



Summary of
1998 BUDGET ACTIONS

MARCH 30, 1998

Prepared jointly by the staffs of:
SENATE FINANCE COMMITTEE
and
HOUSE APPROPRIATIONS COMMITTEE

INTRODUCTION

This document was prepared by the staff of the Senate Finance and House Appropriations Committees as a summary of the adopted budget for the 1998-2000 biennium, prior to the 1998 Reconvened Session. Additional information will be made available after the April 22, 1998, Reconvened Session of the 1998 General Assembly.

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Overview of the Budget for 1998-2000, As Adopted

The adopted budget for 1998-2000 is predicated on (1) significant increases in the revenue projection above the amounts forecast last year for 1998-2000; and (2) substantial uncommitted balances that result primarily from the higher revenue forecast for FY 1998. Together, they provide about \$20.3 billion in general fund resources available for 1998-2000 -- about \$2.9 billion more than the approximate cost of continuing current services.

In addition to the \$2.9 billion in new revenue, budget savings of about \$149.0 million are included in the adopted budget, bringing total new general fund resources available for appropriation to about \$3.0 billion.

The adopted budget includes operating budget increases of \$2.7 billion and \$323.9 million for capital outlay.

General Fund Budget for 1998-2000, As Adopted (\$ in millions)	
Revenues Available for Appropriation	\$ 20,281.5
Operating Appropriations	19,951.6
Capital Appropriations	<u>323.9</u>
Unappropriated Balance	\$ 6.0

Revenues

The general fund revenue forecast anticipates growth rates of 5.8 percent for FY 1999 and 5.5 percent for FY 2000 -- significantly above those assumed last year for 1998-2000. In addition, because FY 1998 revenues are now projected to be substantially greater than expected last year, the higher base to which the growth rates are applied also increase revenues for 1998-2000. The combination of higher growth rates and a larger base from which revenues grow produces a general fund revenue forecast for FY 1999 and FY 2000 which is \$1,513.8 million above last year's projections.

Well over half of the increased revenue in the revised forecast results from the re-estimate for non-withholding collections. Strong stock market performance, changes in the federal tax rate for capital gains, and the strong income outlook projected for business owners and proprietors accounts for much of the projected increase.

Throughout the forecast period, Virginia's economy is projected to slightly outperform the nation. The revenue forecast assumes strong economic conditions in FY 1998, with somewhat slower, albeit healthy, employment growth and low inflation in FY 1999 and FY 2000.

As adopted, the budget also includes \$768.4 million in balances either brought forward from 1996-98 or projected to occur in 1998-2000. The largest portion of this total comes from a \$531.1 million increase in the revenue forecast for FY 1998. Because very little of this revenue is used in FY 1998, most of it flows forward as a balance into 1998-2000.

Another \$211.4 million in balances comes from taking out of reserve those amounts that are appropriated for payment to the Revenue Stabilization Fund during the 1998-2000 biennium.

Spending Increases, As Adopted

The operating appropriations included in the adopted budget provide about \$2.7 billion in general fund spending increases above the level necessary to continue FY 1998 workloads and costs. Of this total, \$238.8 million is for payments to the Revenue Stabilization Fund based on FY 1997 actual and FY 1998 projected revenue growth. Another \$533.0 million is allocated in a central account to support the exemption of personally owned vehicles from a portion of the personal property tax, and to provide financial assistance for public school facilities.

Of the remaining \$1.9 billion in additional resources, about \$910 million is used to fund increased operating support for public schools, to open and operate new adult and juvenile correctional facilities and local jails, and to meet mandated cost increases in several entitlement programs, primarily Medicaid.

The employee compensation package for classified employees, faculty, local school teachers, and other state-supported local employees is funded at \$336.0 million.

In Human Resources, increases of about \$150 million are included to improve the range of community mental health, mental retardation and substance abuse services available, strengthen efforts to help former welfare

clients transition to work, provide additional assistance to people with physical disabilities, and improve health care for children.

The adopted budget also contains Chesapeake Bay clean-up activities at \$28.7 million, and a number of expansions in economic development programs and non-state agencies.

For capital outlay, the adopted budget includes for the first time since 1988-90 a significant capital program using current revenues. A total of \$323.9 million GF is provided.

A summary of significant general fund spending increases in each major area follows.

Direct Aid for Public Education. About \$740.8 million of the \$2.7 billion in spending increases is allocated to Direct Aid to Public Education.

The largest portion of the new spending -- \$350.2 million GF -- goes to update the Standards of Quality accounts for increased enrollment (28,871 more students by the end of the biennium), prevailing costs of education, sales tax revenues, and updated composite index calculations, using the methodology which has been in place since 1986. A total of \$31.7 million has also been included to fund a retiree health care credit benefit authorized by the 1996 General Assembly.

Higher enrollment, caseloads, and higher prevailing costs also drive spending increases in a number of other programs, including Regional Special Education Tuition (\$20.0 million), At-Risk Four-Year-Olds program (\$11.3 million), Remedial Summer School (\$16.8 million), K-3 Reduced Class Size (\$16.3 million), At-Risk funding (\$7.0 million), and other categorical programs.

About \$97.1 million also has been included to provide a 2.25 percent salary increase for public school employees on January 1 of each year; and to provide initiatives in teacher training (\$25.2 million), remediation (\$29.6 million), and funding for instructional materials related to the revised Standards of Learning (\$25.1 million).

Funding is also included to reduce, and then eliminate, the diversion of Literary Funds for teacher retirement (\$23.2 million), provide 1,400 new elementary teachers (\$36.5 million), and expand the K-3 Reduced Class Size Program (\$29.2 million).

In addition, the approved budget provides \$50.0 million NGF from a 5-year equipment financing in the second year to continue the General Assembly's investment in upgrading technology in public schools. Funding is based on a \$26,000 allotment for each school.

Funding is contained in a central account to support a program of \$110.0 million in financial assistance for public school facilities. The item includes language directing the Governor to identify, prior to the 1998 reconvened session, \$29.2 million of additional revenue or budget savings to be used for this program.

Higher and Other Education. About \$201.4 million in funding increases are provided for higher education. Of this amount, \$111.8 million (\$72.5 million GF, \$39.3 million NGF) is provided to move faculty salaries to the 60th percentile by FY 2000. This funding will provide annual salary increases averaging 5.8 percent for instructional faculty.

The budget also continues for two years the freeze on increases in tuition and mandatory instructional fees. Institutions are allowed to assess a technology fee of no more than 1 percent of tuition and required fees for resident undergraduates, to be used for student computing and technology support.

Other initiatives include \$10.0 million to increase student financial assistance; \$11.9 million to address Year 2000 compliance issues; \$9.1 million for the operation and maintenance of new facilities; \$19.0 million to provide operating support for technology; and \$17.3 million GF to increase the Tuition Assistance Grants for students attending private institutions from \$2,000 per student to \$2,600.

The budget also provides an allocation of \$84.9 million from the Higher Education Equipment Trust Fund, to provide technology infrastructure and to replace obsolete equipment. Lease payments on the equipment are budgeted in the Treasury Board.

A number of institution-specific initiatives are described in the Higher Education narrative which follows later in this overview.

Public Safety. The adopted budget contains an increase of \$132.2 million for public safety.

Adult corrections accounts for \$55.5 million of the increase. Major components include \$25.3 million to open the Red Onion State Prison (opening July, 1998), and \$17.6 million for the increased cost of maintaining additional inmates.

In order to bring adult correctional facility capacity in line with slower growth in the offender population, a new contract bed program is authorized to provide space for inmates from outside the Commonwealth. Under this program, per diem charges will provide nongeneral fund revenues for DOC to operate Sussex II State Prison (opening October, 1998) and Wallens Ridge State

Prison (opening January, 1999), as well as additional beds at the new women's facility at Fluvanna and other secure facilities.

State and local juvenile corrections accounts for another \$31.9 million of the spending increase in public safety. This includes \$11.2 million for the phased opening of the new maximum security facility at Culpeper -- 9 months after construction is completed -- and \$3.3 million for two new boot camps, plus \$2.7 million to expand military-style programs.

Another \$5.5 million is provided to fund the required increase in the Virginia Juvenile Community Crime Control Act (VJCCCA) formula. And, about \$5.5 million is also provided for the state share of the capital and operating cost of new regional or local juvenile detention homes.

Other public safety spending increases include \$17.9 million to replace transportation funds which have been utilized to offset operating costs in the Department of State Police; \$7.6 million for the forensics laboratory and DNA database; \$1.6 million to begin developing an integrated criminal justice information system; and \$1.5 million to relocate the Department of Military Affairs headquarters to Fort Pickett.

Health and Human Resources. The adopted budget includes an increase of \$275.8 million GF for the biennium. About half is federally required -- funding for inflation and increased utilization in Medicaid entitlements (\$111.7 million); and patient care improvements in mental health facilities (\$28.5 million). The remaining \$135.6 million GF in spending for non-federally mandated items is partly offset by projected general fund savings of \$57.5 million.

The budget also funds state participation in a new optional federal children's health insurance program. The \$93.8 million child health insurance and Medicaid outreach package includes \$21.2 million GF as a match for federal funds. An estimated 83,000 children living in families with incomes at or below 185 percent of the federal poverty level would be served by the new program.

As a step toward downsizing state institutions for mentally disabled persons, an additional \$55.9 million GF is included for community services and other initiatives to reduce the need for large state institutions. The closing of Piedmont Geriatric Hospital by July 1999, which was proposed in the introduced budget, was not adopted. Instead, the Department of Mental Health, Mental Retardation, and Substance Abuse Services was directed to develop a statewide approach for shrinking state facilities and building community capacity for serving discharged patients.

Commerce and Trade. Nearly all of the new general fund spending in the Commerce and Trade Secretariat occurs in three agencies -- the Department of

Housing and Community Development, the Virginia Economic Development Partnership, and the Department of Business Assistance.

New funding includes \$10.0 million for the Richmond Centre expansion project, \$3.4 million for Enterprise Zone grant payments, \$4.0 million to continue the state's commitment for the Semiconductor Educational Endowment Fund, \$6.0 million to increase Workforce Training services provided by the Department of Business Assistance, and \$16.4 million for activities, including workforce training, conducted through the Regional Competitiveness Act.

Funding of \$30.5 million for the biennium is included in Central Accounts for the Governor's "Deal Closing Fund." Also included in Central Accounts is \$2.7 million for the Solar Photovoltaic Economic Development Incentive Grants, \$2.0 million for economic contingencies, and \$3.1 million for the dredging of a deep draft anchorage and a study of Craney Island in Hampton Roads.

Natural Resources. The budget increases spending in Natural Resources by \$39.8 million to achieve the multi-state commitment to reduce nutrients and improve water quality, assist the cities of Lynchburg and Richmond in addressing their combined sewer overflow problems, boost tourism in the state's parks, and manage the state's natural areas.

New spending of \$29.5 million GF for nutrient reduction and water quality improvements focus on point source, non-point source, and technical assistance programs provided by the Departments of Environmental Quality, and Conservation and Recreation throughout the state.

Local aid of \$7.0 million for Richmond and Lynchburg is provided to match an identical sum of federal dollars. In addition, the budget provides \$3.9 million for additional positions and operating support for state parks and natural areas.

General Government. Central Appropriations includes \$533.0 million for the biennium to fund the proposed exemption from the personal property tax for personally owned vehicles, as well as to support financial assistance for public school facilities. In the amendment, the Governor is directed to identify funding sources totaling an additional \$29.2 million, prior to the reconvened session, in order to fully support \$447.2 million for car tax relief, and \$110.0 million for school construction.

In Administration, the budget provides funding of \$31.0 million to reduce the state funding ratio from the current level of one law enforcement deputy per 2,000 general population to one deputy per 1,500 general population, and staff for new local and regional jails.

In Finance, \$32.9 million is added for full-year debt service on bonds issued in FY 1998, and debt service on bonds to be issued in the next biennium. Another \$37.7 million is provided for lease payments for six capital lease projects currently managed by other agencies, with two-thirds of the required funding transferred to the Department of the Treasury from those agencies. An additional \$20.1 million is included for debt service on higher education equipment financings.

Finally, funding of \$13.7 million is recommended to pay the cost of correcting Year 2000 problems for information systems at non-higher education agencies. Funding for the Year 2000 solutions in higher education is budgeted directly to the affected institutions, though planning will be coordinated centrally.

Compensation. Employee compensation increases totaling \$166.4 million GF are provided to pay for compensation increases in each year of the biennium for state and state-supported employees. These increases include:

- 1) \$149.0 million to fund performance pay increases of up to 4.55 percent in FY 1999 and 2.25 percent increases in FY 2000;
- 2) \$11.2 million for a one pay grade increase for State Police officers up to the rank of Captain.
- 3) \$6.2 million to phase in competitive salary plans for employees of the district courts, part-time magistrates, as well as funding for similar pay adjustments for local social services workers.

Employer premium increases totaling \$30.2 million for health insurance are recommended as part of a package designed to restore the financial stability of the state's self-insured health benefits program.

Transportation. The adopted budget includes several funding enhancements for public transportation. First, an additional \$2.4 million was provided the first year and \$5.5 million the second year to reflect the provisions of SB 562/HB 958, which provide that mass transit will receive 14.5 percent the first year and 14.7 percent the second year from the Transportation Trust Fund.

An additional \$5.0 million NGF was also provided to encourage the improved performance of local public transit operations. Other changes include \$3.5 million NGF the first year for a statewide bus purchase program and \$5.0 million NGF in matching funds for the South Hampton Roads Transit Project.

Capital Budget Recommendations. The adopted budget provides \$888.2 million in additional support for capital construction, \$323.9 million of which comes from the general fund. The general fund projects include \$226.2 million of

high priority construction and renovation projects in higher education. Maintenance reserve funding of \$51.3 million in general funds and \$15.4 million in special funds is provided to state agencies.

Nongeneral fund projects include \$49.1 million for dorms and dining facilities at colleges and universities backed with state-supported 9(c) debt. Non-state supported debt of \$195.8 million from 9(d) bonds will be issued for parking and athletic facilities at colleges and universities.

The following table details the significant general fund spending increases in the budget, as adopted.

Major Spending Increases Provided in the Budget, As Adopted (GF \$ in millions)	
Direct Aid to Public Education	
SOQ Accounts Updated/Sales Tax Revenues	\$ 350.2
2.25 % Salary Increase Each Year for Teachers	97.1
K-3 Reduced Class Size Program- Increased Enrollment/Include All Schools	45.5
1,400 New Elementary Teachers	36.5
Teacher Training for Standards of Learning	25.2
Retiree Health Care Credit	31.7
Remediation Program for Standards of Learning	29.6
Materials/Textbooks for Standards of Learning	25.1
Eliminate Literary Fund Diversion by FY 2000	23.2
Regional Special Education-Incr. Enrollment/Rates	20.0
Remedial Summer School-Incr. Enrollment/Costs	16.8
At-Risk Four-Year-Olds Program-Incr. Enrollment	11.3
At-Risk Funding-Incr. Enrollment/Per Pupil Funding	7.0
Enroll/Cost Incr.-ESL/Alt. Ed./Other Categorical	4.7
Expansion of Hospitals/Clinics/Detention Homes	4.2
Governor's Schools-Increased Enroll./New Openings	3.8
School Health Initiative	3.3
Cost of Competing Differential	3.0
Composite Index Transition	1.6
Increase Dropout Prevention Funding	1.0

DOE-Testing Program for Standards of Learning	8.3
DOE-School Report Cards-Data Collection/Dissemination	3.1
Higher Education	
Faculty Salaries toward 60th Percentile	72.5
Technology Operating Support	19.0
Year 2000 Compliance for Computer Systems	11.9
Student Financial Assistance	10.0
Enrollment Growth-3 institutions	9.2
Maintenance of New Facilities Coming On-line	9.1
ODU-Increase Technology Degrees	5.2
GMU-Improve Instruction in Technology Programs	4.6
VCCS-Workforce Training	4.0
VPI&SU-Cooperative Extension	2.4
Medical Education (UVa,VCU,MCHR)	2.0
JMU-CISAT Campus Support	1.3
NSU-Base Support	1.0
Tuition Assistance Grants to \$2,600	17.3
Aid to Local Libraries	1.4
Grants to Local Arts Organizations	1.3
Public Safety	
Operating Costs for New Adult Prisons	42.9
Replacement of NGF - State Police	17.9
Opening of Culpeper Juvenile Correctional Center	11.2
Forensic Lab & DNA Databank-Workload Backlog	7.6
Military-Style Juvenile Program	2.7
State Share of Regional, Local Detention Homes (Operating and Capital)	5.5
Juvenile Community Crime Control Act	5.5
Two New Juvenile Boot Camps	3.3
Correctional Education in New Facilities	2.9
Criminal Justice Information System	1.6
Relocate Military Affairs HQ to Fort Pickett	1.5
Health and Human Resources	
Medicaid Utilization & Inflation	111.7

Community & Facility Services for Mentally Disabled	55.9
Patient Care Improvements at Mental Health Facilities	28.5
New Health Program for Poor Children	21.2
Foster Care & Adoption Subsidies	14.2
Medicaid Rate Increase for Dentists	4.9
Medicaid Information System	4.6
Match for Federal Safe Drinking Water Act	2.4
Services for the Physically Disabled	2.6
"Healthy Families" Program for At-Risk Families	2.3
Rural Health Initiatives	2.0
Child Support Enforcement Admin.-Offset Rev. Loss	1.9
Full Funding of Poison Control Centers	1.7
Child Support Enforcement System Upgrade	1.4
Local Health Dept. Facility Improvements	1.2
In-home Care for the Elderly	1.0
State Match for Federal "Welfare to Work" Grant	1.0
Added Home-Delivered Meals for Elderly	1.0
Comprehensive Services Act	
Caseload Growth	12.1
Employee Compensation	
Classified/Local Empl. Salary Increase - Dec., 1998	121.0
Classified/Local Empl. Salary Increase-Dec., 1999	29.0
Health Insurance Premium Increase	30.2
State Police Regrade	11.2
District Court Employees Pay Plan	5.5
Commerce and Trade	
Regional Competitiveness Act	16.4
Support for Richmond Centre	10.0
Workforce Services Training	6.0
Semiconductor Endowment Fund	4.0
Enterprise Zone Job Grants	3.4
Industrial Site Development	3.0
Finance	
Revenue Stabilization Fund-FY 1999 and FY 2000	238.8

Debt Service Payments-Full Year Cost/New Issues	32.9
Transfer of Capital Lease Payments	37.7
Equipment Trust Fund Debt Service	10.6
Higher Education Equipment Trust Fund - \$84 million Allocation for 1998-2000	9.4
Natural Resources	
Water Quality Impr. Fund-Incr. for Point/Non-point	28.7
State Support for Lynchburg/Richmond Combined Sewer Overflow Projects	7.0
State Parks	3.0
General Government	
Cen. Acc'ts.-Personal Property Tax Program/Financial Assistance for Public School Facilities	533.0
Cen. Acc'ts.-Deal Closing Fund	30.5
Cen. Acc'ts.-Workers Comp. and Liability Fund Incr.	10.5
Comp. Bd.-Law Enforcement Deputies @1:1,500	17.6
Comp. Bd.-Fully Fund 1997-98 New Jail Positions	13.7
Comp. Bd.-Increased Positions for New Jails	12.9
Criminal Fund-Projected Caseload Increase	20.7
Judicial- Fee Increase for Court-Appointed Attorneys- Criminal Fund	3.1
Judicial- Fee Increase for Court-Appointed Attorneys - Mental Commitment Fund	2.8
Judicial-New Judgeships (Circuit, District, J&DR)	1.9
Judicial-New District Court Positions	1.9
Year 2000 Project Office	1.3
Cen. Acc'ts.-Solar Photovoltaic Grants	2.7
Cen. Acc'ts.-Economic Contingency	2.0
Cen. Acc'ts.-Match for Federal Port Dredging/Craney Island Study	3.1
Non-State Agencies	46.6
Other	<u>72.4</u>
Total-Operating Recommendations	\$ 2,683.1

**Capital Outlay Appropriations
(GF \$ in millions)**

Maintenance Reserve (supplemented by \$15.4 million NGF)	\$51.3
Life Safety/Handicapped Access (supplemented by \$4.6 million NGF)	13.5
NVCC-Medical Education Campus	16.8
TCC-Virginia Beach Campus Building	10.0
PDCCC-Workforce Development Center	2.7
DCC-Workforce Development Center	2.0
NVCC-Renovation to Annandale Campus	2.0
MECC-Renovations to Godwin/Holton Halls	2.0
UVa-Clark Hall Renovation/Addition	18.9
UVa-Special Collections Library	10.0
CVC-Science Bldg. Renovation & Addition	9.7
VPI-Chemistry & Physics Building Construction	23.4
VCU-New Science Building Construction	21.9
VCU-Sanger Hall Renovation	10.2
ODU-Constant Hall Renovation & Addition	9.9
GMU-Const. Academic Bldg. IV, Fairfax	18.0
VIMS-Byrd Hall Renovation	4.2
CNU-Renovate Ratcliffe Gymnasium	2.5
LC-Renovate East, West & Main Ruffner	9.1
MWC-Upgrade Goolrick Hall HVAC	2.2
NSU-Renovate Communications Building	3.6
RU-Renovate Walker Hall	2.6
VMI-Renovate Scott-Shipp Hall	10.2
VSU-Renovate Johnston Memorial Library	10.0
VSU-Renovate Owens Hall	5.4
SCIMUS-Campus Improvements, Fiber Optics.	3.5
JYF-Gallery, Cafe, Visitor's Center, & 400th Anniv.	14.9
DMHMRSAS-Asbestos Abatement	7.6
DMHMRSAS-Boilers, Steam Lines, HVAC	3.7
DVisHand-Renovate Charlottesville Workshop	5.0
DOC- Wastewater Treatment and Water Tanks	3.2
DOC- Locks, Window, & Fence Replacement	2.3
DJuv. Just.-Wastewater System Repairs	3.1

DJuv. Just. - HVAC & Fire Safety Upgrades	3.6
DES-Cheatham Annex Fuel Storage Cleanup	2.7
VMNH-Construct New Museum	1.7
Other Capital Outlay	<u>0.5</u>
Total-Capital Outlay	\$ 323.9

Spending Reductions

The budget, as adopted includes reductions totaling about \$149.0 million. Of these reductions, the largest amount comes in Health and Human Resources, including the use of federal funds for costs previously borne by the general fund, and Medicaid reductions which are possible because of changes in federal law. Savings are also produced by expanding Medicaid to include some children being served under the Comprehensive Services Act.

