117 A. Transfers from this Item may be made to supplement general fund appropriations to state agencies
118 for:

- 119 1. Adjustments to base rates of pay;
- 120 2. Adjustments to rates of pay for budgeted overtime of salaried employees;
- 121 3. Salary increases for positions with salaries listed elsewhere in this act;
- 122 4. Salary increases for locally elected constitutional officers and their employees;
- 123 5. In-range band salary adjustments for employees subject to the Virginia Personnel Act to recognize
124 changes in duties or professional skill development, establish internal alignment (equitable salary
125 relationships), or respond to labor market conditions (retention).
- 126 6. Employer costs of employee benefit programs when required by salary-based pay adjustments; and
- 127 7. Salary increases for local employees supported by the Commonwealth, other than those funded
128 through appropriations to the Department of Education.

129 This appropriation provides for the compensation adjustments described in paragraph C of this Item,
130 subject to conditions stated in this Item.

131 B. Transfers from this Item may be made when appropriations to the state agencies concerned are
132 insufficient for the purposes stated in paragraph A of this Item, as determined by the Department of
133 Planning and Budget, and subject to guidelines prescribed by the department. Further, the Department of
134 Planning and Budget may transfer appropriations within this Item from the second year of the biennium
135 to the first year, when necessary to accomplish the purposes stated in paragraph A of this Item.

136 C.1.a). The base salary of employees listed in this paragraph set out in subparagraph 2 a through 2
137 d of this paragraph shall be increased by 3.25 percent on November 25, 2000; for those employees set
138 out in subparagraphs 2 a through 2 d of this paragraph. This appropriation includes \$22,905,720 the first
139 year and \$52,116,109 the second year for this purpose. The base salary of employees set out in
140 subparagraph 2 e of this paragraph shall be increased by 3.25 percent on December 1, 2000. This
141 appropriation includes \$12,261,744 the first year and \$21,113,653 the second year to be used for this
142 purpose.

143 b)1) The base salary of employees set out in subparagraph 2 a 1 of this paragraph who receive a
144 contributor rating or an extraordinary contributor rating in their fall 2001 performance evaluation shall
145 be increased on average by 3.5 percent on November 25, 2001. The base salary adjustment for an
146 employee rated as a contributor will be no less than 2.8 percent and no more than the 3.5 percent
147 average increase. The increase for an employee rated extraordinary contributor shall be no less than
148 the average increase of 3.5 percent and no more than 8.75 percent.

149 2) The November 25, 2001, salary increase for employees set out in subparagraph 2 a 1 of this
150 paragraph shall be limited to funds made available through this item.

151 3) Further rules and regulations for the performance-based salary increase set out in subparagraph
152 1 b 1 of this paragraph shall be developed by the Department of Human Resource Management in
153 conjunction with the Department of Planning and Budget.

154 4) The base salary of employees set out in subparagraphs 2 a 2 through 2 d of this paragraph shall
155 be increased by 3.5 percent on November 25, 2001.

156 5) This appropriation includes \$38,283,699 the second year for the November 25, 2001, salary
157 adjustments.

158 6) The base salary of employees set out in subparagraphs 2 e 1 through 2 e 4 of this paragraph
159 shall be increased by 3.5 percent on December 1, 2001.

160 7) This appropriation includes \$13,605,482 the second year for the December 1, 2001, salary
161 adjustments for full-time employees of Community Services Boards, Centers for Independent Living,
162 secure detention centers supported by Juvenile Block Grants, juvenile delinquency prevention and local
163 court service units, local social services boards, and local health departments where a memorandum of
164 understanding exists with the Virginia Department of Health.

165 [8) This appropriation includes \$373,052 from the general fund the second year to increase the
166 starting salaries for Assistants Attorney General and to make other adjustments, as appropriate, in the
167 Attorneys' Pay Plan in the Office of the Attorney General.]

168 2. Transfers from this Item shall be used to effect this increase and related increases in employee
169 benefits for:

170 a. Executive Department

- 171 1. Full-time employees of the Executive Department subject to the Virginia Personnel Act;
- 172 2. Full-time employees of the Executive Department not subject to the Virginia Personnel Act, except
173 faculty at the institutions of higher education and officials elected by popular vote;