Savings in Public Safety result primarily from substituting nongeneral fund revenue from contracting for use of state prisons by non-state inmates, and projected reductions in the number of prisoner-days for which the Commonwealth must pay regional and local jails.

The following table details the savings included in the budget, as adopted.

Major Spending Reductions in the Budget, As Adopted (GF \$ in millions)	
Health and Human Resources	
Revise Medicaid Reimb. for Medicare Payments	(\$ 27.8)
Substitute Federal Welfare & Other Grants for General Fund Expenditures	(26.9)
Projected Reduction in Use of General Relief	(2.0)
Comprehensive Services Act	
Medicaid for Therapeutic Foster Care/Resid. Services	(17.5)

Public Safety	
Contract Beds-Use of State Beds by Non-state Inmates	(14.5)
Natural Resources	
Match for Wastewater Loan Fund	(2.2)
Public Education	
Reduce Reading Remediation	(5.5)
Eliminate Homework Assistance	(4.1)
Reduce Foster Care - Lower Utilization	(4.0)
DOE-Phase-Out Literacy Passport Test	(2.7)
Administration	
Payments for State Inmates in Local Jails	(24.2)
Lower Utilization of Jail Contract Bed Program	<u>(17.6)</u>
Total	(\$ 149.0)

Revenues

The 1998-2000 budget projects \$20,281.5 million in general fund revenues, transfers, and balances available for appropriation. This total includes \$495.0 million in available balances from the 1996-98 biennium and \$273.4 million in additions to the balance during the 1998-2000 biennium. Projected tax collections total \$18,699.6 million, and \$813.5 million in Lottery profits, ABC profits, and other transfers are included in the funds available for appropriation.

General Fund Revenue Available for Appropriation (\$ millions)	
Available Balances	\$ 768.4
Revenue Estimates	18,699.6
Transfers	<u>813.5</u>
Total General Fund Revenues Available for Appropriation	\$ 20,281.5

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Total General Fund Revenues Available for Appropriation	\$ 20,281.5

Available Balances

As adopted, the budget includes \$768.4 million in balances either brought forward from 1996-98 or projected to occur in 1998-2000. The largest portion of this total comes from a \$531.1 million increase in the revenue forecast for FY 1998. Because very little of this revenue is needed in FY 1998, the bulk flows forward as a balance into 1998-2000.

Another \$211.4 million in balances comes from freeing up for appropriation into the Revenue Stabilization Fund amounts which had been temporarily set aside or reserved by the Comptroller from the FY 1997 revenue surplus.

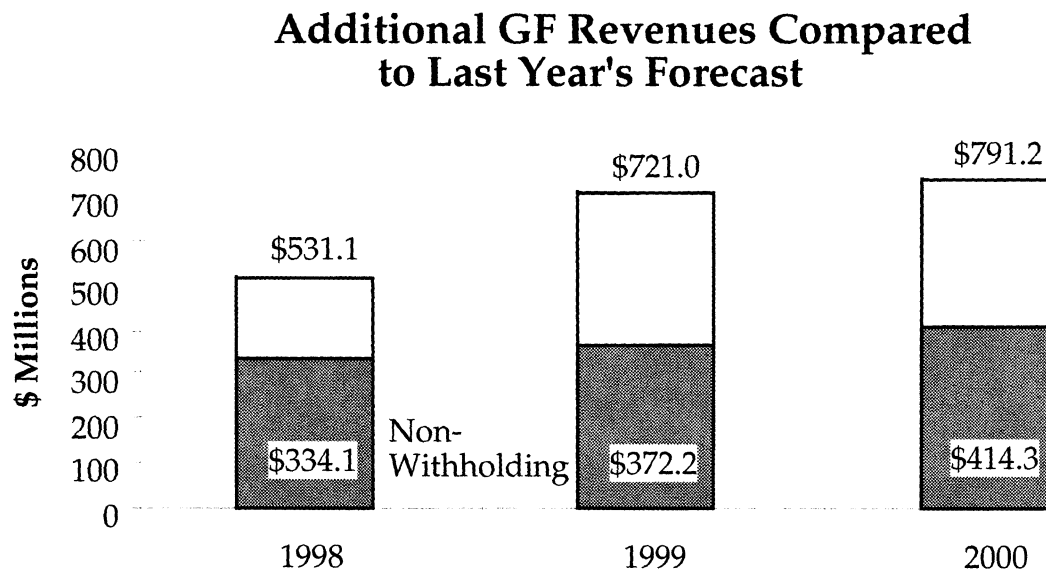
Other balances include: \$35.6 million in federal TANF balances that will be used to fund the costs of the Child Earned Income Tax Credit (SB 638); \$12.6 million from the amounts reserved for lag pay in the 1997 Session; \$6.0 million from unallocated Deal Closing Fund balances; \$7.9 million for recovery of the state's share of federal payments to local and regional jails for

housing federal prisoners; and \$0.9 million for a Virginia Racing Commission repayment of a Treasury loan.

Revenue Growth

The general fund revenue forecast of \$18,699.6 million anticipates growth rates of 5.8 percent for FY 1999 and 5.5 percent for FY 2000 -- significantly above those assumed last year for the next biennium. In addition, because FY 1998 revenues are now expected to be \$531.1 million greater than expected last year, the higher base on which the growth rates are applied will also increase revenues for 1998-2000. The combination of higher growth rates and a larger base upon which to grow means that general fund revenues forecast for FY 1999 and FY 2000 are \$1,513.8 million above last year's projections. When the revised forecast for FY 1998 is included, additional revenues for the three fiscal years total over \$2.0 billion.

Of the more than \$2.0 billion total, \$1.1 billion (55 percent) results from the revised forecast for non-withholding collections. The strong stock market performance, changes in the federal tax rate for capital gains, and the strong income outlook projected for business owners and proprietors accounts for much of the projected increase. The Tax Department expects that federal tax changes on capital gains will induce asset sales that will contribute \$268.9 million of this increase.



Throughout the forecast period, Virginia's economy is projected to slightly outperform the nation. The revenue forecast assumes continued

strong economic conditions in FY 1998, with somewhat slower, albeit healthy employment growth and low inflation in FY 1999 and FY 2000. A more complete description of the economic assumptions underlying the revenue forecast is included later in this section.

Forecast of General Fund Tax Revenues (\$ in Millions)					
	<u>FY98</u>	<u>FY99</u>	<u>Percent Growth</u>	<u>FY00</u>	<u>Percent Growth</u>
Net Ind. Income	\$5,246.8	\$5,605.2	6.8%	\$5,964.8	6.4%
Corp. Income	456.6	453.2	(0.7)	469.3	3.6
Sales	1,933.9	2,031.6	5.1	2,135.3	5.1
Insurance Prem.	220.4	235.0	6.6	248.6	5.8
Public Service	<u>98.5</u>	<u>117.3</u>	<u>19.1</u>	<u>119.4</u>	<u>1.8</u>
Major Taxes	\$7,956.2	\$8,442.3	6.1%	\$8,937.4	5.9%
Other	<u>643.8</u>	<u>659.3</u>	<u>2.4</u>	<u>660.6</u>	<u>0.2</u>
Total Taxes	\$8,600.0	\$9,101.6	5.8%	\$9,598.0	5.5%

Assumed Legislative Revenue Changes

The adopted budget includes a number of changes affecting tax and revenue policies. The largest reduction in revenue, \$35.6 million in increased refunds, is related to the enacted Child Earned Income Tax Credit (SB 638), which is expected to be offset by the use of federal TANF balances.

The adopted budget also continues the deferral of the scheduled law change which would allow individuals to adjust the number of personal exemptions claimed, according to an estimate of their final tax liability. Currently, a taxpayer can ask the Tax Commissioner to administratively increase his withholding exemptions if cause can be shown. The budget as adopted defers this withholding change from January 1, 1999 to January 1, 2001 -- to save \$33.6 million.

Other tax policy changes assumed in the revenue estimates include:

- 1) *Enterprise Zone Cap Increase.* Current law caps at \$8.0 million the total for tax incentives allowed under the Enterprise Zone law. The General Assembly increased the amount of the cap to \$16.0 million per year.
- 2) *Virginia Pre-Paid Tuition Income Tax Subtraction.* The General Assembly enacted a subtraction of \$2,000 per year for each pre-paid tuition contract until the amount paid is fully deducted. The cost of the subtraction is estimated at \$2.5 million the first year and \$2.9 million the second year.
- 3) *Insurance Premium Retaliatory Tax Credit.* The General Assembly enacted a tax credit for retaliatory taxes paid on insurance premiums for companies that meet certain new investment and hiring levels. Some states charge a retaliatory tax to equal Virginia's tax rate on gross premiums for business done in their state because their home-based companies have to pay Virginia's higher premium tax. The proposed tax credit of \$2.5 million per year would reimburse one known eligible company (GE Capital) for retaliatory taxes paid.
- 4) *Historic Rehabilitation Tax Credit.* The General Assembly enacted extending the existing credit to banks and insurance companies, at an estimated cost of \$0.5 million per year.

**Assumed Tax Policy Changes
Affecting General Fund Revenue Estimates**

	<u>\$ Millions</u>
Enacted Tax Reductions:	
Child Earned Income Tax Credit	\$ (35.6)
Enterprise Zone Cap Increase	(10.7)
Virginia Pre-Paid Tuition Income Tax Subtraction	(5.4)
Insurance Premium Retaliatory Tax Credit	(5.0)
Historic Rehabilitation Tax Credit	<u>(1.0)</u>
	(\$57.7)
Adopted Policy Deferrals:	
Income Tax Withholding Change	\$ 33.6

Several tax policy changes scheduled to take effect in the next biennium were not impacted by any General Assembly actions. These include:

- *Non-prescription Drugs.* The adopted budget assumes the \$22.8 million reduction in general fund revenues associated with the sales tax exemption for non-prescription drugs, which will go into effect on July 1, 1998.
- *Neighborhood Assistance.* Total tax credits available for the Neighborhood Assistance Program will increase from \$5.25 million to \$8.0 million per year beginning July 1, 1998.
- *Low-Income Housing.* Tax credits totaling \$1.0 million for providers of housing for low-income residents will take effect on January 1, 1998.
- *Coalfield Employment Enhancement Tax Credit.* From January 1, 1996 through December 31, 2001, taxpayers can earn credits against income taxes based on the production of coal or coal methane gas. Credits cannot be claimed until January 1, 1999. The credits are limited to 50 percent in tax years 1999 and 2000, and 75 percent in tax years 2001 and 2002. The remainder can be claimed in future years. The adopted budget assumes the \$16.4 million reduction in general fund revenues associated with this change.

Transfers

Transfers expected in the 1998-2000 biennium total \$795.1 million. Of this amount, \$684.0 million is expected from Lottery profits, which are projected to continue at the FY 1998 level of \$342.0 million per year. In addition, the Lottery Department is expected to transfer to the general fund \$5.0 million from eliminating the special prize reserve, and \$6.4 million from balances resulting from administrative savings.

Other major transfers that routinely take place include \$42.2 million from Alcohol Beverage Control (ABC) profits, an increase of \$1.7 million per year, and \$21.8 million transferred from ABC revenues to support substance abuse programs. In addition, an estimated \$18.4 million per year will be transferred from the Literary Fund to support a program of financial assistance for public school facilities.

Other significant transfers include \$24.1 million from housing federal inmates in Virginia prisons; \$11.6 million from excess balances in the constitutional officers liability fund; and \$4.7 million from additional DIT rate reductions.

Two significant transfers are expected from the general fund, including a reduction of \$15.1 million to reflect a transfer to the Children's Health Fund of revenues collected from equalizing the insurance premium tax treatment for Trigon, since it is now a public company. This reflects the impact of a bill passed last session to effect this change. Finally, \$19.9 million is expected to be transferred from the general fund to the Capital Expenditure Fund, in keeping with the provisions of SB 476. This amount is used to fund non-recurring expenditures in capital outlay.

**Transfers Included in the Adopted Budget
(\$ in millions)**

Lottery Proceeds	\$ 684.0
Lottery Reserves and Admin. Savings	11.4
ABC Profits	42.2
DOC Contract Prison Revenue	24.1
ABC to MHMRSAS	21.8
Literary Fund-Unclaimed Lottery Prizes	18.4
Unrefunded Marine Fuels	11.9
Excess Balances from Constitutional Officers	11.6
NGF Indirect Costs	10.8
Local Sales Tax Compliance	8.4
DIT Rate Reductions	4.7
Transportation Sales Tax Compliance	3.8
DMHMRSAS Balances in SF Revenues	2.0
IHRIS Recovery NGF's	2.0
Other	3.1
IHRIS Treasury Loan Repayment	(3.0)
GF Transfer to the Game Protection Fund	(8.5)
Children's Health Program	(15.1)
Capital Expenditure Fund	<u>(19.9)</u>
Total Transfers Proposed	\$ 813.5

Economic Scenario Associated with the Revenue Forecast

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

In FY 1997, economic growth was better than expected, both for the U.S. and Virginia. Virginia's employment growth reached 3.1 percent, personal

income grew 5.6 percent, and wages and salaries grew 6.8 percent -- significantly above the level s expected last year.

The table below compares actual and forecast economic indicators for both the U. S. and Virginia. In general, the economy is expected to grow at a somewhat slower, albeit healthy, pace over the forecast horizon, compared to FY 1997.

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

	Actual		Estimated	
	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
Real GDP	3.3%	3.2%	2.2%	2.4%
U.S. Personal Income	5.9	5.6	5.4	5.5
Va. Personal Income	5.6	5.7	6.0	6.1
Va. Wages and Salaries	6.8	5.9	6.3	6.0
Va. Employment	3.1	2.3	2.2	1.8

Source: WEFA September, 1997 Standard Forecast and Virginia
Department of Taxation

Legislative Department

The approved budget for 1998-2000 for the Legislative Department reflects a variety of technical adjustments to continue current operations, which were approved by the House and Senate Rules and Joint Rules Committees. In addition, adjustments are included to provide increased compensation for legislative aides, to reflect increased per diem rates for legislators and aides, and to support legislation and other initiatives approved during the 1998 session.

- **General Assembly**

- *Legislative Aides Salaries.* Includes \$1,340,000 GF each year to increase the compensation allowance for legislative aides to \$28,000, beginning July 1, 1998.
- *Office Expense Allowance.* Adds \$910,000 GF each year to increase members' legislative office expense allowances from \$750 to \$1,250 per month.
- *Interim Per Diem Expenses.* Includes \$320,000 GF each year to increase per diem payments from \$100 to \$200 per day for meetings which are conducted in the interim when the General Assembly is not in session.
- *Automation Pilot Project.* Includes \$400,000 GF the first year for a pilot project to provide personal computers in the House and Senate chambers, for twenty-five Delegates and ten Senators.
- *House Chamber Sound System.* Adds \$30,000 GF the first year to upgrade the microphones and sound amplification system in the chamber of the House of Delegates.

Judicial Department

The approved 1998-2000 budget for the Judicial Department contains a net increase of \$32.7 million GF over the adjusted appropriation for current operations. Of this total, the most significant increase is \$24.4 million for the Criminal Fund, including \$20.7 million for caseload growth, \$3.1 million for

increased attorneys' fees, and \$600,000 for guardianship expenses. Also included is \$1.8 million for six new judgeships, \$1.8 million for 43 new district court positions, and \$2.7 million to increase professional fees for involuntary mental commitment hearings.

- **Court of Appeals of Virginia**

- ***Additional Office Support.*** Provides \$75,595 GF the first year and \$39,135 GF the second year for one additional position and office equipment.

- **Circuit Courts**

- ***Judgeships.*** Includes \$330,600 GF the first year and \$325,600 GF the second year for two new circuit court judgeships in the City of Newport News and Loudoun County (HB 174).
- ***Criminal Fund.*** Includes an additional \$11.9 million GF the first year and \$12.5 million GF the second year for increased costs associated with the Criminal Fund. This increase raises the total appropriation for the Criminal Fund to \$52.3 million GF the first year and \$52.8 million GF the second year. Increased costs include:
 - Caseload Growth. Provides \$10.3 million GF each year for the projected increase in caseload for indigent defense.
 - Court-Appointed Attorney Fees. Provides \$1.3 million GF the first year and \$1.8 million GF the second year to provide a 15% - 20% increase in the fees paid to court-appointed attorneys in Class II, III, IV, V, and VI felony cases, in accordance with the 1998 session amendments to § 19.2-163, Code of Virginia (HB 948).
 - Adult Guardianship. Provides \$300,000 GF each year for expenses of providing adult guardianship, pursuant to House Bill 209.

- **General District Courts**

- ***Judgeship.*** Includes \$150,150 GF the first year and \$147,650 GF the second year for a general district court judgeship in the City of Virginia Beach (HB 173).

- ***Involuntary Mental Commitment Fees.*** Adds \$1.3 million GF the first year and \$1.5 million GF the second year to increase the fees paid for special justices, attorneys, physicians and other professionals in involuntary mental commitment hearings.
 - ***Additional Positions.*** Provides \$473,890 GF each year for 21.6 new positions for the Offices of the Clerks of the District Courts to meet increased workload, as recommended by the Committee on the District Courts.
 - ***Court Automation.*** Provides \$300,000 GF each year to replace computer equipment in the General District, Juvenile and Domestic Relations District, and Combined District Courts.
 - ***Interpreters.*** Includes \$45,000 GF each year to continue a pilot project to provide foreign language interpreters in selected Northern Virginia courts, including small claims courts.
- **Juvenile and Domestic Relations District Courts**
 - ***Judgeships.*** Includes \$450,450 GF the first year and \$442,950 GF the second year for three new juvenile and domestic relations district court judgeships in the Cities of Norfolk, Portsmouth, and Richmond (HB 173).
 - ***Additional Positions.*** Provides \$375,292 GF each year for 17.7 new positions for the Offices of the Clerks of the Juvenile and Domestic Relations District Courts to meet increased workload, as recommended by the Committee on the District Courts.
 - ***Calendar Management.*** Adds \$125,000 GF each year to continue a pilot project to improve court calendar management.
 - ***Private Mediation Services.*** Provides \$100,000 GF each year to contract for mediation services.
 - **Combined District Courts**
 - ***Additional Positions.*** Provides \$81,631 GF each year for 3.4 new positions for the Offices of the Clerks of the Combined District Courts to meet increased workload, as recommended by the Committee on the District Courts.

- **Magistrate System**
 - *Magistrate Positions.* Includes \$203,868 GF the first year and \$204,122 GF the second year for 6.4 additional magistrates, including one full-time magistrate each for Chesapeake, Chesterfield County, Hampton, Loudoun County, Newport News and Stafford County, and 0.2 FTE magistrates each for Page and Louisa Counties.
 - An amendment providing a proportional salary increase for magistrates is included in the Central Accounts.
- **Judicial Inquiry and Review Commission**
 - *Increased Expenses.* Provides \$25,000 GF each year for increased expenses, including office equipment, training, publications, and additional commission meetings.
- **Virginia State Bar**
 - *Legal Aid.* Provides \$375,000 GF each year for legal aid in civil cases through the Virginia Legal Services Corporation.
 - *Consumer Real Estate Protection Act.* Includes \$54,100 NGF the first year and \$55,670 NGF the second year to regulate persons performing escrow, closing, or settlement services. This program is self-supporting through registration fees.
 - *Fees for Legal Services.* Provides \$17,128 NGF the first year and \$34,256 NGF the second year, to reimburse the Office of the Attorney General for legal services.
 - *Virginia State Bar Salary Increases.* Adds \$85,000 NGF each year for a four percent across-the-board salary increase.
- **Public Defender Commission**
 - *New Offices.* Includes \$509,000 GF the first year and \$476,000 GF the second year to expand public defender services through a new office serving the Albemarle County-Charlottesville area

and expansion of the Martinsville office to serve the Patrick County area.

- ***Representation for Juveniles.*** Adds \$46,500 GF the first year and \$46,870 GF the second year, and one FTE position, for representation of juveniles at detention hearings.
- ***Office Automation.*** Provides \$154,000 GF the first year to upgrade existing computers and to purchase new ones.

Executive Offices

The approved budget for 1998-2000 for the Executive Offices continues certain criminal investigation positions in the Office of the Attorney General which were previously supported by grant funding, and adds \$1 million for the cost of a previously approved attorney pay plan and the conversion of eighteen clerical support positions from temporary to permanent status.

- **Attorney General and Department of Law**
 - ***Grant Positions.*** Includes \$185,514 GF the first year and \$222,618 GF the second year to maintain investigative and prosecutorial positions involving organized crime. These positions were previously supported with federal grant funds which will expire on June 30, 1998.
 - ***Convert Part-time Positions.*** Provides \$500,000 GF each year to meet the actual cost of a previously approved pay plan for attorneys, and increases the Maximum Employment Level for the agency by 18.0 FTE positions to convert 18 temporary clerical support employees to full-time status.

Administration

The approved budget for 1998-2000 for Administration agencies contains a net increase of \$23.4 million GF over the adjusted appropriation for current operations.

Funding increases are primarily contained in these agencies: the Compensation Board, \$52.7 million; the Department of General Services, \$9.9 million; the Department of Information Technology, \$1.2 million, and the Council on Information Management, \$1.5 million. Funding reductions of over \$44.2 million, almost entirely in the Compensation Board, offset much of the proposed spending increases.

Compensation Board increases are primarily for staffing new local and regional jails, and the addition of 372 deputy sheriffs to reduce the state funding ratio from the current level of one law enforcement deputy per 2,000 general population to one deputy per 1,500 general population. Savings in the Compensation Board's budget result from a reduction in the number of prisoner days for which the state would make support payments, based on a revised forecast of state and local prisoners. The Department of General Services increase results from a recent study of the state's Self-Insurance programs and would begin a phased reduction of actuarial reserve shortfalls. Additional funding for the Council on Information Management provides for oversight of state agency efforts to correct the Year 2000 computer date problem.

- **Secretary of Administration**
 - ***Year 2000 Computer Date Problem.*** Includes language establishing a Year 2000 Computer Date Change Project Office reporting directly to the Secretary. Related financing for the Office is included in the budget of the Council on Information Management.
 - ***Study of Employee Stock Ownership Plans (ESOPs).*** Directs the Secretary of Administration to study the feasibility, including costs, for promoting ESOPs through information, education, and technical services to business and employee groups. The Commonwealth Competition Council, Department of Planning and Budget, and Secretary of Finance will assist in the study.