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174 3. Any official whose salary is listed in § 4-6.01 c and d of this act, subject to the ranges specified
175 in the agency head salary levels in § 4-6.01 c; and
176 4. Full-time professional staff of the Governor's Office, the Lieutenant Governor's Office, the
177 Attorney General's Office, Cabinet Secretaries Offices, including the Deputy Secretaries, the Virginia
178 Liaison Office, and the Secretary of the Commonwealth's Office.
179 b. Legislative Department
180 1. Heads of agencies in the Legislative Department;
181 2. Full-time employees in the Legislative Department, other than officials elected by popular vote;
182 and
183 3. Secretaries and administrative assistants as provided for in Item 1, of this act.
184 c. Judicial Department
185 1. Judges and Justices in the Judicial Department;
186 2. Heads of agencies in the Judicial Department; and,
187 3. Full-time employees in the Judicial Department.
188 d. Independent Agencies
189 1. Commissioners of the State Corporation Commission and the Virginia Workers' Compensation
190 Commission, the Executive Director of the Virginia ~~Higher Education Tuition Trust Fund College~~
191 ~~Savings Plan~~, and the Directors of the State Lottery Department and the Virginia Retirement System;
192 2. Full-time employees of the State Lottery Department; and,
193 3. Full-time employees of the State Corporation Commission, the Virginia ~~Higher Education Tuition~~
194 ~~Trust Fund College Savings Plan~~, the State Lottery Department, and the Virginia Retirement System.
195 e. State-Supported Local Employees
196 1. Locally elected constitutional officers;
197 2. General Registrars and members of local electoral boards;
198 3. Full-time employees of locally elected constitutional officers; and,
199 4. ~~Full-time employees of Community Services Boards, Centers for Independent Living, secure~~
200 ~~detention centers supported by Juvenile Block Grants, juvenile delinquency prevention and local court~~
201 ~~service units, local social services boards, and local health departments where a memorandum of~~
202 ~~understanding exists with the Virginia Department of Health.~~
203 3.a. Employees in the Executive Department subject to the Virginia Personnel Act shall receive the
204 *November 25, 2000*, salary increases authorized in this paragraph only if they attained at least a "meets
205 expectations" on their latest performance evaluation.
206 b. Salary increases for employees listed in paragraphs C 2 a 2 through C 2 a 4 and paragraphs C 2 c
207 through C 2 d shall be consistent with the provisions of this paragraph, as determined by the appointing
208 or governing authority. The appointing or governing authority shall certify that employees receiving the
209 awards are performing at levels at least comparable to the eligible employees as set out in the preceding
210 paragraph 3 a.
211 D. The Department of ~~Personnel and Training~~ *Human Resource Management* shall increase the
212 minimum and maximum salary for each ~~grade pay band~~ within the Commonwealth's Classified
213 Compensation Plan by 3.25 percent on November 25, 2000, *and by 2.6 percent on November 25, 2001*.
214 No salary increase shall be granted to any employee as a result of this action. The Department shall
215 develop policies and procedures to be used in instances where employees fall below the entry level for a
216 job classification due to poor performance. Movement through the revised pay ~~grades bands~~ shall be
217 based on employee performance.
218 E. The agency heads listed in this paragraph may, at their discretion, utilize the funds provided
219 pursuant to paragraph C of this Item, to implement the provisions of existing pay plans.
220 1. The heads of agencies in the Legislative and Judicial Departments;
221 2. The Commissioners of the State Corporation Commission and the Virginia Workers' Compensation
222 Commission;
223 3. The Attorney General;
224 4. The Director of the Virginia Retirement System;
225 5. The Director of the State Lottery Department;
226 6. The Director of the University of Virginia Medical Center;
227 7. The Executive Director of the Virginia ~~Higher Education Tuition Trust Fund College Savings~~
228 ~~Plan~~; and
229 8. The Executive Director of the Virginia Port Authority.
230 F. The base rates of pay, and related employee benefits, for wage employees may be increased by up
231 to 3.25 percent on November 25, 2000, *and up to 3.5 percent on November 25, 2001*. The cost of such
232 increases for wage employees shall be borne by funds appropriated to each agency.
233 G.1. Agencies supported in whole or in part by nongeneral funds shall pay the proportionate share of
234 costs, from nongeneral fund revenues, of wages, salaries, and employee benefits as stated in this Item,
235 subject to rules and regulations prescribed by the Governing Authority.

2. Such nongeneral fund revenues and balances are hereby appropriated for this purpose, including those nongeneral fund revenues available to the colleges and universities, subject to the provisions of § 4-2.01 b, of this act.

3. Costs associated with the increases authorized in paragraph C of this Item, for employees of Educational and General Programs at the institutions of higher education shall be borne by the general fund.

H. Institutions of higher education shall utilize funds provided in their appropriations for faculty salary increases based on merit.