- **Department of Personnel and Training**
 - *Staffing for New Payroll and Personnel Information System.* Includes \$227,354 GF the first year and \$239,231 GF the second year and five positions to implement and maintain the new Integrated Human Resource Information System (IHRIS), which will replace current payroll and personnel management data bases.
 - *Study of a Gainsharing Program.* Requires the Department of Personnel and Training and the Commonwealth Competition Council to study development of a gain-sharing program, whereby state employees would share in savings resulting from their actions to improve agency efficiencies and cost-effectiveness.
 - *Study the Privatization of Background Investigations.* Directs the Department of Personnel and Training, the Department of State Police and the Commonwealth Competition Council to study privatizing background investigations and security clearances.
- **Department of Employee Relations Counselors.**
 - *Administrative Support.* Provides \$32,642 GF the first year and \$28,342 GF the second year for part-time administrative staffing support and for computer system maintenance and improvements.
 - *Workload Increase.* Provides \$30,000 GF each year and one FTE position to address increased workload and training, and printing costs.
- **Department of General Services**
 - *Transfer Commonwealth Competition Council Funding.* Reduces by \$292,597 GF each year the Department's budget for the Commonwealth Competition Council. Companion proposals establish the Council as a separate agency.
 - *Self-Insurance Funds.* Adds \$10.5 million GF and \$7.5 million NGF each year to begin phasing in a plan to fully fund the actuarially estimated reserve requirements for the Workers Compensation and General Liability Self-Insurance programs.

- *Environmental Laboratory Certification.* Provides \$407,361 NGF each year to establish a new certification program through the Division of Consolidated Laboratories for other public and private labs which do water and waste management testing. Funds to operate the program would come from fees charged agencies applying for certification.
- *Virginia War Memorial.* Includes \$558,687 GF the first year and \$316,237 GF the second for general renovations, parking improvements and promotional material related to the Memorial.
- *Remove One-Time Costs.* Removes \$425,000 GF each year for one-time cost items related to real property management which was appropriated in fiscal year 1998 but does not need to be continued in subsequent years.
- *Procurement of Computer Systems and Services.* Requires implementation of the recommendations of the Auditor of Public Accounts regarding the procurement of computer systems and services.
- *Coordinate Recycling and Procurement.* Provides one position for the Department of General Services to coordinate state agency recycling and procurement efforts, including the establishment of guidelines, standardized record-keeping, and product promotion, as recommended by the House Joint Resolution 597 (1997) study.
- **State Board of Elections**
 - *Voter Registration System.* Provides \$150,000 GF the first year for systems development work associated with replacement of the statewide Voter Registration Information System.
 - *Electronic Campaign Finance Reporting.* Includes \$140,000 GF the first year and \$70,000 the second year for systems development and maintenance related to electronic campaign finance reporting, as provided for in House Bill 588.
- **Compensation Board**
 - *Administrative Computer Systems.* Includes \$0.7 million each year for DIT service charges and administrative support of the Compensation Board's computer systems, which are used to manage state payments to the localities.

- **Population-based Salary Increases.** Provides \$50,879 GF the first year and \$51,335 GF the second year for salary increases due the Principal Constitutional Officers, based on population growth in James City and Spotsylvania Counties.
- **1 to 1,500 Sheriff Deputies.** Includes \$8.0 million GF the first year and \$8.1 million GF the second year to support 332 additional sheriff deputies in departments which provide law enforcement services. The new ratio of one deputy per 1,500 general population results in the following allocation:

<u>LOCALITY</u>	<u>CURRENT LAW ENF. DEPUTIES</u>	<u>ADD TO MEET 1:1500</u>	<u>LOCALITY</u>	<u>CURRENT LAW ENF. DEPUTIES</u>	<u>ADD TO MEET 1:1500</u>
ACCOMACK	17	5	LOUISA	12	4
AMELIA	5	2	LUNENBURG	6	2
AMHERST	15	5	MADISON	8	1
APPOMATTOX	7	2	MATHEWS	5	1
AUGUSTA	30	10	MECKLENBURG	16	5
BEDFORD	27	9	MIDDLESEX	5	2
BOTETOURT	14	5	MONTGOMERY	34	12
BRUNSWICK	9	2	NEW KENT	7	1
BUCHANAN	17	4	NORTHAMPTON	7	2
BUCKINGHAM	8	2	NORTHUMBERLAND	6	2
CAMPBELL	25	8	NOTTOWAY	9	2
CAROLINE	11	3	ORANGE	13	3
CARROLL	16	3	PAGE	12	4
CHARLOTTE	7	2	PATRICK	9	3
CLARKE	7	2	PITTSYLVANIA	29	9
CULPEPER	16	5	POWHATAN	10	3
CUMBERLAND	5	1	PRINCE EDWARD	10	3
DINWIDDIE	14	2	PULASKI	18	6
ESSEX	6	1	RICHMOND	5	1
FAUQUIER	26	8	ROCKBRIDGE	10	3
FLOYD	7	2	ROCKINGHAM	32	10
FLUVANNA	8	3	RUSSELL	17	3
FRANKLIN	22	7	SCOTT	13	3
FREDERICK	26	9	SHENANDOAH	18	5
GILES	9	3	SMYTH	17	6
GOOCHLAND	9	2	SOUTHAMPTON	9	3
GRAYSON	9	2	SPOTSYLVANIA	36	12
GREENE	8	1	STAFFORD	41	13
HALIFAX	19	7	TAZEWELL	27	5
HANOVER	38	12	WARREN	15	5
HENRY	35	3	WASHINGTON	25	8
ISLE OF WIGHT	14	5	WESTMORELAND	9	2
KING GEORGE	8	3	WISE	20	7
KING WILLIAM	7	2	WYTHE	14	4
LANCASTER	6	2	YORK	28	9
LOUDOUN	55	24			
			TOTAL	1,249	332

- **Law Enforcement Deputies at 1:2,000.** The computation for the 1:1,500 standard did not take into account new positions required by population growth -- it merely did a conversion based on static population. Population growth in 22 counties will require funding for 40 additional law enforcement deputies to meet existing law. The proposed budget also provides \$0.6 million GF the first year and \$1.0 million GF the second year account for this growth.

**Estimated Law Enforcement Deputy
Allocations at 1 per 2,000 of Population
(FY 2000)**

Amherst	1	Lunenburg	1
Augusta	1	Loudoun	13
Bedford	1	Louisa	1
Botetourt	1	Patrick	1
Culpepper	1	Powhatan	1
Fluvanna	1	Rockingham	1
Franklin	1	Spotsylvania	3
Frederick	2	Stafford	3
Hanover	2	Warren	1
Isle of Wight	1	Washington	1
King George	1	York	1
Total			40

- **Local Jails Opening in 1998.** Provides \$6.1 million GF the first year and \$7.6 million GF the second year for new and expanded jails which opened during the current biennium and are partially funded, or ones that are expected to open during the current year. The affected jails are: Fairfax, Albemarle/Charlottesville, Hampton Roads, Pamunkey, Botetourt and Martinsville.
- **New Jails Opening in FY 1998-2000.** Includes \$2.3 million GF the first year and \$10.6 million GF the second year for staffing the following new or expanded jail facilities, which are scheduled to open in the next biennium: Middle Peninsula, Blue Ridge Regional, New River Regional, Alleghany/Covington Regional,

Rappahanock Regional, Southside Regional, Peumansand Regional, Martinsville and Tazewell.

- ***Jail Contract Bed Program.*** Reduces funds budgeted for payments to participating local and regional jails for housing state sentenced offenders, based on contractual agreements with the Department of Corrections. Savings of \$8.8 million GF each year will result, as the contract program is reduced from approximately 1,000 beds to approximately 300 beds in each year.
- ***Part-time to Full-time Commonwealth's Attorneys.*** Funds the conversion of three part-time Commonwealth's Attorneys to full-time status, as provided for in the *Code of Virginia*. The additional cost of these conversions is \$238,293 GF the first year and \$194,882 GF the second year for the following offices: Amherst, Giles, and Mathews.
- ***Revised Jail Per Diem Payments.*** Provides a reduction in per diem payments for maintenance of prisoners in local jails, based on the recently revised forecast of state and local inmates. The budget proposal assumes a savings of \$12.7 million GF the first year and \$11.5 million GF the second year.
- ***Per Diem Payments by the Department of Corrections.*** Removes current language which requires the Department of Corrections to provide additional compensation to localities in the event the Department fails to pick-up state sentenced offenders within the statutorily prescribed time frames.
- ***Pick-up of Prisoner by the Department of Corrections.*** Provides \$1.5 million the first year and \$4.3 million the second year, to restore per diem payments for housing sentenced inmates in jail prior to transfer into state facilities. The introduced budget assumed a 30-day pickup schedule, following receipt of the complete and final sentencing order by the Department of Corrections. HB 30, as adopted, provides sufficient funds to maintain the current 60-day pickup schedule, as authorized by the *Code of Virginia*.
- ***Master Deputy Program.*** Includes \$385,627 GF the first year and \$439,025 the second year to reclassify sheriff deputy positions when certain advanced educational and training activities have been completed. The payments will be available to the following departments: Caroline, Culpeper, Fairfax, Gloucester, Montgomery, Nelson, Alexandria and Hampton Roads Regional.

- ***Part-time to Full-time Staff for LIDS.*** Converts two part-time staff positions to full-time status for operation of the Local Inmate Data System (LIDS) at a cost of \$24,000 the first year and \$25,000 the second year.
- ***Annual Jail Operating Expense Report.*** Establishes the requirement for an annual report to the Chairmen of the House Appropriations and Senate Finance Committees on the actual cost of operating local and regional jails and jail farms.
- ***Computer Equipment.*** Provides \$45,000 the first year to the Compensation Board for computer equipment.
- ***Nelson County Jail.*** Reduces the Compensation Board budget by a net of \$42,065 the first year and \$83,378 the second year by three actions which:
 - Allows funding for the Nelson County Jail to be continued until January 1, 1999, while cooperative agreements are finalized for the county's participation in a regional jail program:
 - Capture savings of \$54,315 the first year and \$83,378 the second year resulting from housing prisoners from Nelson County in the Albemarle-Charlottesville Regional Jail beginning on January 1, 1999, and:
 - Provides \$12,250 the first year and \$25,252 the second year for one deputy sheriff to transport prisoners from Nelson County to the Albemarle-Charlottesville Regional Jail beginning on January 1, 1999.
- ***Chief Deputy Program.*** Provides \$25,673 GF the first year and \$44,987 GF the second year to reclassify chief deputy sheriff positions in cities and counties under 10,000 population from a grade 8 to grade 9.
- ***Career Prosecutor Program.*** Provides \$513,615 GF for initiation of a career prosecutor program for Commonwealth Attorneys on December 1, 1999. This program is designed to help retain experienced prosecutors.
- ***Land Records Task Force Support.*** Provides one additional FTE position to the Compensation Board to assist the Land Records Management Task Force. This position is funded from an

already budgeted special fee assessment in Circuit Court Clerks' offices to support technology improvements at the local level.

- ***Day Reporting Centers.*** Local per diem payments are reduced by a total of \$875,000 the first year and \$1,781,000 the second year to offset the costs of establishing four day reporting centers under the Department of Corrections for:

- Martinsville and Henry and Franklin Counties;
- Norton and Lee, Wise, Scott and Dickinson Counties;
- Saunton and Harrisonburg, and;
- Suffolk, Chesapeake and Portsmouth.

- **Commission on Local Government**

- ***Correction of Salary Related Costs.*** Corrects the omission of \$7,844 each year to fund salary related costs of the Commission on Local Government.

- **Department of Information Technology**

- ***Eliminate Unfilled Positions.*** Reduces the authorized employment level of the Department of Information Technology by 23 FTE positions the first year and 39 FTE positions the second year. This reduction recognizes a number of unfilled positions in the first year and anticipates an agency reorganization in the second year, based on the recent JLARC report on the state technology resources.
- ***Norton Relay Center.*** Authorizes the Department of Information Technology to locate the Relay Center, for the Department of the Deaf and Hard of Hearing, in Norton, Virginia and requires a study of future funding options.
- ***Graduate Engineering Instruction.*** Reduces funds budgeted for telecommunications costs associated with graduate engineering instruction at institutions of higher education by \$322,464 the first year and \$322,464 the second year. The transmission technology has changed, and the funding is no longer needed.
- ***Community Service Grants for Public Television.*** Increases funding for community service grants for public Television by \$166,800 each year. This is a five percent increase over current funding levels of \$3,332,802 each year.

- ***Capital Facilities Grants for Public Television.*** Provides a total of \$828,750 the first year for capital facilities grants to public television stations:
 - WNVT-TV (Relocation to Stafford) \$233,750
 - WVPT-TV (Harrisonburg) \$245,000
 - WBRA-TV (Roanoke) 75,000
 - WHRO-TV (Norfolk) \$275,000
- ***Community Service Grants for Public Radio.*** Increases funding for community service grants for public radio by \$62,800 each year. This is a ten percent increase over current funding levels of \$605,964 each year.
- ***Community Service Grants for Allegheny Mountain Radio.*** Provides \$10,000 each year for a community service grant to Allegheny Mountain Radio.
- **Council on Information Management**
 - ***Year 2000 Project Office.*** Adds \$624,789 GF the first year, \$629,167 GF the second year, and 9 positions to direct the effort to address the Year 2000 Computer Date change problem. Language clarifies certain requirements related to the allocation of funds to address Year 2000 Computer Date Change projects.
 - ***Geographic Information System.*** Includes language to develop a workplan for statewide oversight of geographic information systems, and \$101,895 NGF and one position in the first year to implement the requirement. An additional \$100,000 GF the first year and \$100,000 GF the second year and one FTE position are provided to support operation of the system.
- **Department of Veterans' Affairs**
 - ***Veterans' Care Center Study.*** Provides \$35,000 the first year to study the need for another Veterans' Care Center.
- **Commonwealth Competition Council**
 - ***Separate Agencies.*** Adds \$292,597 GF and four positions each year to establish the Commonwealth Competition Council as a separate agency for budget purposes. The funds are transferred to the agency through companion adjustments to the Department of General Services budget.

Commerce and Trade

The 1998-2000 Commerce and Trade budget contains a net general fund increase of \$45.6 million over the adjusted appropriation for current operations.

New funding in the Department of Housing and Community Development includes \$10.0 million for the Richmond Centre expansion project, \$3.4 million for Enterprise Zone grant payments, \$3.0 million to establish an Industrial Sites Fund, and \$16.4 million to continue the Regional Competitiveness Fund.

For the Virginia Economic Development Partnership, the budget includes \$4.0 million to continue the capitalization of the Semiconductor Educational Endowment Fund, \$1.3 million to develop a Prospect Decision Support System, and \$0.5 million to increase state support for the Cooperative Advertising Fund.

For the Department of Business Assistance, the General Assembly approved \$6.0 million to increase Workforce Training activities, \$1.0 million to establish a small business incubator program, and \$0.5 million to increase the Small Business Growth Fund.

New funding for the Center for Innovative Technology includes \$2.5 million to begin implementation of the "Virginia Technology Blueprint".

Nongeneral fund increases of \$22.4 million include technology and automation enhancements at the Virginia Employment Commission, and \$4.8 million for the Breeder's Fund which is managed by the Virginia Racing Commission.

- **Department of Housing and Community Development**
 - *Enterprise Zone Incentives.* Provides an increase of \$1.7 million GF each year for Job Grant incentives provided by the Virginia Enterprise Zone Program.
 - *Richmond Centre.* Approved \$10.0 million GF the first year to support the expansion of the Richmond Centre conference and convention facility.

- *Industrial Sites Development Fund.* Provides \$3.0 million GF the first year to establish an Industrial Site Development Fund to assist communities with the cost of developing industrial properties in distressed areas of the state.
 - *Regional Competitiveness Fund.* Provides funding of \$10.2 million GF in FY 1999 and \$6.2 million GF in FY 2000. Funding in the first year will ensure that all existing partnerships will receive the same level of funding in FY 99 that they received in FY 1998. New partnerships will be funded at the per capita rate of \$1.48, with a minimum floor of \$200,000.
 - *Virginia Enterprise Initiative.* Restored \$0.7 million GF the second year for the micro-enterprise loan program. This program was proposed by the Administration during the 1995 Session as a means to provide low-income individuals with access to capital and business training to start and operate their own businesses.
 - *Homeless Assistance.* Adds \$0.5 million GF the first year and \$0.3 million GF the second year for housing and homeless assistance.
 - *Planning District Commission Funding.* Provides \$0.4 million GF each year to increase the state's support to each planning district commission by \$20,000 per year.
- **Virginia Economic Development Partnership**
 - *Semiconductor Endowment Fund.* Approved \$2.0 million GF each year to continue to capitalize a semiconductor educational endowment fund. The fund was established to further microelectronics education and research in support of the Motorola, Dominion Semiconductor, and White Oaks ventures. During the 1997 Session, the General Assembly approved \$1.0 million for the endowment, with a commitment to fund the remaining \$8.0 million over four years.
 - *Prospect Decision Support System.* Approved \$960,000 the first year and \$360,000 the second year GF support to continue the development of the geographic information and business site location system.

- *Performance Compensation.* Provides \$279,118 the first year and \$464,205 the second year GF for performance based compensation commensurate with the Governor's proposed salary plan for classified employees.
 - *Cooperative Tourism Fund.* Approved an additional \$250,000 GF each year for the Cooperative Advertising Fund. Under the program, state funds are matched by private and local funds to promote and market tourist attractions and destinations. Funding for this program totals \$4.75 million each year.
 - *Small Business Incubator Program.* Provides \$0.5 million GF each year to implement a statewide small business incubator program.
- **Department of Business Assistance**
 - *Workforce Training Program.* Appropriates an additional \$3.0 million GF each year for commitments made to new Virginia businesses and existing and expanding Virginia companies for worker training programs. Funding for this program totals \$13.5 million each year.
 - *Virginia Small Business Growth Fund.* Provides an additional \$250,000 GF each year for the capitalization of the Small Business Growth Fund. This program provides capital access to small and medium size companies by providing loan loss risk protection to private lenders.
- **Department of Agriculture and Consumer Services**
 - *International Marketing.* Approved an additional \$85,000 GF each year to expand international marketing operations. Funds will be used to cover increased travel expenses and cover costs for participation in trade missions.
 - *Domestic Marketing.* Provides \$115,000 GF and 1.0 FTE each year for a regional marketing manager for southeast Virginia.
 - *Seafood Marketing Campaign.* Provides \$100,000 the first year to reimburse the Department for a marketing and education initiative for Virginia seafood in FY 1998.

- **Department of Mines, Minerals, and Energy**
 - *Solar Photovoltaic Federal Grant.* Approved \$800,000 the first year and \$1.5 million the second year in federal grant funds to sponsor a cooperative agreement between the Commonwealth and Solarex, a manufacturer of solar photovoltaic panels, to produce and market viable renewable energy technology.

- **Virginia Employment Commission**
 - *Virginia Career Connect System.* Provides \$1.4 million the first year and \$1.3 million the second year NGF to implement the electronic One-Stop Career Connect system grant from the U.S. Department of Labor. The new system will provide a web site with access to America's Job Bank, Labor Market Information, America's Talent Bank, and other information systems and services. This system is being developed and implemented in concert with the Governor's Employment and Training Department.
 - *Improve Technology and Automation.* Approved \$3.5 million the first year and \$3.1 million the second year NGF to complete the implementation of the department's information technology infrastructure.
 - *Year 2000 Compliance.* Provides an additional \$1.8 million the first year and \$1.4 million the second year NGF to complete a five-stage effort to correct the year 2000 computer date problem.

- **Department of Forestry**
 - *Forest Fighting Equipment.* Provides \$905,274 GF in FY 1999 and \$755,274 in FY 2000 for the replacement of aging forest fire fighting equipment, and to place the department's equipment replacement program on a permanent rotation schedule.
 - *Reforestation Program.* Provides \$347,960 GF the first year and \$373,977 GF the second year to fully match the forest products tax contribution.

- **Virginia Racing Commission**
 - *Breeders Fund.* Approved \$1.8 million the first year and \$3.0 million the second year in NGF spending authority to support the purposes of the Virginia Breeders Fund, as required by the Code. These funds are used to establish purses for races with Virginia-bred horses.

- **Innovative Technology Authority**
 - *Virginia Technology Blueprint.* Provides \$1.0 million GF the first year and \$1.5 million GF the second year to begin implementation of the Virginia Technology Blueprint. The spending initiatives include the technology award program and funding to develop and attract research and development organizations.

Workforce Training

The General Assembly approved a number of workforce training activities totaling \$43.6 million, aimed at addressing five primary objectives: (1) addressing the need for technology research and implementation; (2) responding to the shortage of degree graduates in technology-related fields; (3) assessing worker skills and job requirements; (4) recruiting and providing needed training to qualify workers for actual job placements; and (5) ensuring that policies and spending are coordinated.

Activity	<u>General Fund</u>	<u>Nongeneral Fund</u>
VA Manufacturing Extension Service	\$300,000	\$0
CIT - Technology Commercialization	\$1,000,000	\$0
CIT - Technology Research & Development	\$1,500,000	\$0
VEDP - Semiconductor Endowment Fund	\$4,000,000	\$0
ODU - Increase Technology Degrees	\$5,220,000	\$5,220,000
GMU - Increase Technology Degrees	\$4,562,500	\$4,062,500
VCCS- Staff State Workforce Council	\$275,000	\$0
DBA - Workforce Training Services	\$6,000,000	\$0
VCCS - Noncredit Course Instruction	\$1,500,000	\$0
VCCS - Workforce Training Recruiters	\$1,000,000	\$0
VCCS - Semiconductor Equipment (HEETF)	\$2,000,000	\$0
Workforce Development Centers - RCA	\$8,750,000	\$0
VCCS - Workforce Development Centers	\$1,200,000	\$0
VA Western CC & D.S. Lancaster CC Center	\$690,000	\$0
TNCC & ODU - Peninsula Workforce Center	\$910,000	\$0
CVCC - Manufacturing Tech. Training Cntr.	\$0	\$2,500,000
Danville CC (Capital Project)	\$2,000,000	\$1,500,000
Paul D. Camp CC (Capital Project)	<u>\$2,675,000</u>	<u>\$1,500,000</u>
Grand Total	\$43,582,500	\$14,782,500

Public Education

The approved 1998-2000 budget for Direct Aid to Public Education contains an increase of \$727.5 million GF over the adjusted appropriations for current operations, bringing total general fund support for Direct Aid to \$6.8 billion for the biennium. A net addition of \$10.9 million GF is recommended for the Department of Education. A net reduction of \$4.7 million GF is recommended for the Comprehensive Services Act, primarily from savings associated with using Medicaid to fund currently provided services.

In addition, funding is contained in a central account to support a program of \$110.0 million in financial assistance for public school facilities. The item includes language directing the Governor to identify, prior to the 1998 reconvened session, \$29.2 million of additional revenue or budget savings to be used for this program.

Included in the \$727.5 million GF increase for direct aid to public education is: \$350.2 million GF to update the Standards of Quality accounts for increased enrollment, prevailing costs of education, sales tax revenues and updated composite index calculations; \$97.1 million GF to provide a 2.25 percent salary increase for public school employees; \$79.9 million GF to assist local school divisions with the implementation of the new Standards of Learning (SOL) and Standards of Accreditation (SOA) by providing teacher training (\$25.2 million GF), student remediation (\$29.6 million GF), and appropriate materials (\$25.1 million GF); and \$65.7 million GF for additional elementary teachers.

Also included in this total is \$31.7 million GF for the retiree health care benefit adopted by the 1996 General Assembly; and \$23.3 million GF to reduce, and then eliminate, the diversion of Literary Fund revenues for teacher retirement. Also included in the \$727.5 million is \$78.7 million to update costs and participation rates in a number of categorical programs.

In addition, the approved budget provides \$50.0 million NGF in the second year to continue the General Assembly's initiative to improve educational technology in public schools. Funds are provided through the sale of five-year notes by the Virginia Public School Authority (VPSA).

In the Department of Education, the net increase of \$10.9 million GF is for the development of materials and model programs for local teacher training programs; assistance to school divisions with Standards of Learning testing, and School Report Cards and Accreditation; a new evaluation unit; and a needs assessment for a statewide student information system.

- **Secretary of Education**
 - *Innovative or Alternative Schools.* Provides \$200,000 GF the first year for grants to plan innovative or alternative schools.
 - *Technical Adjustments.* Adds a net \$39,851 GF the first year and \$43,693 GF the second year for compensation actions and to make technical adjustments.

- **Department of Education**
 - *SOL Test Continuation and Improvement.* Adds \$3.4 million GF the first year and \$4.6 million GF the second year and 1.0 FTE position to maintain the new statewide Standards of Learning (SOL) testing program, and to conduct a study of the impact of the tests on classroom instruction. Funding is also provided to develop alternate assessments that are required for students with disabilities who are not participating in the regular testing program. The funding is in addition to the \$6.0 million GF in the Department's annual base budget for the testing program.
 - *Phase-out Literacy Passport Testing Program (LPT).* Reduces funding by \$1.1 million GF the first year and \$1.6 million GF the second year to phase-out the LPT, consistent with legislation passed by the 1998 General Assembly.
 - *End-of-Course Tests.* The introduced budget proposed funding of \$0.8 million GF the first year and \$0.1 million GF the second year for the development of end-of-course tests in World Geography, Physics and Calculus to allow students to meet testing requirements contained in the newly adopted Standards of Accreditation. The General Assembly accepted the proposed addition of a World Geography test, but not the Physics or Calculus tests, for a reduction of \$0.6 million GF the first year and \$70,000 GF the second year. Funding for a total of 28 annual SOL tests is included for the 1998-2000 budget.
 - *Report Card/Accreditation.* Provides \$1.5 million GF the first year and \$1.6 million GF the second year to fund 4.0 additional positions in the Department of Education's accreditation and management information systems divisions. The funding also provides for system upgrades and the printing and distribution costs of a School Report Card and other reports now required by

the newly adopted Standards of Accreditation (SOA). The SOA requires that schools provide students, parents and the community with copies of the academic objectives at each grade level (or course requirements), a copy of the SOLs applicable to the students' grade level, and a School Performance Report individualized to each of Virginia's 1,987 schools.

- ***Teacher SOL Training - Support for Local School Divisions.*** Includes \$820,000 GF the first year for the Department to develop and disseminate teacher training materials and model training programs to local school divisions, and to compensate peer teachers for time spent reviewing local training plans. Funding is provided in Direct Aid to Public Education for school divisions to conduct the training at the local level.
- ***Establish Evaluation Unit.*** Adds \$190,000 and 3.0 FTE positions each year for an evaluation unit in the Department of Education. The unit's first-year evaluations will focus on teacher training and remediation programs. Language in the Department's budget requires a review and evaluation of the effectiveness of current statewide at-risk programs, as well.
- ***Statewide Student Information System Needs.*** The introduced budget proposed \$0.5 million GF the first year and \$0.2 million GF the second year to conduct an information systems needs assessment and information strategy plan for Virginia's school divisions. The funding would also support 3.0 FTE positions in Management Information Systems to support the new reporting and data requirements of the Standards of Accreditation. In addition to approving the funding proposed in the introduced budget, the General Assembly provided \$375,000 GF the first year for an outside contractor to analyze the availability and use of technology in each public school in the Commonwealth and to recommend future technology improvements necessary to implement the Board of Education's Six-Year Educational Technology Plan.
- ***Technical Adjustments.*** Adds a net \$752,352 GF the first year and \$828,509 GF the second year for compensation actions and to make technical adjustments.
- ***Virginia VIEW.*** Adds \$25,000 GF the first year for the Virginia VIEW program to expand its outreach services and Web Page. Virginia VIEW is Virginia's career information delivery system for federal vocational education funding purposes, and is used by public schools throughout the Commonwealth.

- ***Nongeneral Fund Appropriations.*** Provides authority to expend additional nongeneral funds totaling \$0.3 million each year for Driver Education, Teacher Certification, and Trust and Agency Accounts.

- **Direct Aid to Public Education**
 - ***Technical Increases.*** Includes \$101.1 million GF the first year and \$130.1 million GF the second year to make technical adjustments in Standards of Quality funding due to the following:
 - Update Prevailing Instructional Salaries. The data on which prevailing instructional salaries are calculated for the 1998-2000 Standards of Quality budget have been adjusted to reflect prevailing salaries in 1995-96 and the 1996-98 salary increases provided by the General Assembly.
 - Update Prevailing Instructional Support Costs. The data on which prevailing support costs, including textbooks and instructional supplies, are calculated have been updated from 1993-94, using the 1995-96 Annual School Report and have been adjusted for inflation through the third quarter of 1997, with the exception of utility costs which were adjusted through the fourth quarter.
 - Update Projected Enrollment. The 1998-2000 Standards of Quality budget has been calculated using updated estimates of student enrollment. Enrollment is expected to increase by 14,297 students the first year above the revised projected enrollment for 1997-98 and another 14,574 students the second year.
 - Revised Fringe Benefits Costs. The 1998-2000 Standards of Quality budget has been calculated to reflect revised VRS retirement rates approved by the VRS Board and a decrease in Health Care rates from \$2,280 per instructional position to \$2,202 per instructional position. A group life insurance contribution holiday is assumed in both years of the biennium.
 - ***Sales Tax.*** Includes \$42.9 million GF the first year and \$77.2 million GF the second year for the estimated revenues available

from the one-cent portion of the sales tax which is returned for public education.

- ***SOL/SOA Implementation Assistance.*** Provides \$35.1 million GF the first year and \$44.8 million GF the second year to school divisions for assistance in implementing the new Standards of Learning (SOL) and Standards of Accreditation (SOA). Funding is provided for teacher and administrator training, remediation, and SOL materials. This funding is in addition to that provided to the Department of Education for testing, school report cards, and teacher training support.

- Teacher and Administrator Training. Provides \$8.3 million GF the first year and \$16.9 million GF the second year for a 100 percent state-funded teacher training program delivered at the local level. Payments to school divisions are based on \$7.50 per pupil the first year and \$15.00 per pupil the second year. With the funding local school divisions are expected to implement, and then evaluate the effectiveness of, comprehensive teacher training programs in the four core content areas of the new SOLs. In addition, school divisions would provide training for principals and superintendents in implementing the SOLs. School divisions are required to submit training plans that meet specific requirements and must receive Department of Education approval of these training plans to receive the funding.

Funding is also provided for a combined Clinical Faculty and Mentor Teacher program administered by the Department of Education through a request for proposal process. Funding for these programs would now total \$500,000 GF the first year and \$700,000 GF the second year, an increase of \$750,000 for the biennium over the amount provided in the introduced budget.

Additional funding of \$250,000 GF in each year is provided in the higher education portion of the budget, for institutes to provide technology training of public school teachers and administrators. Institutes would be located on the campuses of institutions of higher education.

- SOL Remediation Training and Programs. Provides \$14.3 million GF the first year and \$15.3 million GF the second year to provide additional instruction to students who do

not pass the SOL tests, as well as teacher training in SOL content and remediation techniques. Funding by division is calculated based on the cost of providing 2.5 hours of additional instruction to students at-risk of failing the SOL tests. A 10:1 ratio of students to teachers is assumed, and the cost is based on the state share of the current prevailing elementary teacher salary, and a training allocation of \$500 per remedial teacher.

- Supplemental Instructional Materials. Includes \$12.5 million GF the first year and \$12.6 million GF the second year to provide the state share of \$20 per pupil for additional SOL instructional materials. The funds are recommended in addition to the \$24.0 million for textbooks included in Basic Aid each year of the 1998-2000 biennium.
- *Additional Elementary School Teachers Initiative.* Adds \$23.5 million GF the first year and \$42.2 million GF the second year for state funding of an additional 2,004 elementary school teachers. Of the 2,004 teachers, 604 will be used to expand the K-3 Reduced Class Size Program to 100 percent of children in these grades. The remaining 1,400 teachers may be used by local school divisions to employ reading teachers, technology teachers, or teachers to further reduce class sizes in grades K-6. These positions are in addition to the 2,616 new teaching positions the state will be funding due to increased enrollment through the SOQ funding formula and the 350 additional teaching positions from updating the base data for the current K-3 Reduced Class Size formula.
- K-3 Reduced Class Size Program. Provides \$14.5 million GF the first year and \$14.7 million GF the second year to reach 100 percent of children in grades K-3 by revising the existing graduated scale of student-to-teacher ratios. The scale, which is still based on the poverty level of individual schools, begins with a 14-to-1 ratio in the schools with the highest poverty and moves to a ratio of 24-to-1 in schools with the lowest poverty.

The approved budget also updates components of the existing K-3 Reduced Class Size program's funding formula -- federal free lunch participation and enrollment in each school -- resulting in an increase of \$7.8 million GF the first year and \$8.4 million GF the second year in

addition to the amount provided to expand the program as noted above.

-- Additional Elementary Teachers. Provides \$9.0 million GF the first year and \$27.5 million GF the second year for the state share of 1,400 additional elementary school teachers. The teachers are distributed on the basis of funded instructional positions in the Standards of Quality funding formula, with each division receiving the same pro rata portion of the new teachers that they receive from the statewide SOQ teaching positions each year.

- *Technology Initiative.* Provides approximately \$50.0 million NGF in the second year to continue the General Assembly's investment in upgrading technology in public schools. Funding is provided for school divisions based on \$26,000 per school. Funding can be used to achieve a ratio of five-to-one students to network-ready microcomputer; to provide multimedia microcomputers in every classroom; or to upgrade school buildings to use technology. Regional Governor's Schools, vocational centers, and Special Education programs are eligible for the funding.

The \$50.0 million NGF would be made available through the sale of notes by the Virginia Public School Authority (VPSA) in the Spring of 2000. Literary Fund revenues will be the source of payment for the five-year notes. The first debt service payment, an estimated \$10.0 million, will be due from the Literary Fund in fiscal year 2001.

A 20 percent local match is required, with at least twenty-five percent of the local match devoted to teacher training in technology.

- *Teacher Salary Increases.* Adds \$23.8 million GF the first year and \$73.3 million GF the second year for the state share of a 2.25 percent salary increase for public school employees on January 1 of each year.
- *Retiree Health Care Benefit.* Funds \$15.7 million GF the first year and \$16.0 million GF the second year for a basic health insurance credit for retired teachers and other professional school division employees which was authorized by the General Assembly in 1996. The monthly health insurance credit equals \$1.50 for each full year of VRS service, for a maximum credit of \$45.00. The benefit is mandatory, and is 100 percent state funded.

Payments will be made directly to VRS by the Department of Education.

- ***Eliminate Literary Fund Diversion.*** Adds \$7.8 million GF the first year and \$15.5 million GF the second year to reduce, and then eliminate, the Literary Fund diversion for Teacher Retirement.
- ***Northern Virginia Cost of Competing Adjustment.*** Adds \$1.0 million GF the first year and \$2.1 million GF the second year for the Northern Virginia Cost of Competing differential for non-instructional positions. The increase would raise the salary and fringe benefit adjustment to 19.07 percent the first year and to 20.92 percent the second year, from the 17.22 percent differential for these positions in fiscal year 1998.
- ***School Health Incentive Payments.*** Provides \$1.6 million GF the first year and \$1.7 million GF the second year for an incentive fund to increase physical health care services provided in public schools. The funding is based on the state share of an additional 0.5 hour of nursing services for each child eligible for the Federal Free Lunch program. Local school divisions wishing to participate provide a local match based on the composite index of local ability-to-pay.
- ***Charter Schools.*** Includes \$2.5 million NGF in each year for charter schools, reflecting passage of charter school legislation in the 1998 Session of the General Assembly.
- ***Composite Index Transition Payments.*** General Assembly action provides \$1.6 million GF the first year for a composite index transition payment, or buffer payment, for the 87 school divisions experiencing a negative state funding impact from the biennial revision of the composite index. The payment is based on seven percent of the difference between what a school division would have received in state funding using its composite index for 1996-98 versus what the school division did receive using its revised composite index for 1998-2000.
- ***Enrollment Loss Payments.*** Includes \$0.4 million GF for a 10 percent increase the first year in the enrollment loss payments made to school divisions experiencing declining student enrollments.
- ***Teacher Liability Insurance.*** The introduced budget proposed \$0.8 million GF in each year for liability insurance for teachers.

The General Assembly rejected the proposal, removing the proposed funding.

- ***Drop-Out Prevention.*** Includes \$0.5 million GF in additional funding each year for the Drop-Out Prevention program. The program was initiated in 1989-90, to assist school divisions with students who were at-risk of dropping out of school. In 1997-98, 103 school divisions participated in this voluntary program, which received \$10.5 million.
- ***Changes for Regional and Special Programs.*** Increases funding for regional and special programs by \$2.9 million GF the first year and \$3.5 million GF the second year. This amount is offset by reductions of \$2.1 million GF the first year and \$7.6 million GF the second year from the elimination of the homework assistance program in both years, and the partial elimination of the Early Reading Intervention program in the second year.
- Early Reading Intervention. Removes \$0.1 million GF in the first year for the Early Reading Intervention program which was initiated in 1997-98, to assist school divisions with providing services to primary grade students who demonstrate reading deficiencies. The reduction is due to the removal of retirement and group life insurance benefits from the hourly compensation package for the program. In the second year, removes \$5.5 million GF, eliminating the program for all but the smallest school divisions because every elementary school will have the ability to hire reading teachers from the funds provided for additional teachers (see above). Language clarifies that the state-provided diagnostic test used in kindergarten or first grade would still be available for reading teachers to use.
- Eliminate Homework Assistance. Removes funding for the Homework Assistance program, a program operating in grades 3 through 5 in selected schools, for a savings of \$2.0 million GF the first year and \$2.1 million GF the second year. Language clarifies that school divisions in which the program has been effective for remediation may use their portion of the \$29.6 million GF increase for SOL Remediation funding (see above), in part, to continue this program.
- Governor's Schools. Adds funding of \$1.5 million GF the first year and \$2.2 million GF the second year for academic

year Governor's Schools. The funding covers increased enrollment for the nine Governor's Schools currently operating. In addition, the amount provides operating funds for the four new Governor's Schools opening during the 1998-2000 biennium, with language limiting the Commonwealth Governor's School maximum state funding to \$100,000 a year. The General Assembly action also increases the per pupil payment for Governor's Schools from \$2,765 to \$2,900 for each year with language encouraging school divisions to pass on increases in state funding for basic aid for students attending Governor's Schools. The amount provided also includes planning grants for two new Governor's Schools – one serving four school divisions in the Harrisonburg/Shenandoah area, and the other serving six school divisions in the Albemarle/Charlottesville area.

- Regional Alternative Education. Increases funding by \$0.7 million GF the first year and \$0.8 million GF the second year for Regional Alternative Education programs. These programs educate certain expelled students, students who have received suspensions from public schools, and students returned to the community from the Department of Juvenile Justice. There are currently 29 regional alternative education programs serving 116 school divisions. The funding will allow for an increase of 77 placements in these programs statewide. The funding also updates the per pupil amount for these programs, from \$6,982 to \$7,743. Language specifies that the Right Track Regional Alternative School in Nottoway will operate with a total of 70 placements, new and existing.
- An Achievable Dream. Adds funding of \$0.1 million GF each year for An Achievable Dream, which operates an extended-school day and summer tennis and educational enhancement program in Newport News.
- Small School Division Assistance Grants. Provides \$0.4 million GF each year for two small school division assistance grants for the Highland County and City of Norton public school systems.
- AVID Expansion. Adds \$104,193 GF the first year for the Staunton and Petersburg school divisions to implement

the Advancement Via Individual Determination (AVID) program.

- New Century Public Education Consortium. Adds \$75,000 GF the first year for a public education consortium for the localities in the New Century Region (Alleghany, Bland, Botetourt, Craig, Floyd, Franklin, Giles, Montgomery, Pulaski, Roanoke, Salem and Wythe counties and the cities of Radford and Roanoke). The Virginia Economic Bridge, based at Radford University, will assist with the establishment of the consortium.
- Project ECOLE. Adds \$50,000 GF the first year for Project ECOLE, the Electronic Community of Learning and Education, operating in the City of Manassas Park Public Schools. The funds will be used to develop the curriculum and learning system for replication to other schools in the Commonwealth.
- Cease Fire Kids. Provides funding of \$17,500 GF the first year for this Norfolk after-school program which specializes in teaching social skills competence through the performing arts.
- ***Updating or Rebasing Current Programs.*** Adds \$36.5 million GF the first year and \$42.2 million GF the second year to update or rebase a variety of existing programs. This amount is offset by a \$2.0 million GF reduction in foster care payments each year, based on revised estimates of need. The amounts provided for each program, and the reasons for the rebasing are explained below.
 - Update Regional Tuition. Adds \$8.1 million GF the first year and \$11.9 million GF the second year to recognize projected cost increases in tuition reimbursements for educational placements of children in public regional programs. Section 22.1-218 of the Code of Virginia requires the state to reimburse localities for the state share of the approved tuition rate. In 1996-97, expenditures in this program were \$23.4 million.
 - Update Remedial Summer School. Adds \$7.9 million GF the first year and \$8.9 million GF the second year for remedial summer school. The program has steadily grown in the 1990s. Enrollment is estimated to grow from

69,868 students in 1997-98 to 93,890 students in 1998-99 and 98,592 students in 1999-2000. The per pupil amount has been updated to \$328. FY 1997-98 appropriations for this program totaled \$11.0 million. Language is added clarifying that state remedial summer school payments are made available for students required to attend remedial summer school.

- K-3 Reduced Class Size. See additional teachers above.
- Update At-Risk Four-Year-Olds Programs. Adds \$5.7 million GF in each year for the At-Risk Four-Year-Olds programs to reflect updated estimates of the number of eligible children. Language makes clear that unobligated balances in Direct Aid to Public Education may be used for the program if the increase is insufficient.
- Update At-Risk Funding. Updates components of the At-Risk funding formula -- Basic Aid per pupil amounts, federal free lunch participation, and enrollment -- resulting in an increase of \$3.4 million GF the first year and \$3.6 million GF the second year. This program provides an add-on to Basic Aid based on the number and concentration of at-risk students in school divisions.
- Update Hospitals, Clinics and Detention. Adds \$2.0 million GF the first year and \$2.2 million GF the second year for the provision of education to children in state hospitals, clinics, detention homes, and the Woodrow Wilson Rehabilitation Center. State statutes require that appropriate education be provided to all children residing in state institutions and local detention homes. The state contracts with local school divisions to provide this service. Additional funds are necessary due to the expansion and increase of detention homes, additional programs and clinics in hospitals and mental health facilities, and the provision of textbooks that relate to the Standards of Learning in all state operated programs.
- Reduce Foster Care Payments. Removes \$2.0 million GF each year for state payments to local school divisions for the education of children in foster care placements, based on updated projections. Language would allow unobligated balances in Direct Aid for Public Education to be used if remaining funding is insufficient to reimburse local school divisions for this purpose.

- Update English as a Second Language (ESL). Adds \$0.6 million GF the first year and \$0.7 million GF the second year to provide services to students for whom English is a second language. The ESL state payments provide funds for the special English assistance and instructional materials required to educate ESL students. In 1996-97, the number of ESL students was 23,128. Additional funds are required to reflect growth in the ESL population and the increase in teacher salaries. Funding for ESL in FY 1997-98 was \$2.6 million.
- Update Homebound Instruction. Increases funding by \$0.4 million GF the first year and \$0.5 million GF the second year for Homebound education. Regulations for special education programs require that the state reimburse local school divisions for the state share of the cost of teachers employed to provide homebound instruction to eligible children. Although the hourly rate will be capped, an increase is projected in the number of hours for which reimbursement will be requested. Failure to provide the additional funds would result in a proration to local school divisions. Funding in FY 1997-98 was \$3.3 million GF.
- Update Truancy/Safe Schools. Additional funding of \$0.1 million GF each year for the Truancy/Safe Schools program. State funding is provided as an incentive for reducing truancy and supporting safe schools in elementary and middle schools. Local safe schools initiatives include such activities as youth violence committees, community policing programs, and conflict resolution training. The increased costs are based on updating absentee data from 1992-93 to 1995-96. Funding in FY 1997-98 was \$1.9 million GF.
- Update Maintenance Supplement. Adds funding of \$0.1 million GF the first year and \$0.2 million GF the second year for the Maintenance Supplement program. The calculation of this \$15 per pupil payment for ongoing maintenance needs or debt service payments has been updated with projected enrollment for 1998-2000. Funding in FY 1997-98 was \$9.3 million GF.