I. State employees will receive a paycheck on July 2, 2001, for the work period June 10 to June 24, 2001.

J.1.a. There is hereby continued the Commission on Reform of the Classified Compensation Plan. This Commission is comprised of four members of the Senate Finance Committee to be appointed by the Chairmen of the Senate Finance Committee, four members of the House Appropriations Committee to be appointed by the Chairmen of the House Appropriations Committee, and four members to be appointed by the Governor. Those members appointed by the Governor shall include: the Secretary of Finance, the Secretary of Administration and two persons who are the chief human resource officers of large private or public sector employers.

b. In carrying out its work, the Commission shall be supported by:

(1) A technical advisory committee comprised of the chief human resource officers of the University of Virginia; Virginia Polytechnic Institute and State University; Virginia Commonwealth University; the Department of Mental Health, Mental Retardation and Substance Abuse Services; the Department of Corrections; the Department of State Police; the Department of Transportation; the Department of Taxation; the Director of the Department of ~~Personnel and Training~~ *Human Resource Management*, or his designee; the Director of the Department of Planning and Budget, or his designee; and the staff of the Senate Finance and House Appropriations Committees.

(2) An employee advisory committee comprised of classified state employees. The number and composition of this employees advisory committee may vary based on the Commission's assessment of need.

2. With the assistance of the technical advisory committee, the Commission shall oversee the implementation of any new pay plan approved by the 2000 General Assembly and review and evaluate the effectiveness of the classified pay plan reforms.

3. The Commission shall report its findings and subsequent recommendations to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2000. Any recommendations must be consistent with the requirements in paragraph 4.

4. Any classified pay plan reforms recommended by the Commission shall provide for:

- a. A statewide compensation program that provides flexibility to meet state workforce needs;
- b. Performance-based salary increases and rewards including the recognition of team performance;
- c. A stable funding mechanism;
- d. Modern compensation features, as deemed appropriate for a large, multisite employer;
- e. Career growth opportunities;
- f. A communications program to inform classified employees, human resources staff, and agency managers of changes to the compensation plan.

5. Out of the amounts appropriated for Compensation Supplements, an amount not to exceed \$1,181,237 the first year and \$800,790 the second year shall be paid for the implementation and evaluation of the redesign of the classified employee pay plan. These funds shall be transferred to the Department of ~~Personnel and Training~~ *Human Resource Management* and expended as directed by the Commission.

6. a. *Out of the amounts appropriated for Compensation Supplements, an amount not to exceed \$1,000,000 the second year shall be transferred to state agencies and institutions of higher education to cover the cost of performance-based salary adjustments and awards made to classified employees on or after November 25, 2001, under the new pay practices that went into effect on September 25, 2000.*

b. *The transfer for performance-based salary adjustments and awards shall be based upon rules and regulations to be developed by the Department of Human Resource Management, in conjunction with the Department of Planning and Budget. In no case shall an agency or institution receive funding for any salary adjustment or award granted to employees who received below contributor ratings in their fall 2001 evaluation.*

K.1. The Department of ~~Personnel and Training~~ *Human Resource Management* shall incorporate all existing compensation pilot projects into the Commonwealth's classified pay plan consistent with recommendations of the Commission on Reform of the Classified Compensation Plan.

2. No compensation pilot projects are authorized for the first year following implementation of the recommendations of the Commission on Reform of the Classified Compensation Plan. After this period,

327 demonstration projects with clearly defined objectives and specified time frames may be implemented
 328 subject to approval of the Department of ~~Personnel and Training~~ *Human Resource Management*. Such
 329 pilots are restricted to no more than two years.

330 3. Any such pilot programs approved in the second year shall be funded from existing agency
 331 appropriations or from funds provided for increases specified in paragraph C of this Item, or a
 332 combination of both. A report on such pilot programs shall be made to the Governor and the Chairmen
 333 of the House Appropriations and Senate Finance Committees by October 1, 2001. The Secretary of
 334 Administration shall approve any change in compensation plans based on pilot programs, prior to their
 335 implementation.

336 4. Any pilot programs or alternative pay plans authorized under the provisions of this paragraph,
 337 shall provide for average annual salary increases that are no greater than those authorized in this Item
 338 for general, classified state employees.

339 L. The Director of the Department of Planning and Budget shall withhold from agency appropriations
 340 and transfer to this Item an amount estimated at \$26,633,421 the first year and \$27,977,674 the second
 341 year for statewide reductions in employer retirement contribution rates resulting from annual valuation
 342 studies by the Virginia Retirement System, as required by Item 566 of this act.

343 M. In the second year, \$8,496,841 in nongeneral funds is provided to offset an equal amount from
 344 the general fund for allocation of the first year salary increase provided in this act for classified
 345 employees in the Educational and General programs of Virginia's public colleges and universities.
 346 Institutions are authorized to use revenue generated from tuition increases on graduate students and
 347 nonresident students to meet this provision. The Virginia Community College System is excluded from
 348 this provision.

349 N. Effective January 1, 2001, the Virginia Retirement System shall provide managed long-term care
 350 payments for, or to, employees covered by the Virginia Sickness and Disability Program.

351	548.	Economic Contingency (75800)	40,500,000	31,250,000
352				21,024,958
353	Fund Sources:	General	40,500,000	18,250,000
354			38,000,000	10,524,958
355		Trust and Agency	0	13,000,000
356			2,500,000	10,500,000

357 Authority: Discretionary Inclusion.

358 A. The Governor is hereby authorized to allocate sums from this appropriation, in addition to an
 359 amount not to exceed \$2,000,000 from the unappropriated balance derived by subtracting the general
 360 fund appropriations from the projected general fund revenues in this act, to provide for supplemental
 361 funds pursuant to paragraph B hereof. Transfers from this Item shall be made only when (1) sufficient
 362 funds are not available within the agency's appropriation and (2) additional funds must be provided prior
 363 to the end of the next General Assembly Session.

364 B. This appropriation includes \$1,000,000 the first year to be used by the Governor as he may
 365 determine to be needed for the following purposes:

366 1. To address the six conditions listed in § 4-1.03 a 3 of this act.

367 2. To provide for unbudgeted and unavoidable increases in costs to state agencies for essential
 368 commodities and services which cannot be absorbed within agency appropriations.

369 3. To secure federal funds in the event that additional matching funds are needed for Virginia to
 370 participate in the federal Superfund program.

371 4. To provide for the administrative costs and grant payments for applications filed for calendar year
 372 1999 for the Virginia Caregivers Grant Program operated pursuant to Chapter 21, Title 63.1, Code of
 373 Virginia.

374 C. The Department of Planning and Budget shall submit a quarterly report of any disbursements
 375 made from, commitments made against, and requests made for such sums authorized for allocation
 376 pursuant to paragraph B to the Chairmen of the House Appropriations and Senate Finance Committees.
 377 This report shall identify each of the conditions specified in paragraph B for which the transfer is made.

378 D. Any unexpended balance remaining in this Item on June 30, 2001, shall be carried forward on the
 379 books of the Comptroller and shall be available for expenditure in the second year of the current
 380 biennium. Any unexpended balance remaining in this Item on June 30, 2002, shall be carried forward on
 381 the books of the Comptroller and shall be available for expenditures in the next biennium.

382 E.1. This appropriation includes \$30,000,000 the first year to be used at the discretion of the
 383 Governor, subject to prior consultation with the Chairmen of the House Appropriations and Senate
 384 Finance Committees, to attract economic development prospects to locate or expand in Virginia. Funds
 385 appropriated for the purposes of this paragraph shall be deposited to the Governor's Development
 386 Opportunity Fund, as established in § 2.1-51.6:5, Code of Virginia, on July 1 of each fiscal year.

387 2. The Governor may allocate these funds as grants or loans to political subdivisions. Loans shall be

approved by the Governor and made in accordance with procedures established by the Virginia Economic Development Partnership and approved by the State Comptroller. Loans shall be interest-free unless otherwise determined by the Governor and shall be repaid as follows: the first \$1,000,000 of repayments shall be deposited to the Governor's Motion Picture Opportunity Fund; and any additional repayments shall be deposited to the general fund of the state treasury to the general fund of the state treasury. The Governor may establish the interest rate to be charged, otherwise, any interest charged shall be at market rates as determined by the State Treasurer and shall be indicative of the duration of the loan. The Virginia Economic Development Partnership shall be responsible for monitoring repayment of such loans and reporting the receivables to the State Comptroller as required.

3. Funds may be used for public and private utility extension or capacity development on and off site; road, rail, or other transportation access costs beyond the funding capability of existing programs; site acquisition; grading, drainage, paving, and other activity required to prepare a site for construction; construction or build-out of publicly-owned buildings; grants or loans to an Industrial Development Authority, Housing and Redevelopment Authority, or other political subdivision pursuant to their duties or powers; training; or anything else permitted by law.

4. Prior to the issuance of bonds by the City of Newport News Industrial Development Authority, the Governor is authorized to use unobligated balances to meet any unanticipated expense associated with the Commonwealth's share of the cost of the Virginia Advanced Shipbuilding and Carrier Integration Center.

5. At his discretion, the Governor is authorized to pledge up to \$250,000 from the Governor's Development Opportunity Fund in fiscal year 2002 for the proposed national comprehensive museum and education center on the Civil War.

6.a. Out of the amounts in this Item for the Governor's Development Opportunity Fund, the Governor may make available, in the form of a zero-interest loan, a line of credit up to \$4,500,000 to assist the City of Salem to support the expansion of a major employer. The City shall not provide a cash match. The city's matching contribution shall include the donation of at least 7.2 acres and the assumption of all site preparation and site development costs. The City shall repay the loan over a five-year period, commencing one year after completion of the expansion.

b. Such line of credit shall be contingent upon an affirmative decision by such employer to expand its facility in Salem and upon communication of the decision to the Virginia Economic Development Partnership. In addition, the City must certify to the Virginia Economic Development Partnership that the project scope includes a capital investment equal to or greater than \$14,100,000; investment equal to or greater than \$25,513,000 for machines and tools; and an increase equal to or greater than 40 jobs in a thirty month period.