- **Technical Adjustments.** Removes \$7.4 million GF from the base budget in each year to reflect removal of one-time costs, including SOL Materials, planning funds for the three new Governor's Schools, start-up costs for local remediation standards boards, and technology equipment.
- **Nongeneral Fund Appropriations.** Provides authority to expend additional funds totaling \$66.4 million NGF during the biennium for School Nutrition (\$50.0 million NGF), School-to-Work (\$6.3 million NGF), Title II funds (\$4.0 million NGF), Foreign Language Academies and Governor's Schools (\$1.1 million NGF), Federal Land Use revenues (\$1.0 million NGF), and Adult Literacy programs (\$4.0 million NGF).

A listing, by locality, of proposed funding for Direct Aid to Public Education is provided in Appendix A.

- **Comprehensive Services Act (CSA)**
 - **Use of Medicaid in CSA.** Assumes that Medicaid will be better utilized for existing inpatient and outpatient mental health services currently covered under the program; and that Medicaid will begin to cover specialized and therapeutic foster care treatment services and residential care treatment services during the 1998-2000 biennium. Medicaid coverage will be phased in, with the assumption that full savings are unlikely until the second or third year of coverage, as detailed below.

Utilization of Medicaid in CSA			
Service	Effective Date	%Savings FY99	%Savings FY00
Existing:			
Inpatient Mental Health	7-1-98	75%	100%
Outpatient Mental Health	7-1-98	75%	100%
New:			
Therapeutic Foster Care	1-1-99	25%	100%
Residential	1-1-00	0%	25%

Services provided under Medicaid are reimbursed roughly 51 percent by the federal government. Of the remaining

49 percent of the cost of these services, the state share will be approximately 62 percent and the local share approximately 38 percent statewide. As a result, a state savings of \$3.6 million GF the first year and \$13.9 million GF the second year is assumed. A local savings of \$2.1 million the first year and \$8.1 million the second year is assumed, since the federal government will also be paying part of a cost previously borne by localities.

Language is added to reflect the utilization of Medicaid. Specifically, the language clarifies that the CSA Pool Fund is now composed of a Medicaid and non-Medicaid allocation, with the federal share of the Medicaid match included in the CSA appropriation. As explained above, local governments will continue to pay a local match, based on each locality's actual CSA match rate for 1997.

Administration of Medicaid services will be handled by the state Office of Comprehensive Services and the state Department of Medical Assistance Services, not by the localities. For these services, DMAS will handle provider certification, provider training, training of local CSA teams, billing, utilization review, and case management. The Office of Comprehensive Services is directed to transfer the federal, state, and local shares of funding to DMAS, as needed to pay provider claims for Medicaid services.

- ***Caseload Growth.*** Adds \$3.2 million GF the first year and \$8.9 million GF the second year to a set-aside Pool for supplemental requests, based on a projected cost of serving more at-risk youth during the 1998-2000 biennium.
- ***Trust Fund Restoration.*** Adds \$187,257 GF each year to reinstate trust fund allocations to Culpeper and Petersburg. Funding for these two sites was previously supported by federal funding which is no longer available.
- ***Foster Care Parents' Rate Increase.*** Provides \$139,000 in the first year and \$238,286 the second year to provide a 2.25 percent rate increase for foster parents effective December 1, 1998.
- ***Incentive Fund.*** The introduced budget proposed an incentive fund of \$1.0 million GF in the second year for localities that improve services and reduce costs. The General Assembly rejected the incentive fund, instead approving legislation aimed at improving services and reducing costs through the use of a

uniform assessment instrument, case management, and utilization review.

- ***Substitution of Federal Funds.*** Reduces appropriations from the federal Social Services Block Grant (SSBG) by \$3.7 million each year, and replaces this amount with federal funds from the new block grant on welfare reform. A related action in the Department of Social Services uses the federal SSBG funds to replace general fund appropriations in other programs.
 - ***Reporting and Utilization Management Requirements.*** Adds language requiring the use of a standard assessment instrument by July 1, 1998 for all children served through CSA, consistent with the passage of House Bill 667 in the 1998 Session. Also adds language requiring additional data reporting by localities, again consistent with the legislation.
- **Virginia School for the Deaf and the Blind (Staunton)**
 - ***Technical Adjustments.*** Adds a net \$389,706 GF the first year and \$426,854 GF the second year for compensation actions and to make technical adjustments.
 - ***Increases.*** Adds \$52,176 GF the first year and \$65,287 GF the second year for increased operating needs and school bus replacement.
 - **Virginia School for the Deaf and the Blind (Hampton)**
 - ***Technical Adjustments.*** Adds a net \$345,261 GF the first year and \$378,023 GF the second year for compensation actions and to make technical adjustments.
 - ***Increases.*** Adds \$8,700 GF the first year and \$21,811 GF the second year for school bus replacement.

Higher Education

The approved budget provides \$2.6 billion GF for higher education in the 1998-2000 biennium, an increase of 8.4 percent over the adjusted appropriation for current operations. General fund initiatives total \$201.4 million for the biennium, including \$50.0 million proposed for "Performance Funding" that was reprogrammed for other priority purposes. Nongeneral funds of \$5.0 billion also are recommended for higher education, an increase of 5.3 percent.

Major Spending Initiatives (\$ in Millions)		
	<u>GF</u>	<u>NGF</u>
Faculty Salaries	\$72.5	\$39.3
Technology Operating Funds	19.0	19.7
Tuition Assistance Grants at \$2,600	17.3	
Year 2000 Compliance	11.9	10.5
Financial Aid-Public Institutions	10.0	
Debt Service for \$84.9 Million in Equipment	9.4	
Operate and Maintain New Facilities	<u>9.1</u>	<u>3.4</u>
Total	\$149.2	\$72.9

In policy-related matters, the budget continues a freeze on increases in tuition and mandatory instructional fees for Virginia resident undergraduate students. There are no restrictions on tuition and Educational and General fee increases for resident graduate and professional students, or for non-resident students. However, the approved budget limits increases in mandatory auxiliary fees to inflation and required salary increases, unless the auxiliary fee increase has been specifically approved by the General Assembly.

Language in the proposed budget that would have applied sanctions to needy Virginia students receiving financial aid was deleted.

Language was approved which establishes an eight-member subcommittee that will meet in the interim to develop proposed policies and

formulas for higher education funding that recognize such factors as differences in institutional mission, incentives for achievement and productivity, and the relationship of each institution to its national peers.

The General Assembly approved several institution-specific items, including: \$5.4 million GF for various workforce development and training initiatives at Virginia's Community Colleges; \$4.6 million GF for improvements in technology training and services at George Mason University; \$2.4 million GF for 27 additional positions to carry out the Virginia Tech Cooperative Extension and Agriculture Experiment Station "Plan to Serve Virginia Agriculture, Human, and Natural Resources;" and, \$2.0 million GF to support medical education at the University of Virginia, Virginia Commonwealth University, and Eastern Virginia Medical School.

General Issues:

- ***Faculty Salaries.*** Provides \$72.5 million GF and \$39.3 million NGF for faculty salary increases during the biennium. The funds provide an average increase of 5.8 percent per year for full-time teaching and research faculty across all institutions, calculated according to the method that has been in place for more than ten years. Actual increases range from 3.6 percent to 12.5 percent, depending on the relationship of each institution to its peer group. With these annual increases, the 60th percentile policy objective will be reached in FY 2000.

A minimum increase of at least 3.6 percent in the first year and 3.3 percent in the second year was provided to each institution. Salary increases for part-time faculty, graduate teaching assistants and administrative faculty also are 3.6 percent in the first year and 3.3 percent in the second year.

Faculty Salary Increases Biennial Amounts			
	<u>GF</u>	<u>NGF</u>	<u>Annual % Increase</u>
UVA	\$5,837,466	\$9,755,513	6.5%
VPI	10,658,899	6,508,874	5.8
VCU	9,549,302	4,786,635	5.6
ODU	3,912,147	2,317,059	5.0
GMU	4,617,256	3,856,817	4.9
CWM	3,946,008	3,504,012	9.4
JMU	4,294,728	1,658,975	6.1
CVC	437,679	661,063	12.5
CNU	1,414,895	161,933	5.3
LC	936,786	241,711	4.9
MWC	668,344	940,265	6.4
NSU	1,300,133	1,019,771	3.6/3.3
RU	1,403,820	911,721	3.6/3.3
VMI	0	871,143	3.9
VSU	416,435	862,440	3.7
RBC	190,167	24,610	3.6/3.3
VCCS	17,769,760	1,212,283	5.1
VPI Ext.	4,156,847	0	5.8
VIMS	<u>948,036</u>	<u>0</u>	<u>9.4</u>
TOTAL	\$72,458,708	\$39,294,825	5.8 (Avg.)

- Operating Technology.** A total of \$38.7 million is provided in the approved budget for the costs associated with operating and maintaining technology systems and equipment. Of the total, \$19.0 million is from the general fund, and \$19.7 million could be raised through a special technology fee that each public institution is authorized to charge its students. However, at the larger senior institutions, the fee charged Virginia undergraduates may not exceed one percent of the total of tuition and mandatory fees.

Operating Technology Biennial Amounts			
	<u>GF</u>	<u>NGF</u>	<u>Total</u>
UVA	\$2,333,860	\$1,986,908	\$4,320,768
VPI	2,365,499	2,179,041	4,544,540
VCU	1,807,352	1,536,445	3,343,797
ODU	1,110,984	1,197,778	2,308,762
GMU	1,309,600	1,534,188	2,843,788
CWM	837,885	760,939	1,598,824
JMU	927,368	1,197,901	2,125,269
CVC	153,846	195,925	349,771
CNU	297,596	286,846	584,442
LC	378,455	294,768	673,223
MWC	277,551	258,059	535,610
NSU	579,157	424,860	1,004,017
RU	619,442	520,502	1,139,944
VMI	188,927	190,060	378,987
VSU	347,747	246,901	594,648
SCHEV	770,000		770,000
S.W. Va Ctr.	51,930		51,930
RBC	93,508	82,556	176,064
VCCS	4,302,840	6,800,000	11,102,840
VIMS	<u>201,613</u>	<u>0</u>	<u>201,613</u>
TOTAL	\$18,955,160	\$19,693,677	\$38,648,837

- **Financial Aid.** The approved budget provides \$4.2 million GF in the first year and \$5.8 million GF in the second year. The amounts added by the General Assembly -- \$1.8 million in the first year and \$2.6 million in the second year -- are appropriated in Central Accounts for distribution by the State Council of Higher Education to the public institutions consistent with latest available data about student need.

The General Assembly deleted language in the budget bill, as introduced, that would have required students to meet two criteria to continue to qualify for state financial aid: 1) maintain at least a 2.0 grade point average, and 2) not exceed 135 credit hours, unless the State Council of Higher Education exempts special programs from this threshold.

- **Technology Enhancement and Equipment Replacement.** The approved budget provides an allocation of \$84.9 million from the Higher Education Equipment Trust Fund for instructional technology.

Funding would provide \$25.2 million to replace obsolete equipment; \$47.9 million for technology equipment; \$5.4 million for equipment related to capital projects and workforce training institutes of excellence; and, \$6.4 million for replacement of computing systems that are not Year 2000 compliant.

The lease payments, which are reflected in the Treasury Board budget, are \$9.4 million GF in the second year.

Higher Education Equipment Trust Fund	
<u>Biennial Allocation</u>	
UVA	\$13,527,333
VPI	14,125,505
VCU	8,961,860
ODU	6,121,022
GMU	4,997,128
CWM	3,288,951
JMU	3,341,702
CNU	913,985
CVC	481,840
LC	846,000
MWC	1,873,725
NSU	3,248,348
RU	2,033,089
VMI	716,845
VSU	1,772,931
RBC	197,874
VCCS	17,612,324
VIMS	713,165
SWVHEC	<u>156,000</u>
TOTAL	\$ 84,929,627

- **Year 2000 Compliance.** Provides \$11.9 million GF and \$10.5 million NGF for the biennium to allow the institutions, where requested, to address Year 2000 compliance issues in their financial and student information computing systems. Not all institutions requested funding for Year 2000 compliance. The agency requests were reviewed by the Council on Information Management (CIM), and the proposed

funding reflects CIM's recommendations. The Higher Education Equipment Trust fund also includes \$6.4 million for equipment purchases to address Year 2000 compliance issues.

Year 2000 Compliance		
	Biennial <u>GF</u>	Biennial <u>NGF</u>
UVA	\$ 1,135,483	\$2,428,880
VPI	4,638,126	3,912,155
VCU	499,991	932,509
ODU	1,988,321	793,858
GMU	723,070	856,930
JMU	1,625,407	414,768
CNU	514,012	108,388
LC	209,478	93,782
MWC	112,172	187,828
NSU	199,409	300,591
RU	81,643	114,339
VSU	114,307	396,693
VIMS	<u>80,000</u>	<u>0</u>
TOTAL	\$11,921,419	\$10,540,721

- ***New Facilities On-Line.*** Provides \$9.1 million GF and \$3.5 million NGF for the biennium to operate and maintain new facilities coming on-line. The funds include \$750,000 GF, with no NGF component, for maintenance of the clean room facility in the School of Engineering at Virginia Commonwealth University.

Operation and Maintenance of New Facilities

	<u>Biennial GF</u>	<u>Biennial NGF</u>
VCCS	\$3,716,996	\$ 482,549
UVA	78,087	176,913
VPI	652,321	637,499
VCU	1,804,366	353,634
GMU	869,820	1,091,847
ODU	1,021,666	
RU	338,335	
MWC	458,474	739,860
SWVHEC	<u>124,000</u>	<u>0</u>
TOTAL	\$9,064,065	\$3,482,302

- **Virginia Community Colleges**
 - *Adjustment for Nonpersonal Services.* Provides \$0.7 million GF in the first year, and \$1.4 million GF in the second year for library and other nonpersonal services expenditures.
 - *Workforce Training.* Provides \$4.0 million GF to fund several initiatives of the Joint Subcommittee to Study Noncredit Education for Workforce Training (House Joint Resolution 622 of the 1997 Session of the General Assembly). The initiatives fund a State Workforce Training Council, provide operating support for four regional workforce training centers, appropriate general funds to support noncredit workforce training, and provide 10 "business liaison" positions for the Virginia Community College System. In addition, \$1.4 million GF is provided to establish workforce development centers in Botetourt County and the Peninsula area.
 - *Development of New Campuses.* Provides \$3.4 million for staffing, equipment and facilities at new campuses: \$1.4 million for the Fauquier Campus of Lord Fairfax Community College and the Midlothian Campus of John Tyler Community College, and \$2.0 million for the Phase II facility of the downtown Norfolk Campus of Tidewater Community College.

- ***Transfer of Lease Payments.*** Transfers \$1.3 million GF in each year to the Treasury Board for consolidation of long-term capital lease payments for the construction of the Norfolk Campus of Tidewater Community College.

- **University of Virginia**
 - ***Medical Education.*** Provides \$400,000 GF each year in support of undergraduate medical education.

 - ***Increase Funding for Health Care Costs.*** Provides \$748,437 GF in each year to cover the state's share of employer premium increases for employees participating in the Qual Choice health care plan, sponsored by the University of Virginia. This recommendation provides Qual Choice with per employee support comparable to that provided to state employees covered by KeyAdvantage or other state programs.

 - ***Family Practice Salaries.*** Provides \$14,686 GF the first year and \$40,193 the second year as a technical adjustment to cover faculty salary increases for those employees in the family practice residency programs.

 - ***Graduate Financial Aid.*** Provides \$5.0 million NGF each year in nongeneral funds to allow the University to provide fellowships to qualified graduate students.

- **Virginia Polytechnic Institute and State University**
 - ***Tobacco Research.*** Provides \$342,341 GF the first year, \$412,103 GF the second year, and three positions to support research in the medicinal and biogenetic applications of tobacco for the reduction of human disease and illness. Field tests at sites in Blackstone and Abingdon are included in the funding.

 - ***Biotechnology.*** Provides \$350,000 GF each year to enhance interdisciplinary programs in biotechnology, pharmaceutical engineering, biomechanics, and biotribology.

 - ***Scholarships for Underrepresented Students.*** Provides an additional \$62,500 GF each year for scholarships, internships, and graduate assistantships for students from first generation, low income, or underrepresented groups in selected disciplines.

- *Support for Centers and Preservation.* Provides \$100,000 GF each year to support the Virginia Geographic Alliance, the Virginia Water Center and the programs at the Reynolds Homestead. In addition, \$50,000 GF is provided in the first year for the Phase I restoration of "Solitude," an historic building on campus.

- **Virginia Cooperative Extension and Agriculture Experiment Station**
 - *"The Plan to Serve Virginia."* Provides \$760,000 GF the first year and \$1,600,000 GF the second year and 27 positions to support "The Plan to Serve Virginia Agriculture, Human, and Natural Resources." At least two-thirds of the positions will be assigned to sites other than Blacksburg.

- **Virginia Commonwealth University**
 - *Medical Education.* Provides \$400,000 GF each year in support of undergraduate medical education.

 - *Police and Security Enhancements.* Provides \$175,000 GF and \$140,000 NGF in each year to provide nine additional patrol officers to cover the university grounds.

 - *Support for Biotechnology Center.* Provides \$150,000 GF each year to support marketing operations of the Virginia Biotechnology Center, located in Richmond. Funding for marketing support had been provided through the budget of the Economic Development Partnership.

 - *Winchester Family Practice Program.* Provides \$134,054 GF and two positions in each year to support the establishment of a new family practice residency program in Front Royal. Start-up funds for the program were provided by the 1997 General Assembly.

 - *Fairfax Family Practice Program.* Provides \$125,000 GF the first year and \$175,000 GF the second year to support the second and third years of the Fairfax Family Practice Residency program.

 - *Family Practice Salaries.* Provides \$70,798 GF the first year and \$200,087 GF the second year as a technical adjustment to cover faculty salary increases for those employees in the family practice residency programs.

- *Autism Program.* Provides \$181,000 GF the first year and \$250,000 GF the second year to expand the Autism Program of Virginia to regional sites.
 - *Virginia Executive Institute.* Restores \$90,700 in GF support for the Virginia Executive Institute and Commonwealth Management Institute program. The budget, as introduced, had replaced the general funds with nongeneral funds.
- **Old Dominion University**
 - *Technology Workforce Training Center.* Provides \$2.6 million GF and \$2.6 million NGF in each year to support the development of a Technology Workforce Training Center. The funding would be used to support training in the field of information technology. The nongeneral funds would be generated from students. Language requires the university to submit a plan to the Secretary of Education by September 1, 1998, on how this initiative will be carried out. The university also receives \$500,000 GF in the second year for rental of space at a new Peninsula Work Force Development Center on the campus of Thomas Nelson Community College.
 - *Northern Virginia TELETECHNET Center.* Provides \$500,000 GF in the second year to establish a new TELETECHNET center in Northern Virginia, where third and fourth year college programs would be offered via interactive television.
 - *Enhance Use of Instructional Technology.* Provides \$1.2 million GF in each year for a partnership with Gateway 2000 to provide classroom technology that includes audio, video, and data integration capabilities.
 - **George Mason University**
 - *Technology Development.* Provides \$2,281,250 GF each year and \$2,031,250 NGF each year to support technology infrastructure and workforce training efforts.
 - *Conflict Resolution.* Provides \$87,500 GF each year in additional support for the Center for Conflict Resolution.

- **The College of William and Mary**
 - *Peninsula Center.* Provides \$75,000 GF each year to support an expanded Peninsula Center, an instructional and conference facility in the Hampton Roads area.
 - *Teaching and Learning.* Provides \$125,000 GF each year to enhance academic programs at the Institute of Teaching and Learning.
- **Richard Bland College**
 - *Enrollment Growth.* Provides \$66,295 GF and \$15,998 NGF the first year, \$69,349 GF and \$12,944 NGF the second year, and 2.02 faculty and staff positions to accommodate projected enrollment growth.
 - *Adjustment for Nonpersonal Services.* Provides \$14,642 GF in the first year, and \$30,232 GF in the second year for library services and other nonpersonal services expenditures.
- **Virginia Institute of Marine Science**
 - *Support for Pfiesteria Research.* Provides \$998,353 GF the first year, \$556,746 GF the second year, and eleven positions to study the Pfiesteria micro-organism.
 - *Operation of New Facility.* Provides \$252,036 GF the first year and \$252,903 GF the second year to cover operating costs of the new Chesapeake Bay Hall, which houses chemistry and toxicology research programs
 - *Campus Security.* Provides \$25,200 GF the first year and \$24,100 GF the second year to provide a professional security officer on campus during daytime, weekend, and holiday hours.
- **James Madison University**
 - *Enrollment Growth.* Provides \$3.7 million GF and \$769,879 NGF the first year, \$3.3 million GF and \$1.2 million NGF the second year, and 87.59 faculty and staff positions to accommodate projected enrollment growth.

- **Christopher Newport University**
 - *Enrollment Growth.* Provides \$1.6 million GF and \$219,188 NGF the first year, \$1.7 million GF from the general fund and \$503,841 NGF the second year, and 49.12 faculty and staff positions to accommodate projected enrollment growth.
 - *Telecommunications.* Provides \$425,000 GF each year to support electronic commerce technologies (VECTEC), and to upgrade the campus telecommunications network.
- **Longwood College**
 - *Instructional Technology.* Provides \$76,671 GF the first year and \$188,802 GF the second year to finance over five years the cost of \$1.0 million in instructional technology equipment. The college also receives \$189,228 GF each year to support the operating costs associated with integrating technology into instruction, and to support administrative systems.
 - *Classified Salary Increases.* Provides \$191,108 GF each year to cover a shortfall in the base budget for 1997-98 classified salary increases.
 - *"Virginia Writing."* Provides \$50,000 GF each year to support staff and publishing costs of the "Virginia Writing" publication.
- **Mary Washington College**
 - *Staffing for Priority Programs.* Provides \$550,000 GF each year and \$2.4 million NGF the first year and \$2.6 million NGF the second year for 54 positions to staff priority programs, including the Jepson Science Center, laboratories, instructional technology, and the new Stafford County campus.
 - *Employee Recruitment and Retention.* Provides \$100,000 GF each year and \$252,000 NGF the first year and \$258,000 NGF the second year to address employee recruiting and retention problems caused by competition from Northern Virginia localities and businesses.