7. Consideration should be given to economic development projects that 1) are in areas of high unemployment; 2) link commercial development along existing transportation/transit corridors within regions; and 3) are located near existing public infrastructure.

8. Of the amounts deposited to the Governor's Development Opportunity Fund, \$1,000,000 the first year may be transferred to fulfill the Commonwealth's obligation in attracting a major employer to Loudoun County. The funds shall be paid to the major employer to reimburse costs incurred in the private construction of a portion of the Loudoun County Parkway. The Governor's Development Opportunity Fund may receive matching funds from Loudoun County to be combined with these funds for purposes of the reimbursement of the Loudoun County Parkway.

F. In the event Major League Baseball grants a franchise to an ownership group to locate a Major League Baseball team in Virginia, the Governor is hereby authorized to develop a financing plan, which has regard for the recommendations of House Document 7 (1997) by the Joint Subcommittee Studying Funding of a Baseball Stadium. At the next session of the General Assembly following the award of such franchise to a team to play its home games in the Commonwealth, the Governor shall submit to that General Assembly a detailed financing plan to carry out the Commonwealth's commitment, if any, to finance construction of a Major League Baseball Stadium.

G.1. Out of the amounts in this Item, the Governor is authorized to provide up to \$1,000,000 the first year from the general fund to be used as incentives to partner with a film company for the filming, in Virginia, of up to two movies on the Civil War. Prior to the offer of any incentives, the film company must certify that a distribution and production agreement has been reached with a network, cable or theatrical distributor. Any consideration for incentives shall be directly tied to an in-kind promotional agreement between such company and the Virginia Tourism Corporation. Such in-kind agreements may include promotional advertising, inclusion of a promotional "trailer," and promotional links to related "Web Domains." The Virginia Tourism Corporation may also set other criteria in determining the amount of incentives to award such company.

2. Any funds not otherwise committed for the purpose outlined in paragraph G1, shall be carried forward and made available to the Governor's Motion Picture Opportunity Fund, as established in

419 § 2.1-548.61, Code of Virginia.

420 3. Prior to November 1, 2000, the Tourism Corporation shall develop a methodology for calculating
421 the economic benefit of providing grants to attract film production. The methodology shall include a
422 way in which to measure and determine the direct impact of tax revenue generated by each film
423 attracted by use of a grant. In preparing the methodology required under this paragraph, the Tourism
424 Corporation shall cooperate with the House Appropriations and Senate Finance Committees. The
425 Committees shall make periodic inquiries on the progress of this project.

426 H.1. Out of the amounts in this Item shall be provided ~~\$1,500,000~~ \$423,000 the second year from
427 the general fund for the Virginia Tourism Authority to plan, develop, test, and implement a visitors
428 technology program. The purpose of the program is twofold: (1) to encourage out-of-state visitors to
429 vacation or visit the Commonwealth; and (2) to encourage visitors to lengthen their stay in Virginia.

430 2. The Virginia Tourism Authority shall, in conjunction with the Visitor Service Facility Business
431 Technology Advisory Committee, and appropriate state agencies, and representatives from local and
432 regional tourism organizations, local governments, historic and recreational attractions, and the lodging
433 and hospitality industries, develop a plan for the visitors technology program.

434 3. The plan shall be submitted to the Secretary of Commerce and Trade and to the Chairmen of the
435 Senate Finance and House Appropriations Committees by December 1, 2000. The plan shall include, but
436 not be limited to, the policies defining state-responsible and nonstate-responsible start-up, equipment and
437 maintenance costs; the schedule and costs for developing, testing, and implementing the program,
438 including the purchase of technology software and hardware and internet connections to the Web site of
439 the Virginia Tourism Corporation and its partners; the experiences of similar systems in South Carolina,
440 Colorado, and elsewhere; and options to phase the implementation of the program.

441 4. In developing the plan, the Authority shall be guided by these principles: (a) The visitors
442 technology program shall include state-certified local visitor centers and state welcome centers. The
443 program's focus is on technology and not on the construction of new facilities; (b) The program needs to
444 be interactive with the capacity to offer ticketing and reservation services to attractions, hotels and
445 restaurants across the state; (c) The program needs to have the capability to market Virginia attractions
446 on the Internet; and (d) The program should permit hotels and motels to participate so that guests can
447 make reservations and buy tickets through the hotels' computer systems.

448 I. This appropriation includes \$250,000 the first year and \$250,000 the second year from the general
449 fund to establish a statewide workforce training loan program focusing on technology-related training.
450 Funds appropriated for the purposes of this paragraph shall be deposited to the Workforce Training
451 Access Fund, as established in § 9-329.6, Code of Virginia.