- **Norfolk State University**
 - *Improve Retention and Graduation Rates.* Provides \$94,222 GF in each year to support five counseling positions. These positions will provide increased advising services to students, in an attempt to assist the university in improving retention and graduation rates.
 - *Enrollment Management Plan.* Provides \$78,200 GF in each year to support concentrated and expanded student recruitment activities.
 - *Base Operating Support.* Provides \$500,000 GF each year in base operating support.
 - *Virginia Beach Center.* Provides \$300,000 GF each year for the university's share of debt service of the Virginia Beach Education Center facility.
- **Radford University**
 - *Operation and Maintenance.* Provides \$166,667 GF the first year and \$171,668 GF the second year to operate and maintain a new facility.
 - *Experiential Learning.* Provides \$100,000 GF each year for expand experiential learning opportunities for the student through internships, co-op programs and job shadowing.
- **Virginia Military Institute**
 - *Assimilation of Female Cadets.* Provides \$221,000 GF in each year to support a Title IX coordinator, an additional police officer, the continuation and expansion of the exchange program, additional female cadet uniforms, and marketing expenses to support the assimilation of female cadets. The institute also receives \$60,000 GF each year for a female admissions officer.
 - *Marshall Foundation Outreach.* Provides \$150,000 GF the first year as the state share of a \$1.0 million endowment to finance the operations of the George C. Marshall Foundation's "Virginia Public Schools Outreach Program - 20th Century Role Models, leadership Through Historic Examples."

- *Funding for the VWIL Program.* Provides \$72,200 GF the first year and \$110,200 GF the second year to support a fourth class entering the Virginia Women's Institute for Leadership at Mary Baldwin College.
- *Funding for the VPI Corps of Cadets.* Provides \$100,000 GF each year to support an additional 53 students in the Corps of Cadets program at Virginia Polytechnic Institute and State University.
- **Virginia State University**
 - *Program for Small Farmers.* Provides \$394,000 GF and six positions each year to improve the economic viability of small-scale farmers by enhancing the Cooperative Extension Service and Agricultural Research efforts at VSU.
 - *Faculty Improvement.* Provides \$195,000 GF the first year and \$200,000 GF the second year to help Virginia State increase the number of faculty with high academic credentials to at least 85 percent of the total teaching faculty. The funds will be used for recruitment efforts as positions become available. The actions are intended to reaffirm accreditation, and increase competitiveness among peer institutions.
 - *State Match for Extension Program.* Provides \$125,000 GF each year as the state match for the federally funded Cooperative Extension and Agricultural Research Programs.
 - *Equipment Maintenance.* Provides \$250,000 GF each year to maintain instructional equipment and to implement administrative systems.
- **State Council of Higher Education for Virginia**
 - *Tuition Assistance Grants.* Increases the annual grant to Virginia students attending Virginia independent colleges and universities from the current \$2,000 per student to \$2,600. Additional funding of \$9.4 million GF the first year and \$8.0 million GF the second year is provided. The first year amount is sufficient to assure the \$2,600 grant for the estimated 13,500 students expected to be eligible in fiscal year 1999.

- ***Minority Doctoral Fellowships.*** Provides \$13,000 GF in each year to provide scholarships to 15 minority doctoral students attending Virginia institutions of higher education.
- ***Women's Institute for Leadership.*** Provides additional general funds of \$171,672 in the first year and \$223,920 in the second year to support the instructional and financial aid costs of a fourth class at the Virginia Women's Institute for Leadership at Mary Baldwin College. The increased funding will provide support for an additional 25 in-state students in each year. (Funding for unique military activities of the institute is provided in the budget of the Virginia Military Institute.)
- ***Virtual Library.*** Provides \$250,000 GF the first year and \$520,000 GF the second year for the public colleges and universities participating in the "Virtual Library" program. Private college participation is provided for in the second year. Participants in the "Virtual Library" program pool resources and invest in electronic information and data bases that are shared by faculty and students at all institutions.
- ***Health Sciences Contract.*** Provides \$280,000 GF the first year and \$420,000 GF the second year to finance a contract with the College of Health Sciences in Roanoke for the provision of training in a variety of health-related fields for students from medically underserved areas.
- **Southwest Virginia Higher Education Center**
 - ***New Facility Coming On-Line.*** Provides \$62,000 of additional general fund support in each year for operation and maintenance of the new center, which will open in 1998. Also, the budget provides \$183,627 GF the first year and \$183,628 GF the second year and 3.5 positions to maintain computer labs and provide security and student services at the center.
 - ***Increase Nongeneral Funds.*** Provides \$225,000 NGF authority in each year, along with four positions, to provide security, student services, and special events assistance. The revenue will be generated from the use of the new facility for conferences, exhibitions, trade shows, and public meetings.

Other Education

- **Library of Virginia**
 - *State Aid to Local Libraries.* Provides \$1.4 million GF in the first year as the first installment on a three-year plan to fully fund the State library aid formula. Language also encourages the local libraries to provide access for their patrons to world-wide electronic information available on the Internet.
 - *Increased Staff Support.* Increases staffing levels to meet customer demands for services. Funding of \$818,225 GF and \$101,504 NGF and 15 positions are provided in the first year, and \$838,086 GF and \$110,864 NGF and 15 positions in the second year.
 - *New Facility Coming On-Line.* Provides \$135,000 GF in the second year for shelving, bar scanners, and equipment for the new State Records Center, which will open in 1999.
- **Virginia Museum of Fine Arts**
 - *Support Staff.* Provides \$338,127 the first year and \$317,419 the second year from the general fund, along with nine positions, to provide support in the areas of housekeeping, collection inventory control, marketing, conservation, and community affairs.
 - *Legal Advice for Copyright Protection.* Provides \$38,400 GF in the first year to allow the museum to secure specialized legal services related to the reproduction and licensing of images and intellectual property created by museum staff.
 - *Marketing Campaign.* Provides \$87,500 GF each year to support a marketing campaign.
 - *Upgrade Textile and Objects Storage.* Provides matching funds of \$50,000 GF in each year to improve textile storage to comply with the standards set by the American Association of Museums.

- **Science Museum of Virginia**
 - *Enhance Visitor Experience.* Provides \$140,000 GF the first year, \$100,000 GF the second year, and one position to develop small demonstrations and a visitors' guide to improve visitor enjoyment and learning opportunities. The project will also include an assessment component.
 - *Support Staff.* Provides \$646,000 GF in each year, along with seven positions, to provide support in the areas of exhibit maintenance, agency financial management, and to contract for security and housekeeping services.
 - *Marketing Program.* Provides \$294,000 GF in each year to allow the museum to implement an advertising and tourist promotion effort, in cooperation with other museums and cultural agencies in the Boulevard area.
 - *Refurbish Science Galleries.* Provides \$192,000 GF the first year, \$152,000 the second year, and one position for replacement of signs and exhibits, and development of an interactive exhibit on the Commonwealth's Outstanding Scientists and Industrialists.
 - *Develop a Plan for the Aviation Museum.* Provides \$30,000 GF the first year and \$20,000 GF the second year for a planning grant to develop options for the potential renovation and expansion of the Virginia Aviation Museum.
 - *Danville Science Center.* Provides \$25,000 GF each year to support the Danville Science Center in Danville, Virginia.
- **Jamestown-Yorktown Foundation**
 - *2007 Celebration Activities.* Provides \$154,405 GF and \$18,730 NGF the first year, and \$294,874 GF and \$77,548 NGF the second year to plan, promote, and raise funds for the 400th anniversary of the landing at Jamestown, which will occur in 2007. Seed money of \$1.0 million in general funds is also provided in the second year as start-up funding for private fund raising efforts.
 - *Delivery of Educational Programs* Provides \$88,662 GF and \$113,972 NGF the first year, and \$86,159 GF and \$164,502 NGF the second year to upgrade the maritime program, interpreters and costumes, and visitors services staff.

- ***Increase Administrative Support.*** Provides \$215,979 GF the first year, and \$434,318 GF and \$39,230 NGF the second year to operate the education center, implement a technology plan, and to enhance safety and security operations. One-time funding of \$400,000 the first year and \$800,000 the second year from the general fund is provided for the computing equipment and systems recommended in the agency's technology plan.
- ***Additional Positions.*** Provides \$80,100 GF and \$29,091 NGF the first year and \$78,523 GF and \$29,578 NGF the second year to convert two part-time positions to full-time marketing and finance positions, and to add two Educational Outreach positions.
- **Frontier Culture Museum**
 - ***Maintain and Develop DeJarnette Property.*** Provides \$50,000 NGF in each year to pay for basic maintenance, upkeep, and utilities for the property, pending determination of how the property will be used.
 - ***Additional Staff.*** Provides \$61,500 GF and \$45,500 NGF in each year to provide 4.5 positions to support various programs.
- **Virginia Commission for the Arts**
 - ***Increase in State Aid.*** Provides \$625,000 GF each year in additional state aid to local arts organizations.
- **Medical College of Hampton Roads**
 - ***Medical Education.*** Provides \$200,000 GF each year in support of medical education.
- **Melchers-Monroe Memorials**
 - ***Additional General Fund Support.*** Provides \$150,000 GF in each year to support the preservation of the James Monroe Library facility, and its gardens and collections, and to finance a visitor's center manager at Belmont, the museum and art gallery in the former home of American artist, Gari Melchers.

Finance

The approved 1998-2000 budget for Finance agencies contains a net increase of \$333.5 million GF over the adjusted appropriation for current operations. No reductions from the current operating budget are recommended for these agencies.

The single largest increase is \$238.8 million GF for two payments into the Revenue Stabilization or "Rainy Day" Fund. An additional \$32.9 million is recommended for debt service to fund full-year debt service on bonds to be issued in FY 1998 and debt service on previously authorized bonds issued during the 1998-2000 biennium. A total of \$20.0 million GF is provided to support debt service payments on Higher Education Equipment Trust Fund bonds. Also included is \$37.7 million for lease payments for six capital lease projects, with two-thirds of the required funding transferred from other agencies. Funding is included for technology and equipment enhancements for the Finance agencies themselves, a total of \$929,000 GF for the biennium.

- **Secretary of Finance**
 - *Accounting and Budgeting Computer Systems.* Includes \$330,000 GF the first year for a consultant to plan and design replacements for the state's current automated accounting and budgeting systems. The current accounting system, the Commonwealth Accounting and Reporting Systems (CARS), was purchased and implemented in fiscal year 1978, and updated in fiscal year 1986. The current program budgeting system (PROBUD), was purchased in fiscal year 1981, and updated in fiscal years 1985 and 1990.
- **Department of Planning and Budget**
 - *Rate Setting for Self-Insurance Programs.* Requires the Department, assisted by the Department of General Services, to study the rate setting process for those self-insured programs managed by the Department of General Services' Division of Risk Management. This study will look at the feasibility of setting rates based each individual agency's claims experience.
 - *Tax Supported Debt.* Requires the Department to include per capita spending and debt figures in the 1999 budget document.

- **Department of Accounts**
 - *Updated Revenue Projections for Aid to Localities.* Projects a net increase of \$466,000 the first year and \$248,667 the second year for payments to localities from shared tax sources. The amount reflects increased alcoholic beverage control profits, decreased proceeds from the wine tax, and a reduction due to increased ABC expenditures for tobacco law enforcement related to minors.
 - *New Computers and Software.* Provides \$92,521 GF the first year and \$78,069 GF the second year for software and upgraded personal computers, allowing the agency to standardize to the latest Microsoft software. The agency anticipates using the Master Equipment Lease Program to purchase the hardware, with payments over three years. A final payment will be required in FY 2001.
 - *Publication Finishing Equipment.* Includes a one-time appropriation of \$25,000 GF the first year for publication finishing equipment to automatically bind and finish documents printed by the agency. Finishing is currently done manually.
 - *VELA Loan Service Reserve Fund.* Adds language and an appropriation of \$544,778 NGF to establish a reserve fund to cover any claims from the residual reserve accounts and security pledges which remain a State responsibility from the privatization of the Virginia Education Loan Authority (VELA) and the State Education Assistance Authority.
 - *Disability Program Start-up Costs.* Provides \$70,000 the first year for systems modifications required to implement the new disability program for state employees, as authorized by the passage of Senate Bill 126 in the 1998 Session.
- **Department of Taxation**
 - *Continue Electronic Reconciliation of W-2s.* Appropriates an additional \$243,506 GF in each year to continue the electronic reconciliation of withholding payments from employers with the amounts claimed on individual tax returns. The federal

government, which previously paid for this activity, has announced that it will no longer fund the activity.

- ***Relocate Warehoused Tax Records and Interstate Audit Section.*** Provides \$323,088 GF the first year and \$73,606 GF the second year to relocate prior year tax records to a new warehouse, pay for additional warehousing lease costs, and move the Interstate Audit Section into the Department's headquarters building. Plans are for the current building now housing the tax records and the Interstate Audit section to be renovated as part of the Children's Museum in Richmond.
- ***Audit of Public/Private Partnership Act.*** Includes \$300,000 GF the first year for an audit of the Public/Private Partnership Project. The Partnership allows the Department to enter into contracts with private vendors who would provide new technology and processes to update Taxation's current computer system. Private vendors would receive a portion of additional revenues collected from the new system.

The Council for Information Management has required the audit as a condition for certifying the procurement request to begin the project. The audit will be ongoing. Costs in fiscal year 2000 and subsequent years will be paid from additional revenues collected from the new computer system.

- ***Expand Electronic Fund Transfer Program.*** Appropriates \$129,600 each year to expand the electronic fund transfer program, which allows taxpayers to remit their taxes electronically rather than by check. It is anticipated that the Department will mandate that selected filers pay electronically.
- ***Printing Revised Forms and Instructions.*** Includes an additional \$99,000 GF each year for printing costs of revised tax forms and instructions. Any additional costs required to print a revised Motor Voter registration form and instructions will be funded from Central Accounts. Also, \$175,000 for printing all revised forms and instructions is included in HB 29, to cover anticipated increases for the current fiscal year.
- ***Administrative Costs Related to Legislation.*** Includes an additional \$178,000 GF the first year and \$198,000 GF the second year for forms, data entry, and system modifications costs related to legislation enacted by the 1998 General Assembly.

- ***Building Management Costs.*** Provides \$178,000 each year for the Department to contract for building management services at its Richmond headquarters building. Maintenance is currently provided by the Department of Motor Vehicles (DMV). It is anticipated that ownership of the building will be transferred by DMV to Taxation during the current fiscal year.
 - ***Increase NGF Appropriations.*** Includes an additional \$1.6 million NGF each year, reflecting increased activity in the Contract Collector Fund and the Court Debts Collection Program Fund.
 - ***Accelerate Final Harper Payment.*** Includes an amendment to accelerate the final tax refund payment to federal retirees from March 31, 1999 to September 30, 1998.
- **Department of the Treasury**
 - ***Required Payments for the Revenue Stabilization Fund.*** Includes \$123.8 million GF for a payment to the Revenue Stabilization Fund, which is required to be made in the first year of the biennium. The introduced budget also includes a second payment to the fund (\$115.0 million GF), which will be required based on current estimates of tax collections for FY 1998.
 - ***New Wiring, Computers and Software.*** Appropriates \$85,862 GF and \$47,983 NGF the second year to replace the existing computer cabling for the Department. The funding would also allow the Department to begin initial hardware and software purchases through the Master Equipment lease program.
 - ***Replace Security System.*** Includes \$37,200 GF and \$22,800 NGF the second year to replace the existing security system cabling for the Department.
 - ***Additional Positions and New Bank Reconciliation Computer System.*** Provides 2.0 FTE positions in the bank reconciliation unit to handle increased workload and operate a new bank reconciliation system that will replace the existing demand deposit accounting system. Because the new system will also address the Year 2000 computer problems, funding for the new system is located in Central Accounts. The agency will absorb the salary costs associated with the two new positions.

- **Treasury Board**
 - ***General Obligation, VPBA and VCBA 21st Century Bond Program Debt Service Requirements.*** Provides \$8.9 million GF the first year and \$24.0 million GF the second year to reflect the cost of new debt issuances during the biennium and full-year costs for bonds issued in FY 1998. The Department of Treasury has assumed interest rates of 5.09 percent, 5.59 percent, and 5.59 percent for the G.O., VPBA, and VCBA bonds, respectively.
 - ***Transfer of Capital Lease Payments.*** Transfers responsibility for making lease payments for six tax-supported capital lease projects currently managed by other state agencies, along with \$18.8 million GF the first year and \$18.9 million GF the second year. About two-thirds of this amount will be transferred from the other agencies. The other one-third is additional funding necessary to meet lease payments in the biennium.
 - ***Higher Education Equipment & Technology.*** Includes additional funding of \$7.2 million GF the first year and \$3.4 million GF the second year to support debt service payments on the Spring, 1998, Higher Education Equipment Trust Fund bonds authorized in Chapter 924 of the 1997 Session. An additional \$9.4 million GF the second year is recommended to support debt service payments on the \$84.9 million equipment allocation provided for the 1998-00 biennium.
- **State Internal Auditor**
 - ***Added Positions.*** Includes \$103,885 GF the first year and \$104,712 GF the second year to fund 2.0 additional positions which were administratively transferred from the Department of Taxation to the State Internal Auditor's office in the current fiscal year. The positions are already filled, with funding provided by carryforward balances. Position responsibilities include the coordination of training courses, and quality assurance reviews of internal audit programs in state agencies.
 - ***Training Funds.*** Provides \$100,000 GF the first year for the State Internal Auditor's Office to coordinate training for internal audit personnel in state agencies. The funding may be used to contract with organizations to provide training, for the Internal Auditor's Office to provide the training directly, or to subsidize internal audit programs in state agencies for the cost of their training.

Health and Human Resources

The 1998-2000 budget adopted by the General Assembly for Health and Human Resources agencies contains a net increase of \$218.3 million GF over the adjusted appropriation for current operations. About two-thirds of this state spending is federally required: \$111.7 million in funding for inflation and increased utilization in Medicaid entitlements; and \$28.5 million in patient care improvements in mental health facilities.

As a step toward downsizing state institutions for mentally disabled persons, the General Assembly approved an increase of \$55.9 million for community-based services and adopted language to require preparation of a facility master plan. The plan will be used as a guide in reducing the operating and capital costs of facilities in the future, as community services for discharged patients are developed.

The General Assembly expanded health insurance for poor children, as authorized in recent federal legislation. Medicaid eligibility would be extended to children living in families with incomes up to 150 percent of the federal poverty level. Families with incomes between 150 percent and 185 percent of the poverty level would pay premiums and co-payments for the same benefits provided under Medicaid. The \$93.8 million child health insurance package includes \$57.3 million in federal funds and state matching funds from two sources: \$15.3 million in revenue from eliminating the non-profit tax preference for Trigon, and \$21.2 million from the general fund. Approximately \$5.8 million of the total funding would go to local departments of social services for the administrative cost of processing additional Medicaid applications.

Federal funds also were used to initiate training and other services for welfare recipients who are difficult to place in jobs. The \$19.7 million package includes: \$16.7 million from the federal Temporary Assistance for Needy Families (TANF) grant; \$2.0 million from a new federal "Welfare to Work" grant; and \$1.0 million GF match for the new grant.

Other funding increases include: \$14.1 million GF (plus \$7.1 million NGF) for caseload increases in foster care and adoption subsidies for children with special needs; \$3.0 million for services to the elderly; \$2.6 million for services to physically disabled (plus \$1.6 million NGF); and \$2.3 million for the "Healthy Families" early intervention program for at-risk families.

The approved budget also includes a total of \$57.5 million in general fund savings, resulting primarily from limiting Medicaid reimbursement for

Medicare copayments and deductibles (\$27.8 million), and by substituting federal welfare and other grants for general fund expenditures (\$26.9 million).

- **Secretary of Health and Human Resources**

- *Inspector General for MHMR Facilities.* Adds \$110,000 GF each year for an inspector general position to oversee care in state institutions serving mentally disabled persons.

- **Department for the Aging**

- *In-Home Services.* Adds \$500,000 GF each year for chore and companion services, to assist disabled elderly persons in remaining at home rather than in institutions.
- *Home-Delivered Meals.* Adds \$500,000 GF each year for home-delivered meals for frail elderly persons.
- *Guardianship Pilot Project.* Provides \$110,000 the first year, \$450,000 the second year, and three positions to expand the public guardianship program for incapacitated adults from three to ten sites in the second year. State administrative support for the Public Guardianship and Conservator Advisory Board is also included in both years.
- *Long-Term Care Ombudsman Program.* Adds \$90,000 each year for the ombudsman program, which provides oversight and assistance for elderly persons seeking or receiving long-term care.
- *Special Local Projects.* Initiates a pilot project of \$100,000 GF per year that would provide companion services to disabled elderly persons in Southwest Virginia. The budget also adds \$55,000 GF the first year and \$60,000 GF the second year for Jewish Family Service of Tidewater.

- **Department of Health**

Service Expansion

- *Safe Drinking Water Act Funds.* Adds \$2.4 million GF in the second year as state match for federal Safe Drinking Water Act funds. With this addition, the state match for the federal grant

would total \$11.4 million GF for the biennium. Concurrently, the estimate of federal funds is revised downward by \$10 million each year, leaving a balance of \$20 million per year for the program. Language is also included that would continue to set aside \$2 million each year in loans for the Coalfield Water Development Fund, to assist in financing new drinking water facilities in Southwest Virginia.

- ***Rural Health Initiatives.*** Adds \$2.0 million GF for rural health initiatives that include: \$788,431 for extension of telemedicine technology into three remote sites; \$492,920 for a graduate medical education consortium in Southwest Virginia; and \$300,000 for the Office of Rural Health.
- ***Additional Chicken Pox Vaccines.*** Provides \$349,848 GF each year to expand distribution of vaccines to children ages two to four. Currently, \$534,056 GF is provided per year to cover children from birth to age two.
- ***AIDS/HIV Medications.*** Adds \$150,000 GF each year for medications for persons infected with HIV or AIDS. It is expected that these state funds could be used to draw additional federal funds for the same purpose.
- ***Pfiesteria Research Unit.*** Provides \$433,850 the first year for a research unit within the department to study the effects of Pfiesteria on persons exposed to seafood with that disease. (Funding is also provided in the Virginia Institute for Marine Science to study the effects on fish.) The unit would include three staff using vacant positions within the department's maximum employment level.