452 J.1. Out of this appropriation, ~~\$13,000,000~~ \$8,000,000 the second year from the general fund and
453 ~~\$13,000,000 million~~ \$8,000,000 the second year from higher education operating funds is designated to
454 create the Commonwealth Technology Research Fund. The Fund shall be established on the books of
455 the Comptroller, the balance of which shall not revert to the general fund at the end of the fiscal year
456 but shall be reappropriated for expenditure in the succeeding year. Interest earned on moneys in the
457 Fund shall remain in the Fund and be credited to it. Expenditures and disbursements from the Fund shall
458 be made by the State Treasurer on warrants issued by the Comptroller upon written request bearing the
459 signature of the Director, Department of Planning and Budget.

460 2. The purpose of the fund shall be to attract public and private research funding for institutions of
461 higher education, in order to increase technological and economic development in Virginia.

462 3. The Fund shall be administered by the Department of Planning and Budget. Awards from the
463 Fund shall be made to Virginia public institutions of higher education.

464 4.a. For purposes of awards, the Fund shall have three components: 1) A matching funds program to
465 leverage federal and private research dollars. 2) A strategic enhancement program to upgrade the
466 research capacity of those academic departments that have demonstrated the ability to perform
467 innovative research in technology fields that has strong potential to contribute to economic development
468 in the Commonwealth. 3) A program to upgrade research capacity in key departments of the institutions
469 in order to attract specific companies to locate or expand in Virginia.

470 b. Awards for the matching funds component shall be contingent upon the approval of the
471 institution's grant proposal for federal or private funds.

472 c. Awards from the Commonwealth Technology Research Fund pursuant to paragraphs 1 through 5
473 of this Item shall be matched on at least a dollar-for-dollar basis by the respective institution of higher
474 education or combinations thereof. However, for good cause, this requirement may be waived, in whole
475 or in part, by the decision-making authority described in paragraph 5 d of this Item, provided that such
476 action is reported to the Director, Department of Planning and Budget and the Chairmen of the House
477 Appropriations and Senate Finance Committees at least ten days prior to the award or disbursement of
478 funds for such purpose.

479 5.a. Awards shall be based on scientific merit and economic development potential of research
480 programs in the following fields: aerospace, biotechnology, energy, environmental and information

technologies, high performance manufacturing, telecommunications, and transportation. However, for good cause, awards supporting research in other relevant fields or disciplines may be made by the decision-making authority described in paragraph 5 d of this Item, provided that such action is reported to the Director, Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance Committees at least ten days prior to the award or disbursement of funds for such purpose.

b. Specific guidelines for the award of funds from this program shall be developed by the Department of Planning and Budget, the Innovative Technology Authority, the Virginia Economic Development Partnership, and the State Council of Higher Education, in consultation with representatives of the House Appropriations and Senate Finance Committees, or their designees, and three representatives of higher education institutions. These guidelines shall address, at minimum, the application process, and the composition and operation of proposal review panels, and give special emphasis to fostering collaboration between institutions of higher education and partnerships between institutions of higher education and business and industry. The agreed upon guidelines shall be reported to the Governor and to the Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2000. No proposals shall be considered for funding under the program before these guidelines have been reported to the Governor and Chairmen of the House Appropriations and Senate Finance Committees, and distributed to the institutions of higher education.

c. The Director, Department of Planning and Budget shall coordinate the evaluation of proposals, to be conducted by review panels with the appropriate science and technology expertise, drawn from federal agencies and academic and industrial research institutions across the country.

d. Recommendations on the grants shall be made by representatives from the Innovative Technology Authority, the Virginia Economic Development Partnership, and the State Council of Higher Education based on the recommendations of the review panels.

6.a. Effective January 1, 2001, the Director, Department of Planning and Budget, shall provide the Governor and the Chairmen of the House Appropriations and Senate Finance Committees with a quarterly report to include a detailed list of awards committed, the amount of each approved award, a description of the approved proposals and the amount of federal or private matching funds anticipated where applicable.

b. Not later than June 30, 2002, the Department of Planning and Budget shall submit to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees an evaluation of the Fund. The evaluation shall include an assessment of the effectiveness of the Fund in attracting public and private research funding and increasing technological and economic development in Virginia, and an assessment of the administration of the program including the effectiveness of the decision-making process.

~~K. Out of this appropriation, \$2,500,000 the first year and \$2,500,000 the second year from the general fund shall In the first year \$2,500,000 from funds appropriated to the Virginia Tobacco Settlement Foundation and \$2,500,000 in the second year from funds appropriated to the Virginia Tobacco Settlement Foundation may be deposited to the Commonwealth Health Research Fund each year.~~

~~L. This appropriation includes \$1,000,000 the second year from the general fund for Economic Development Grant Payments to localities pursuant to the provisions of House Bill 1268.~~

I VETO THIS ITEM. /s/ James S. Gilmore, III (4/9/00) (Vetoed item is enclosed in brackets.)

[M. The Governor is hereby authorized to communicate to major league baseball the Commonwealth's commitment to fund its portion of the stadium financing plan as recommended in House Document #7 (1997) by the Joint Subcommittee Studying Financing Options for the Purpose of Constructing a Baseball Stadium in Virginia, and such commitment is to be effective only in the event major league baseball grants, or commits to grant a franchise to an ownership group to locate a major league baseball team in Virginia. At the next session of the General Assembly following the award or commitment to award such franchise, the Governor shall submit to that General Assembly a detailed financing plan to carry out the Commonwealth's commitment to finance construction of a major league baseball stadium.]

N. Included in this Item is \$250,000 from the general fund the first year which may be transferred to the Major League Baseball Stadium Authority for the purposes set forth in § 15.2-5801, Code of Virginia.

I VETO THIS ITEM. /s/ James S. Gilmore, III (5/19/00) (Vetoed item is enclosed in brackets.)

[O.1. This appropriation includes \$5,500,000 the first year from the general fund to provide limited health care benefits and related administrative expenses for displaced textile workers, as defined in paragraph O 2.

2.a. There is hereby created the Textile Workers Temporary Health Benefits Program for the purpose of providing health care benefits for displaced Virginia textile workers and their dependents, as

542 described in paragraph O 3.

543 b. The temporary health insurance benefits authorized by this Item shall be available from June 1,
544 2000 to May 30, 2001.

545 c. The Department of Medical Assistance Services shall receive \$2,917 per month to administer the
546 program.

547 d. The Virginia Employment Commission (VEC) shall receive a one-time fee of \$10 per claimant.
548 Such fee shall be used to cover the costs of certification of eligibility to participate in the temporary
549 health benefits program authorized by this Item.

550 e. The Textile Workers Temporary Health Benefits Program shall enroll all qualifying persons who
551 are certified by the Virginia Employment Commission to the Department of Medical Assistance Services
552 as eligible for the benefits authorized by this Item.

553 3.a. Participation in the temporary health benefits program authorized by this Item shall be limited to
554 residents of Virginia and their dependents who are (i) former employees of textile companies located in
555 the West Piedmont Planning District and their dependents and (ii) former employees of textile
556 companies located in any county from a Planning District adjoining the West Piedmont Planning District
557 Commission and their dependent spouses, provided that such county's 1999 average unemployment rate
558 was equal to or greater than 6 percent.

559 b. To be eligible for benefits under this program: (i) the former employee's unemployment status
560 must have resulted from a textile company ceasing or limiting business operations on or after July 1,
561 1999, but, on or before January 31, 2000; (ii) the worker must qualify, or have been qualified, for the
562 regular Unemployment Insurance Program; and (iii) the worker must not have been terminated for cause.

563 c. Qualifying former employees whose benefits have expired, as well as former employees receiving
564 unemployment insurance benefits, may register for the program at local VEC offices in the coverage
565 area and at other sites as determined by the Department of Medical Assistance Services. The Virginia
566 Employment Commission and the Department of Medical Assistance Services shall make every effort to
567 utilize sites and procedures that are convenient for the eligible individuals.

568 d. Limited health insurance coverage for former employees and their dependent spouse shall end at
569 the earlier of (i) full-time employment, defined as working for wages or salary in excess of the federal
570 minimum wage for more than 30 hours per week, or (ii) termination of the limited health benefits
571 program as described in this Item.

572 4. The Department of Medical Assistance Services shall develop, implement, and administer the
573 Textile Workers Temporary Health Benefits Program for displaced Virginia textile workers who meet
574 the criteria listed in paragraph O 3.

575 5. Lack of health care for the displaced Virginia textile workers and their families shall be deemed to
576 be a public health emergency pursuant to § 9-6.14:4.1, Code of Virginia; therefore, to meet this
577 emergency situation the Board of Medical Assistance Services shall promulgate emergency regulations to
578 implement this program to be effective June 1, 2000. The program shall: (i) include the eligibility
579 criteria listed in paragraph O 3; (ii) provide health benefits to the displaced Virginia textile worker and
580 his dependents as certified by the Virginia Employment Commission; (iii) provide health benefits similar
581 to, but not in excess of, the amount, duration and scope of medical services covered as established in
582 the State Plan for Medical Assistance pursuant to § 32.1-325, Code of Virginia; and (iv) provide such
583 covered health care benefits for the period of June 1, 2000 to May 30, 2001.