Maintenance of Services/Replacement of Funding

- ***Poison Control Centers.*** Adds \$855,877 GF each year to support statewide poison control services. In FY 1998, those services were supported in part by one-time balances. Total appropriations would equal \$1.9 million GF per year for the centers.
- ***Match for Abstinence Education Grants.*** Provides \$375,000 GF each year as state match for federal grants targeted to the reduction of teenage pregnancy through abstinence education. Changes in federal law now require state appropriations as match, rather than in-kind contributions which were previously allowed.

- ***Area Health Education Centers (AHEC).*** Provides \$350,000 the first year for AHECs located throughout the state, as an offset for time-limited federal grants that are expiring.
- ***Increased Costs of Pap Smears.*** Adds \$339,570 GF each year for increased costs of administering pap smears. The base budget includes \$699,993 each year for this program.

Administrative Improvements

- ***Improvements in Local Health Facilities.*** Provides \$604,111 GF the first year and \$631,200 GF the second year for rent increases that support facility improvements in 15 local health departments. A corresponding increase of \$471,362 the first year and \$485,841 the second year is assumed as the local match in the cooperative health department budget.
- ***New Office for the Norfolk Medical Examiner.*** Provides \$93,100 GF the first year and \$677,540 GF the second year to move the Norfolk Medical Examiner's Office into a new facility and to pay increased costs of medical and laboratory supplies.
- ***Added Medical Examiner Positions.*** Provides \$260,424 GF the first year and \$171,728 GF the second year for four regional medical examiner positions. Training for 10 contract staff is also included.
- ***Automated Trauma Registry System.*** Provides \$200,000 GF each year to improve automated information on trauma centers throughout the state.

Increased Nongeneral Fund Revenues

- ***Emergency Medical Services (EMS).*** Adds \$16.8 million in NGF revenue for EMS, provided by an increase in drivers' license fees adopted by the 1998 General Assembly. The "\$2 for Life" surcharge would be increased to \$4.
- ***Neurotrauma Initiatives.*** Appropriates \$950,000 in NGF revenue for research and services for persons with brain and spinal cord injuries. The source of revenue would be an increase in drivers' license reinstatement fees, for persons convicted of drunk driving and other related offenses.

- **Department of Medical Assistance Services**

Service Expansion

- ***Health Insurance for Poor Children.*** Establishes a new health insurance program for poor children, as authorized in recent federal legislation. Effective July 1, 1998, the new two-part program would provide health insurance coverage for about 50,560 children ages six through 18. Medicaid coverage would be extended to families at or below 150 percent of the federal poverty level. Families with incomes between 150 and 185 percent of poverty would pay premiums and co-payments for the same benefits provided under Medicaid.

As listed in the following table, a total of \$93.8 million would be provided for the new program, which includes federally mandated outreach to children currently eligible for Medicaid but not receiving benefits. State match for the federal funds includes revenue from the Virginia Children's Medical Security Insurance Plan Trust Fund. The state trust fund, created during the 1997 Session, is supported by revenue generated from the elimination of the non-profit tax preference for Trigon. The total includes \$5.8 million for local departments of social services to process applications.

Funding for Children's Health Insurance and Expanded Medicaid Outreach 1998-2000 Biennium (\$ in millions)				
	<u>GF</u>	<u>Va. Children's Medical Security Insurance Plan Trust Fund</u>	<u>Federal Child Health Ins. Funding</u>	<u>Federal Medicaid Funding</u>
New Health Plan	\$10.8	\$ 7.2	\$34.9	\$ 0.0
Medicaid Outreach and Enrollment	10.4	6.2	0.0	18.5
DSS Eligibility Determination	<u>0.0</u>	<u>1.9</u>	<u>3.9</u>	<u>0.0</u>
Total	\$21.2	\$15.3	\$38.8	\$18.5

- ***Expanded Outreach for Enrollment of Medicaid-Eligible Children.*** Participation in the new federal children's health insurance program requires states to expand outreach efforts and enroll children who are eligible for, but not receiving, Medicaid benefits. The budget includes funding to expand outreach and enroll 32,800 additional low-income children in Medicaid by the end of the second year. Required state match for Medicaid would be partially supported by \$6.2 million from the Virginia Children's Medical Security Insurance Plan Trust Fund.
- ***Utilization and Inflation.*** Adds \$111.7 million GF and \$123.6 million in federal funds for increased demand and inflation in medical costs for the Medicaid program. This increase anticipates that Medicaid will grow about 3.2 percent in FY 1999 and 4.6 percent in FY 2000.

Payment Changes

- ***Medicaid Coverage of CSA Services.*** Requires Medicaid coverage of services to at-risk youth, currently supported with state and local funds under the Comprehensive Services Act (CSA). New Medicaid payments would be staggered: therapeutic foster care would begin January 1999; and residential care would begin January 2000. Federal Medicaid reimbursement for these services is estimated to save \$17.5 million GF in state funds and \$10.7 million in local funds.

Also, \$417,375 GF and \$443,902 NGF is provided for a projected increase in the number of Medicaid-eligible children likely to qualify for residential care. Funding for additional administrative expenses (\$600,000 GF and \$638,155 NGF) is provided in the Department of Medical Assistance Services.

- ***Dental Rate Increase.*** Adds \$4.9 million GF and \$5.2 million in federal funds to increase dental rates in the biennium. The increase is expected to improve access to dental care for Medicaid recipients, based on the results of a recent study that was mandated by the 1997 General Assembly. The rate increase is based on Medicaid reimbursement for dental services at 85 percent of the usual, customary, and reasonable charges.
- ***Adult Day Health Care Rate Increase.*** Adds \$400,000 GF and \$425,422 NGF to increase Medicaid reimbursement for adult day health care. The rates would increase from \$33 to \$39.50 per day

in Northern Virginia and from \$28 to \$34.50 per day in the rest of the state.

- ***Air Ambulance Rate Increase.*** Provides funding to increase Medicaid rates paid to private air ambulance service providers. A study of transportation rates by Virginia Commonwealth University School of Business recommended that air ambulance rates for Medicaid be raised to the median of state rates. The adopted budget provides an increase of \$29,000 GF and \$31,000 NGF in each year of the biennium.
- ***Implement the Medicare Premium Buy-in Program.*** Provides funding to begin paying Medicare Part B premiums for certain qualified low-income Medicare recipients who are not eligible for Medicaid. An increase of \$9.0 million in federal funds is provided in the biennium to fund this effort, which was authorized in the federal Balanced Budget Act of 1997. This program is a capped entitlement which does not obligate states to continue assistance when federal funds are fully expended. States are required to provide coverage on a first come, first serve basis.
- ***School-Based Services.*** Provides federal Medicaid funding for school-based services currently paid with state and local funds: \$1.5 million NGF for health services, and \$253,614 NGF for children in special education requiring psychological services.
- ***Revise Medicaid Payment Rates for Medicare Copayments and Deductibles.*** Saves \$27.8 million GF and \$29.6 million in federal funds by revising the Medicaid payment rates for copayments and deductibles paid on behalf of persons who are dually eligible for Medicaid and Medicare. Currently, Medicaid reimburses providers the full amount of the Medicare copayment, coinsurance, and deductibles in compliance with a previous United States District Court decision.

The federal Balanced Budget Act of 1997 clarifies that states now have the authority to limit Medicaid reimbursements for Medicare deductibles, coinsurance, and copayments to the difference between the Medicaid service rate and the Medicare payment. Language is also included directing the Office of the Attorney General to pursue any legal action necessary to obtain relief from the district court's decision, in the event that questions arise about whether the court decision or new federal law applies to Virginia.

- ***Study of Nursing Salaries in Nursing Homes.*** Provides \$75,000 GF and \$75,000 NGF the first year for a study of nursing staff salaries in nursing homes, to determine if reimbursement rates are adequate.

Administrative Improvements

- ***Funding for a New Medicaid Claims Processing System.*** Provides \$4.5 million GF and \$7.6 million NGF to cover the cost of developing and operating a new claims processing system for Medicaid. The department was in the process of procuring the new claims processing system in FY 1997 when the contract was canceled for non-performance. A new system is projected to be operational by January 1, 2000.
- ***Audit of Community Services Boards Costs.*** Adds \$290,580 GF and \$309,420 NGF the first year to conduct an audit of Medicaid cost records of 40 community services boards (CSBs). A study of Medicaid rates for services provided by CSBs indicates that the rates appear inconsistent with the actual costs to provide services. An audit of these costs is recommended to validate information reported by the CSBs, and to ensure that Medicaid reimbursements reflect actual costs.
- ***Enroll Dually Eligible Individuals in Voluntary HMOs.*** Includes language allowing the Department of Medical Assistance Services to implement a sole source contract for one or more pilot projects to voluntarily serve persons who are eligible for both Medicare and Medicaid through a health maintenance organization (HMO). The program would focus on improved care coordination, streamlining administration and oversight, and integrating the Medicare and Medicaid funding streams to eliminate cost shifting between the programs. The project would include long-term care services as well as services provided in the existing Medicaid HMO programs.
- ***Managed Care Program for HIV/AIDS Patients.*** Includes language allowing the department to implement one or more managed care pilot programs to improve the care coordination for Medicaid recipients infected with HIV/AIDS. Current regulations for the MEDALLION and MEDALLION II managed care programs specifically exclude Medicaid patients with HIV/AIDS who are in community-based care waiver programs, long-term care institutions, and those with most types of third party insurance, such as Medicare, from participating in managed care programs. This language would allow the

department to ensure this population receives a continuum of care through a managed care program.

- ***Management of High Cost Medicaid Recipients.*** Includes language to allow the department to establish a management program focused on high cost Medicaid recipients. The department will be required to establish uniform eligibility criteria for identifying and managing these patients. The department is also provided the authority to seek any necessary waivers from the federal Health Care Financing Administration to implement the program and to promulgate necessary regulations.

Funding Transfers

- ***Transfer to Medicaid for Mental Health Services.*** Transfers general funds from the Department of Mental Health, Mental Retardation and Substance Abuse Services to this agency for Medicaid-covered mental health services provided by mental health facilities and community services boards. The amount transferred to the agency is \$41.1 million GF over the biennium.
 - ***Transfer to Medicaid for Services to Individuals Subject to Involuntary Mental Commitment Proceedings.*** Transfers general funds from the Supreme Court to this agency for health care services for individuals subject to involuntary mental commitment proceedings. Medicaid pays for medical related care of indigent persons who are involuntarily committed. This transfer is consistent with recommendations from a JLARC study on involuntary civil commitments. The amount transferred to the agency is \$17.0 million GF over the biennium.
- **Dept. of Mental Health, Mental Retardation & Substance Abuse Services**

Service Expansion

- ***Community Services for Mentally Disabled Persons.*** Provides additional funding for residential and community-based services: \$8.0 million for seriously mentally ill persons; and \$5.5 million for mentally retarded persons.
- ***Substance Abuse Treatment.*** Provides an additional \$3.0 million for community-based treatment of persons with substance abuse problems.

- ***Treatment for Persons in Adult Care Residences.*** Provides \$1.5 million for a pilot project of treatment for mentally ill persons in adult care residences. The project would test treatment in both adult homes and in off-site locations.
- ***Medications for Mentally Ill Persons.*** Adds \$13.8 million GF for medications used to treat persons with schizophrenia, bi-polar disorder, and depression. These medications would help stabilize persons at-risk of institutionalization or facilitate their transfer and treatment in community settings. Of this amount, \$5 million GF will be used to treat individuals in state facilities and \$8.8 million GF will be used to treat individuals in the community.
- ***Discharge Dually Diagnosed Patients to Community.*** Provides an increase of \$5.4 million GF in the biennium for treatment and community supports associated with the discharge of 85 patients in state facilities who have dual diagnoses of mental illness and mental retardation.
- ***Special Hospitalization Fund.*** Adds \$1.3 million GF in each year to implement a special hospitalization fund to pay for medical or surgical services in an acute care hospital setting, if necessary, for patients in state institutions. These costs were formerly paid by Medicaid, but are now prohibited.
- ***Assertive Community Treatment Projects.*** Increases funding for Assertive Community Treatment (ACT) programs by \$6.2 million GF over the biennium. Funding will allow for the establishment of regional ACT programs to provide services to adults with serious mental illnesses in the community, as a method for reducing hospitalizations.
- ***Services for Mentally Retarded Persons Served by Waivers.*** Increases funding for persons with mental retardation served in the community under Medicaid waivers. Increased funding of \$6.7 million GF and \$2.7 million NGF in the biennium is included for specialized active treatment, vocational, and day support services. Of the total, \$4.2 million GF is provided as an offset to lost federal funds for those persons who no longer qualify for the waivers.
- ***Special NVTC Health Care Project.*** Adds \$500,000 GF for mentally retarded persons in the community to receive health care services through the Northern Virginia Training Center.

- ***Autism Resource Center.*** Adds \$78,000 per year for training of persons who work with autistic children. With that addition, \$150,000 per year would now be provided for those services, provided through the Grafton School.
- ***Other Special Projects.*** Adds funds for other projects targeted to special groups of mentally disabled persons: \$400,000 for mental health treatment of visually and hearing impaired persons; \$300,000 for substance abuse treatment of new mothers; and \$287,000 for short-term psychiatric hospitalization of mentally ill adolescents in the Roanoke Valley.
- ***Retain Piedmont Geriatric Hospital.*** The introduced budget proposed to close Piedmont Geriatric Hospital by June 1999 and discharge a total of 229 geriatric patients from Piedmont, Eastern State Hospital, and Catawba Hospital to private nursing homes. The General Assembly did not adopt that proposal and restored proposed budget cuts: \$9.5 million GF and \$18.2 million NGF to keep Piedmont open; and \$558,092 GF for geriatric services provided at Eastern State. A planned strategy for downsizing state facilities, including an evaluation of the needs of the mentally ill geriatric population, is required in language.

Service Improvements

- ***Compliance with U.S. Department of Justice Agreements.*** Increases funding by \$28.5 million GF and \$1.4 million NGF to continue meeting U.S. Department of Justice settlement agreements at Eastern State Hospital and Northern Virginia Mental Health Institute, and to provide a plan of correction for Central State Hospital's civil and forensic units.

Funding to comply with U.S. Department of Justice agreements and the plan of correction at Central State Hospital includes several components listed in the following table.

**Cost of U.S. Department of Justice Agreements
1998-2000 Biennium
(\$ in millions)**

<u>Institution</u>	<u>GF</u>	<u>NGF</u>
No. Va. Mental Health Institute:		
64 FTE positions	\$5.6	
31 patient discharges and 522 community diversions	7.6	
Eastern State Hospital	3.2	\$1.4
Central State Hospital:		
58 FTE positions in civil unit	6.5	
Riverside Jail forensic diversions	8.6	
36 FTE positions in forensic step down unit	2.4	
14 FTE positions in forensic unit	2.6	
Apply Savings from Agency Balances	(8.0)	
Total	\$28.5	\$1.4

Administrative Improvements

- ***Performance and Outcome Measurement.*** Provides \$2.3 million to expand a pilot project designed to monitor performance and outcomes of treatment provided by state facilities and community services boards.
- ***Human Rights Oversight.*** Provides \$387,000 for staff and automation improvements designed to improve oversight of human rights issues for mentally disabled persons.
- ***Consumer Support Pilot Project.*** Provides \$250,000 to test various methods for encouraging family members and consumers to become more involved in developing and monitoring treatment.

- **Department of Rehabilitative Services**
 - *Personal Assistance Services.* Adds \$800,000 to provide personal assistance services for severely disabled persons, to help them live and work in community settings.
 - *Centers for Independent Living.* Adds \$400,000 to expand the number of centers for independent living, which provide services to physically disabled persons.
 - *Services for Brain-Injured Persons.* Adds \$500,000 to expand services for persons with traumatic brain injuries.
 - *Supported Employment.* Adds \$500,000 for sheltered workshops and other job-site services, to assist disabled persons in working.
 - *Rehabilitative Services Incentive Fund.* Adds \$325,000 for the incentive fund, designed to encourage development of local services for physically disabled persons.
 - *TANF Funds for Employment of Disabled.* Appropriates \$1.7 million from the federal block grant on welfare reform (Temporary Assistance for Needy Families, TANF) to assist disabled persons on welfare in finding and retaining jobs.
 - *Additional Positions for Disability Determination.* Adds 20 additional positions, supported by federal funds, to conduct disability determinations in compliance with federal standards for Social Security disability claims processing.

- **Department of Social Services**
 - *TANF and Maintenance of Effort Spending.* Virginia is projected to receive \$162.0 million each year from the federal block grant on welfare reform (Temporary Assistance for Needy Families, TANF). As federally required, Virginia must spend at least \$128.0 million each year to draw the federal funds (Maintenance of Effort, MOE). The following table lists spending in the adopted budget for each item under TANF. The descriptions that follow highlight major changes from FY 1998.

**Proposed Spending for Federal Welfare Block Grant
1998-2000 Biennium
(\$ in Millions)**

	<u>*MOE State</u>	<u>*MOE Local</u>	<u>TANF Federal</u>
Projected 1998 Year-End Balance			\$ 48.3
<u>1999 & 2000 Expenditures</u>			
TANF Benefits Payments	\$ 75.5		160.7
EITC/Child Credit for Low-Income	35.6		
Unemployed Two-Parent Program	7.0		
State Administration	2.6		3.4
Information Systems	2.0		22.0
Local Administration	14.2	\$ 15.8	30.2
Employment Support Services	51.0		49.2
\$50 Child Support Pass-Through	9.1		
Child Care Maintenance of Effort	34.2	9.4	
Transfer to Federal SSBG			15.4
Transfer to Child Care Fund			32.8
Transfers for Licensing Functions			1.8
Assistance for Hard-to-Employ			16.7
Employment for Disabled			1.6
Daycare for Homeless Children			0.6
Individual Development Accounts			0.5
Statewide Fraud Investigators			0.2
Daycare Training-Private Agencies			<u>0.1</u>
Total	<u>\$ 231.2</u>	<u>\$ 25.2</u>	<u>\$ 335.2</u>
Projected 2000 Year-End Balance			\$ 37.6

*Maintenance of Effort

Proposed Budget Actions Related to the Federal TANF Block Grant

- ***Welfare Caseload Decline.*** Reduces appropriations of the federal block grant on welfare reform (Temporary Assistance to Needy Families, TANF) by \$24.1 million NGF the first year and \$21.6 million NGF the second year to reflect declining welfare

caseloads. Federal law requires "maintenance of effort" spending by states, so no further general fund savings will accrue as a result of the caseload decline.

- ***Count Child Support Disregard toward State Match.*** Saves \$4.9 million the first year and \$4.2 million the second year from the general fund, and replaces these funds with the same amount of federal funds from the welfare reform block grant. Virginia allows welfare recipients to retain up to \$50 per month collected on their behalf for child support payments while receiving welfare payments. States can count this cost toward the minimum state spending requirement -- "maintenance of effort" -- for the federal block grant. This substitution allows Virginia to reduce state spending on welfare payments and use federal funds instead.
- ***Reduce Maintenance of Effort from 80% to 75%.*** Saves \$2.1 million GF each year and replaces these funds with the same amount of federal funds from the welfare reform block grant. Because Virginia is expected to exceed mandated work participation rates in welfare, federal law allows state spending to be reduced from 80 to 75 percent of the 1995 state spending level.
- ***Child Care for Working Poor Families.*** Provides an additional \$5.0 million NGF each year from the federal block grant on welfare reform for child care subsidies to low-income families. The additional funds are estimated to serve 1,300 families on waiting lists for these services.
- ***State Funded Welfare Program for Two-Parent Families.*** Adds language that would convert welfare for unemployed two-parent families from a state and federally funded program to a state-only program. As a result, Virginia would not be subject to some of the federal mandates currently associated with the program. While additional state funds would be required for the two-parent program, state funding could be reduced by the same amount in the single-parent program and replaced with federal funds. These actions would have no net impact on the budget. State and federal funding for the entire welfare-eligible population would remain the same.
- ***Assistance for Hard-to-Employ Welfare Recipients.*** Provides \$16.7 million from the TANF grant for training, job search skills, and other services for welfare recipients likely to be the most difficult to place in jobs. Also, \$1.0 million GF is provided as

match for \$2.0 million from a new federal "Welfare to Work" block grant. Those funds would serve a similar purpose for the parent who does not retain custody of the child, since that parent will not be eligible for TANF funds.

- ***Virginia EITC/Child Tax Credit for Low-Income Families.*** Includes the projected \$35.6 million cost of House Bill 848, adopted by the 1998 General Assembly, in Virginia's maintenance of effort requirement. As a result, the general fund share of welfare payments can be reduced by the same amount and paid with federal TANF funds instead. HB 848 provides cash assistance to low-income working families with children, in the form of a tax credit equal to their tax liability. Only families with incomes at or below the federal poverty level would qualify for the credit. The credit would be the greater of 75 percent of the federal Earned Income Tax Credit (EITC) or \$300 per child under age 18, not to exceed the tax liability of qualifying families.
- ***Substitution of Federal Funds for State Funds.*** Uses \$5.9 million NGF each year in federal funds from the TANF block grant and the Social Services Block Grant to offset general fund costs in other programs: child and adult care licensing, and adoption subsidies for children with special needs.
- ***Reduction of Special Transportation Funds.*** Eliminates continuation of \$2.5 million NGF in the base budget for special transportation projects for welfare recipients. The federal TANF block grant, the funding source for this program, would be redirected for other purposes.
- ***Unallocated Welfare Reform Federal Funds.*** Designates in language the expected year-end balance in the federal TANF block grant. Balances from previous years are allowed to be carried forward, so the accumulated balance at the end of 1997, 1998, 1999, and 2000 are listed respectively as \$31.3 million, \$48.3 million, \$43.3 million, and \$37.6 million.

Service Expansion/Changes

- ***Increased Costs for IV-E Foster Care.*** Adds funds to meet caseload growth in the federal Title IV-E foster care program and to pay for those children who require intensive residential services. The introduced budget provides \$1.3 million GF and \$1.4 million NGF the first year, and \$2.4 million GF and \$2.6 million NGF the second year.