584 6. For the purpose of linking essential services to displaced workers and their families and
585 ameliorating, to the extent possible, the effects of loss of income and benefits, the Virginia Employment
586 Commission and the Department of Medical Assistance Services shall establish an aggressive outreach
587 mechanism for recent displaced workers in Virginia.

588 7. The Department of Medical Assistance Services and the Virginia Employment Commission shall
589 report to the Chairmen of the House Appropriations and Senate Finance Committees on their progress in
590 designing and implementing the program on May 1, 2000, and provide the Committee Chairmen with
591 updated reports on the status of the program on June 1, 2000, July 1, 2000, September 1, 2000, and
592 December 1, 2000.]

593 8. *Out of amounts in this item, the Director of the Department of Planning and Budget shall transfer*
594 *\$851,958 the second year from the general fund to the Compensation Board to provide 30 additional*
595 *deputy sheriff positions to meet the one law-enforcement deputy per 1,500 population as required by the*
596 *Code of Virginia. The positions shall be allocated by the Compensation Board to be consistent with the*
597 *requirements of § 15.2-1609.1 of the Code of Virginia to the sheriffs' offices in the following localities:*

598 *Amelia County*
599 *Brunswick County*
600 *Fauquier County*
601 *Frederick County*
602 *Goochland County*
603 *King George County*

604 *Pittsylvania County*
 605 *Rappahannock County*
 606 *Spotsylvania County*
 607 *Wise County*
 608 *Bedford County*
 609 *Culpeper County*
 610 *Fluvanna County*
 611 *Giles County*
 612 *Hanover County*
 613 *Loudoun County*
 614 *Pulaski County*
 615 *Shenandoah County*
 616 *Stafford County*
 617 *York County*

618	549.	Deferred Compensation Match (75900)	14,240,628	14,140,628
619			12,840,628	10,540,628
620	Fund Sources:	General	14,240,628	14,140,628
621			12,840,628	10,540,628

622 Authority: Title 51.1, Chapter 6, Code of Virginia.

623 A. The Governor is hereby authorized to transfer funds from agency appropriations to the accounts
 624 of participating state employees such amounts as may be necessary to match the contributions of the
 625 qualified participating employees, consistent with the requirements of § 51.1-606, Code of Virginia. Such
 626 transfers shall be made consistent with the following:

627 1. Effective July 1, 2000, the maximum cash match provided to eligible employees shall not be less
 628 than \$20.00 per pay period, or \$40.00 per month. The Governor may direct the agencies of the
 629 Commonwealth to utilize funds contained within their existing appropriations to meet the requirements
 630 of § 51.1-606, Code of Virginia, provided that funds included in this Item may be used to supplement
 631 agency appropriations deemed by the Director of the Department of Planning and Budget as insufficient
 632 to meet the requirements of § 51.1-606, Code of Virginia.

633 2. The Governor may direct agencies supported in whole or in part with nongeneral funds to utilize
 634 existing agency appropriations to meet the requirements of § 51.1-606, Code of Virginia. Such
 635 nongeneral revenues and balances are hereby appropriated for this purpose subject to the provisions of
 636 § 4-2.01 b of this act. The use of such nongeneral funds shall be consistent with any existing conditions
 637 and restrictions otherwise placed upon such nongeneral funds.

638 3. Employees who are otherwise eligible but whose 403 (b) provider does not participate in the cash
 639 match program by establishing a 401(a) account are ineligible to receive a cash match.

640 B. The procurement of services related to the implementation of this program shall be governed by
 641 standards set forth in § 51.1-124.30 C, Code of Virginia, and shall not be subject to the provisions of
 642 Chapter 7 (§ 11-35 et seq.) of Title 11, Code of Virginia.

643 C. Out of the amounts in this item shall be provided \$100,000 the first year from general fund to the
 644 Virginia Retirement System to implement the provisions of Chapter 664, 1999 Acts of Assembly.

645 Item 550 not set out.

646		TOTAL FOR CENTRAL	798,902,101	1,028,578,042
647		APPROPRIATIONS		
648			[773,874,693	[1,053,329,308
649			773,474,693]	1,053,702,360]
650		General Fund Positions	5.00	5.00
651		Position Level	5.00	5.00
652	Fund Sources:	General	656,566,134	847,233,296
653			[629,038,726	[874,484,562
654			628,638,726]	874,857,614]
655		Higher Education Operating	0	8,496,841
656		Enterprise	65,000,000	65,000,000
657		Trust and Agency	77,335,967	107,847,905
658			79,835,967	105,347,905

659 2. That no provision of this act shall alter the effect of any and all budget actions that have been
 660 taken, or will be taken, pursuant to the Governor's Executive Order Seventy-four (01) issued on
 661 February 24, 2001.

662 3. That this act is effective on its passage, as provided in subsection C of § 1-12 of the Code of
663 Virginia.