- ***Adoption Subsidies.*** Adds funds to pay adoptive families for the cost of caring for children with special needs. The introduced budget provides \$4.4 million GF and \$1.1 million NGF the first year, and \$6.1 million GF and \$2.0 million NGF the second year.
- ***Foster Care Rate Increase.*** Adds \$404,141 to increase payments to foster parents by 2.25 percent, effective December 1, 1998.
- ***"Healthy Families" Initiative.*** Adds \$2.3 million to expand the "Healthy Families" program into additional Virginia localities. The program provides early intervention services for families at-risk of child abuse or neglect.
- ***Pass-Through of Past Due Child Support Collections.*** Provides to former welfare recipients an estimated \$4.4 million NGF the first year and \$6.8 million NGF the second year in collections of past due child support payments. New federal law requires states to pass these collections on to families. Previously, states could retain these funds as an offset to welfare payments.
- ***Community Action Agencies.*** Adds \$125,000 each year for services to disadvantaged persons, served through local community action agencies.
- ***Auxiliary Grant Rate Increase.*** Increases the maximum payment rate for persons in adult care residences, who receive Supplemental Security Income (SSI), from \$725 to \$737 per month. In the second year, \$139,402 GF is added.
- ***Reduced Utilization of General Relief.*** Projects reduced utilization of the General Relief program, and decreases funding by \$1.0 million GF each year. Remaining funding would provide \$6.0 million GF per year for localities that provide medical assistance, emergency financial assistance, and a range of other services to low-income and unemployed persons who do not qualify for other public assistance programs.

Administrative Improvements/Changes

- ***Child and Adult Care Licensing.*** Adds eight positions, \$530,000 NGF the first year, and \$1.2 million NGF the second year to meet the state-required inspection interval of at least two times per year for child day care facilities. A portion of the TANF grant, transferred into the child care and social services block grants, would be the funding source.

- ***Other Improvements in Child Care Administration.*** Adds language implementing JLARC recommendations for improvements in child day care administration and oversight. Language additions include: prompt filling of vacant inspector positions; exemption of inspector positions from hiring freezes; development of sanctions for facilities violating state laws; redistribution of unused day care funds among localities; and reports to the General Assembly on uses of the day care block grant.
- ***Food Stamp Administration Improvements.*** Adds \$530,000 GF the first year for a total of \$950,000 GF dedicated to the reduction of the food stamp error rate, as part of an agreement with the U.S. Department of Agriculture. A projected excess of \$420,000 GF in the second year is removed, with the expectation that Virginia's error rate would no longer exceed the national average.
- ***Child Support Case Registry.*** Provides \$330,000 GF and \$495,000 NGF the first year, and \$147,000 GF and \$264,000 NGF the second year for a federally mandated registry of child support cases.
- ***Child Support Customer Service.*** Initiates an interactive voice response system for telephone calls on child support. The adopted budget provides \$306,000 GF and \$594,000 NGF the first year, and \$476,000 GF and \$924,000 NGF the second year.
- ***Child Support Enforcement Revenue Losses.*** Provides \$1.9 million from the general fund to offset declining revenues allowed by federal law to be retained by the department for its child support enforcement operations. Besides the loss of pass-throughs noted above, welfare caseload declines are also reducing revenue the department can retain for administration of support enforcement.
- ***Upgrade Automated Child Support System.*** Provides \$1.3 million GF and \$3.0 million NGF to expand capacity and upgrade technology in the automated child support enforcement system.
- ***Redirection of Unexpended Automation Funds.*** Saves \$2.2 million GF not currently used for automation enhancements in child support enforcement. In turn, \$1.0 million GF and \$1.0 million in matching federal funds would be provided to local departments of social services for automation of case records or other administrative needs.

- *Transfer of the Energy Assistance Program.* Transfers \$3.0 million in federal funds per year along with the Low-Income Home Energy Assistance Program to the Department of Housing and Community Development.
- **Department for the Visually Handicapped**
 - *Services for Impaired Elderly.* Provides \$125,000 per year GF for low-vision optical aids and other services for persons age 55 and older.
- **Governor's Employment and Training Department**
 - *Increased Federal Training Funds.* Provides \$8.5 million NGF the first year and \$8.7 million NGF the second year in additional federal funds for job training provided under the Job Training Partnership Act.
 - *Workforce Information System.* Provides federal grant funds of \$3.7 million NGF the first year and \$3.5 million NGF the second year, for a coordinated career information system.
 - *Employment Assistance for Disadvantaged.* Earmarks in language \$150,000 GF per year for training and employment assistance provided to economically disadvantaged persons.

Natural Resources

The 1998-2000 budget for Natural Resources agencies contains a net general fund increase of \$39.8 million over the adjusted appropriation for current operations.

Almost all of the general fund increase can be attributed to two agencies -- the Departments of Environmental Quality and Conservation and Recreation.

New funding for the Department of Environmental Quality (DEQ) is concentrated on water quality issues -- \$17.1 million to implement the Virginia Water Quality Improvement Act; \$800,000 for the Elizabeth River Project, inspections, and local water quality monitoring activities; and \$7.0 million for combined sewer overflow projects in Richmond and Lynchburg.

For the Department of Conservation and Recreation (DCR), new general fund spending focuses on water quality issues (\$11.6 million), state park operations (\$3.0 million), management of the state's natural areas (\$860,000) and public beaches (\$700,000), and compliance with audit findings (\$351,203).

Nongeneral funds are slated to increase by \$2.6 million or less than 2 percent over the adjusted appropriation for current operations. Almost all of the increase is tied to DCR and the Department of Game and Inland Fisheries (DGIF). DCR expects that more park visitation will increase admission, concession, and camping revenues. The increase for DGIF results from increased appropriations of boating revenues.

- **Water Quality Improvements and the Chesapeake Bay**
 - *Meeting the 40 Percent Nutrient Reduction Goal by the Year 2000.* Provides \$22.1 million GF for the 1998-2000 biennium to achieve the state's commitment under the Chesapeake Bay Agreement. The funds will accelerate the Potomac-Shenandoah Tributary Strategy and implement nonpoint source programs in the lower tributaries and coastal basins. When combined with funding already in the agencies' base budgets and for water quality initiatives outside of the Chesapeake Bay watershed, \$53.9 million from the general fund will be deposited to the Virginia Water Quality Improvement Fund. (An additional \$4.8 million is appropriated from the general fund for related water

quality activities, including technical assistance to farmers in the Potomac-Shenandoah River Basin and in other areas of the state.)

- The three agencies responsible for this initiative are DEQ, DCR, and the Chesapeake Bay Local Assistance Department (CBLAD). Spending is targeted on point source nutrient reduction, nonpoint source nutrient reduction, and technical assistance provided by DCR and CBLAD to farmers, local governments, planning district commissions, and soil and water conservation districts.
- Projected spending for the *point source programs* managed by DEQ is \$37.1 million GF. These funds will be deposited to the Virginia Water Quality Improvement Fund and be available for allocation in both years -- \$23.2 million in FY 1999 and \$13.9 in FY 2000. The General Assembly also approved budget language to expand eligibility for state assistance to manufacturers and privately-owned or managed municipal wastewater treatment plants.
- For DCR's *nonpoint source programs*, \$16.8 million from the general fund will be deposited to the Virginia Water Quality Improvement Fund. Of this amount, \$8.39 million and \$8.36 million will be available for allocation in fiscal years 1999 and 2000, respectively. In fiscal year 1999, budget language overrides the Virginia Water Quality Improvement Act's requirement that 50 percent of nonpoint source pollution spending be distributed to areas not included in the Chesapeake Bay watershed. Some 59 percent of the first year's allocation is directed to the Potomac-Shenandoah River Basin, 21 percent of the allocation is for the other waters in the Chesapeake Bay region; and the remaining funds are for non-Chesapeake Bay river basins.
- Projected spending for *technical assistance programs* is \$4.8 million GF for the biennium. Of this amount, DCR would receive \$975,561 and 9.0 FTE positions to administer the nonpoint programs and to monitor and enforce nutrient reduction strategies carried out by localities, farmers, and soil and water conservation districts; \$2.6 million is for water quality activities carried out by the Soil and Water Conservation Districts; and \$1.2

million is for technical assistance services for farmers in the Potomac-Shenandoah River Basin.

Water Quality Initiative Additional Funds Over Base Budget		
<u>Agency</u>	<u>Program</u>	<u>1998-00 Appropriation</u>
DEQ	Point Source	\$17.1 million
DCR	Nonpoint Source	6.8 million
	Tech. Assistance	<u>4.8 million</u>
TOTAL		\$ 28.7 million

- **Secretary of Natural Resources**
 - *Chesapeake Bay Progress Report.* Directs the Secretary of Natural Resources to report to the General Assembly on the progress made by the Commonwealth in achieving a 40 percent reduction of nutrients into the Chesapeake Bay.)
- **Department of Environmental Quality**
 - *VWQIA Fund FY 98 Year-end Deposits.* Directs that any additional funds deposited in the Virginia Water Quality Improvement Fund be used to implement adopted strategies for nutrient reduction in the James, York, and Rappahannock Rivers and the eastern and western coastal basins. In the event that final strategies have not been adopted in accordance with statutory deadlines, projects to reduce nutrients in these rivers and basins are made eligible to receive grants from the Virginia Water Quality Improvement Fund.
 - *Increase Funding for Elizabeth River Water Quality Monitoring.* Approves \$300,000 GF each year for laboratory analyses of water and biological samples taken from the river. This amendment plus money included in the agency's base budget increases support for this activity to \$450,000 each year.

- ***Elizabeth River Sedimentation Project.*** Includes \$200,000 GF each year as the state share of a feasibility investigation by the United States Army Corps of Engineers on sediment remediation and wetlands restoration in the Elizabeth River.
- ***Lynchburg and Richmond CSO Projects.*** Provides \$7.0 million GF in FY 1999 to be deposited to the Combined Sewer Overflow Matching Fund. The two localities will each receive \$3.5 million to match an identical sum of federal money. The Lynchburg CSO program is projected to cost \$208.0 million. The most immediate portions of the Richmond program are costed at \$120.0 million.
- ***Reduce Match for Wastewater Revolving Loan Fund.*** Decreases by \$2.0 million GF in FY 1999 and by \$148,413 GF in FY 2000 the amount of state match for federal dollars available through the Clean Water Act for local wastewater treatment and sewerage system improvements. The fund, which is administered by the Virginia Resources Authority, requires a 20 percent state match. The action is based on DEQ's projections regarding future federal funding.
- ***Innovative Technology Loan.*** Authorizes a loan of up to \$1.75 million under the Governor's Development Opportunity Fund for a privately-owned wastewater reclamation and reuse system in Rockingham County. Budget language stipulates that the project must be capable of eliminating pollutant discharges into the North Fork of the Shenandoah River; all required permits be obtained before the loan is awarded; and the Department shall assist the Virginia Economic Development Partnership in this project.
- ***Voluntary Environmental Assessments.*** Directs the Department to review the Commonwealth's system of voluntary environmental assessments and report its findings and recommendations to the General Assembly in October, 1998.
- ***Permit Fee Revenue Audit.*** Directs the Auditor of Public Accounts to examine the current and projected revenues and expenses of the Department of Environmental Quality to determine if permitting, licensing, and other fees provide sufficient resources to fund related operations and, if not, the feasibility of whether such fees can fund all related operations. A report is to be provided to the General Assembly in December, 1998.

- ***Confined Animal FeedLot Inspections.*** Provides \$165,000 GF each year and 3.0 FTE positions to increase DEQ's inspection services, specifically for confined animal feeding lots.
 - ***Volunteer Water Quality Monitoring.*** Adds general funds in the first year for volunteer water quality monitoring including a \$9,500 increase to the Smith Mountain Lake Volunteer Water Quality Monitoring Project, \$6,000 to the Friends of Claytor Lake Water Quality Monitoring Project and \$10,000 to the Friends of the Shenandoah Water Quality Monitoring Project. Language directs the Department of Environmental Quality, in consultation with the Department of Conservation and Recreation, to examine the feasibility of establishing a competitive grant program to assist volunteer water quality monitoring efforts. A report is to be provided to the General Assembly in October, 1998.
 - ***Recycling Project.*** Adds \$50,000 GF the first year to contract for a study on ways to implement a statewide system to encourage recycling of motor oil and antifreeze by "do-it-yourself" consumers.
- **Chippokes Plantation Farm Foundation**
 - ***Educational Attraction Planning.*** Includes \$100,000 GF the first year for a study evaluating the feasibility of developing the Chippokes Plantation Farm into a major educational attraction.
- **Department of Historic Resources**
 - ***Historic Easements.*** Provides \$50,000 GF the first year to assist landowners with the costs of conveying easements on historic property under the Virginia Open-Space Land Act or the Virginia Conservation Easement Act.
 - ***Coordinate Historic Organizations.*** Adds \$55,225 GF the first year and \$30,225 GF the second year to coordinate the work of statewide organizations whose actions relate to the preservation and use of historic properties and attractions.
 - ***Grants to Historic and Commemorative Attractions.*** Transfers general fund spending for these organizations to Item 572 of the Budget Bill -- State Grants to Nonstate Entities.

- **Department of Conservation and Recreation**
 - ***Improving Management and Finances.*** Approves general fund spending of \$221,585 in FY 1999 and \$228,390 in FY 2000 to correct financial and management deficiencies identified by the Auditor of Public Accounts and to improve management information systems. The appropriations will be used to fill vacant positions and for part-time support.
 - ***JLARC Progress Report.*** Requires the Department to report to the General Assembly on its progress in implementing the recommendations of the JLARC study on the Department's operations.
 - ***Support of State Park Operations.*** Increases support for the Divisions of Parks and Natural Heritage by \$1.5 million GF in each year. The appropriations establish 27 new FTE positions and fill eight unfunded park ranger positions, cover a portion of the operating costs at new and existing parks, and initiate a master equipment leasing program. Chippokes and Twin Lakes will each receive one ranger position from currently authorized, but unfunded positions. The remaining six currently authorized positions will be distributed among Belle Isle, James River, Karlan, and Shenandoah State Parks. The 27 new positions are not assigned. Nongeneral fund appropriations are increased by \$884,351 each year from parks admission, concession, and camping fees.
 - ***Rappahannock Park Feasibility Study.*** Directs the Department to examine the feasibility of establishing a state park on the Rappahannock River from its confluence with the Hazel River to the City of Fredericksburg and report to the General Assembly in September, 1999.
 - ***Breaks Interstate Park.*** Includes \$325,000 GF the first year to continue capital improvements at the Breaks Interstate Park.
 - ***Natural Areas*** Provides \$430,000 GF each year and 8.0 FTE positions for managing the 21 sites (12,700 acres) in the state's natural area preserves system.
 - ***Va. Outdoors Foundation.*** Adds \$90,000 GF the first year and \$100,000 GF the second year to increase operating support for the Virginia Outdoors Foundation. The funding, coupled with

amounts proposed in the base budget, will cover half of the Foundation's administrative costs associated with managing easements.

- ***Public Beach Board.*** Earmarks \$275,000 GF the first year for sand replenishment projects at public beaches, technical studies, and operational costs of the Board on Conservation and Development of Public Beaches. Local governments are required to match state funding for the sand replenishment.
 - ***Norfolk Shoreline Project.*** Includes \$425,000 GF the first year, to be matched equally by the City of Norfolk, to continue construction of a system of off-shore breakwaters to provide long-term public beach and property development protection.
 - ***Rappahannock River Commission.*** Provides \$60,000 GF the first year for the strategic planning forum addressing regional issues in the Rappahannock River Basin. The amendment implements Senate Bill 598.
 - ***Adopt-A-Stream Program.*** Directs the Department to develop an Adopt-A-Stream program and provide quarterly reports to the General Assembly on its progress in developing and implementing the program.
 - ***VWQIA Fund FY 98 Year-end Deposits.*** Directs that any additional funds deposited in the Virginia Water Quality Improvement Fund be used to implement adopted strategies for nutrient reduction in the James, York, and Rappahannock Rivers and the eastern and western coastal basins. In the event that final strategies have not been adopted in accordance with statutory deadlines, projects to reduce nutrients in these rivers and basins are made eligible to receive grants from the Virginia Water Quality Improvement Fund.
- **Department of Game and Inland Fisheries**
 - ***Game Wardens.*** Provides \$565,000 NGF the first year and \$305,000 NGF the second year and 10.0 FTE positions to increase boating law enforcement.

- **Marine Resources Commission**
 - *Management Information Systems.* Includes \$94,669 GF the first year and \$95,023 GF the second year and 1.0 FTE position to improve agency management information systems.
 - *Oyster Replenishment.* Adds \$100,000 GF each year in increased funding for the oyster replenishment program
- **Chesapeake Bay Local Assistance Department**
 - *Agricultural Water Quality Protection.* Provides \$75,500 GF the first year and \$93,500 GF the second year to increase agricultural water quality protection efforts in conjunction with local Soil and Water Conservation Districts.

Public Safety

The adopted budget for the 1998-2000 biennium for the Office of Public Safety contains a net increase of \$86.8 million GF over the adjusted appropriation for current operations. Most of the increase is required due to the opening of new adult and juvenile correctional facilities.

The Department of Corrections (DOC) accounts for a net increase of \$21.2 million GF, of the total net funding increase for public safety. However, this amount includes several partially offsetting additions and reductions. The largest increases for DOC include \$25.3 million GF for opening the Red Onion State Prison (expected to open in July, 1998), and \$17.6 million for increased direct inmate costs. The decreases primarily involve the transfer of debt service payments to the Treasury Board, and the replacement of general funds with nongeneral funds for operation of St. Brides.

In order to bring adult correctional facility capacity in line with slower growth in the offender population, a new contract bed program is authorized to provide space for inmates from jurisdictions outside the Commonwealth. Under this program, per diem charges will provide nongeneral fund revenues for DOC to operate Sussex II State Prison (opening October, 1998) and Wallens Ridge State Prison (opening January, 1999), as well as 300 additional beds at the new women's facility at Fluvanna and 540 additional beds in other secure facilities, for a total of up to 3,290 contract beds.

The largest portion of the net spending increase for public safety is accounted for by the Department of Juvenile Justice (\$31.8 million). This includes \$11.2 million to open the new maximum security facility at Culpeper on a phased basis, beginning in April, 1999; \$2.7 million to expand military-style programs in state facilities, \$3.3 million for two new boot camps, and \$5.5 million to fund the required increase in the Virginia Juvenile Community Crime Control Act (VJCCCA) formula. Another \$5.5 million is provided for the state share of the capital and operating costs for new regional or local juvenile detention homes.

Also included is \$0.8 million GF for the Department of Correctional Education (DCE) to contract for private educational programs for the new Lawrenceville Correctional Center, operated by the Corrections Corporation of America, and a combination of general and nongeneral funds for DCE to operate programs at Sussex II, Wallens Ridge, and Red Onion State Prisons.

The budget includes \$7.6 million for the new forensics laboratory and DNA database in Richmond; \$2.7 million for the new forensics laboratory in Norfolk; \$1.6 million for the Integrated Criminal Justice Information System;

and, funds to begin planning for the replacement of the State Police mobile radio system. Another \$17.9 million GF is approved to replace transportation funds which had been utilized to offset part of the operating cost of the Department of State Police.

Finally, the budget includes \$1.5 million GF for the relocation of the Department of Military Affairs headquarters to Fort Pickett, and \$858,000 GF to match federal funds for the Commonwealth Challenge program at the State Military Reservation (Camp Pendleton).

- **Secretary of Public Safety**

- *Positions.* Adds \$225,000 GF each year for three positions to provide a level of support comparable to other cabinet offices.
- *Interagency Radio System Study.* Includes language directing the Secretary of Public Safety to develop a plan for an interagency mobile radio system and transfers \$550,000 from the affected agencies to pay for consulting services that may be needed to develop the plan. The language also states legislative intent regarding the schedule for implementing the plan.
- *ICJIS progress report.* Includes language requiring a progress report on implementation of an integrated criminal justice information system (ICJIS) which is being developed under the leadership of the Secretary of Public Safety.

- **Department of Criminal Justice Services**

- *DNA Data Bank.* Provides \$4.0 million GF the first year and \$3.6 million GF the second year for six positions, equipment, and private vendor contracts to reduce the DNA profiling backlog, as well as other backlogs in current casework.
- *Norfolk Laboratory.* Appropriates \$382,254 GF the first year and \$2.3 million GF the second year, along with 16 positions for relocation and expansion of the southeastern forensic laboratory and medical examiner's office in Norfolk.
- *Weed and Seed Program.* Earmarks \$1.5 million NGF each year, from court generated fees in the Intensified Drug Enforcement Act (IDEA) fund, to expand the Weed and Seed Anti-Crime program. Language directs the department to evaluate the longitudinal effect of the program in reducing crime rates.

- ***Drug Court Grant Program.*** Sets aside \$500,000 NGF each year, from court-generated fees in the Intensified Drug Enforcement Act (IDEA) fund, to match federal funds for establishing drug courts in selected judicial circuits. Language also specifies legislative intent that services for drug circuit courts be provided through district probation and parole offices of the Department of Corrections. The approved budget also authorizes eight (8) positions in the Department of Corrections for services to these courts. The funding sources for the positions are federal grants and IDEA funds.
- ***Integrated Criminal Justice Information System (ICJIS).*** Includes \$792,616 GF the first year and \$836,756 GF the second year for three positions, contract services, hardware and software to begin developing a computer platform for the exchange of information among diverse data bases. This is the first installment of a proposed multi-year project.
- ***Richmond Continuum.*** Directs the department to continue the evaluation of the pilot program in the City of Richmond to establish a continuum of juvenile justice services.
- ***Evaluation Staff.*** Adds \$162,000 GF each year for three positions to assume the cost of program evaluation staff which have been funded by a federal grant that is due to expire June 30, 1998.
- ***Alzheimer's Training.*** Appropriates \$40,000 GF the first year to train local and state police officers about the signs and symptoms of Alzheimer's disease, and to implement the Alzheimer's Association Safe Return Program.
- ***Pre-trial Services Act/Comprehensive Community Corrections Act.*** Provides an increase of \$1.1 million GF each year for programs established pursuant to the Pre-trial Services Act (PSA) and Comprehensive Community Corrections Act (CCCA). These funds will be used (i) to provide a cost-of-living increase for personal services; (ii) to allow development of PSA and CCCA programs in a region which is mandated to do so; and (iii) to assume the cost of those PSA programs which currently operate using federal grant funds.
- ***Court-Appointed Special Advocates.*** Adds \$200,000 GF the first year and \$300,000 GF the second year for the Court-Appointed Special Advocates (CASA) program.

- ***Pre- and Post-Incarceration Services.*** Includes an increase of \$200,000 GF each year for pre- and post-incarceration services for offenders.
- ***VJCCCA Training Grant.*** Earmarks up to \$500,000 each year in federal grant funds for use by the Department of Juvenile Justice in providing statewide and regional training to localities in the development and evaluation of programs established under the Virginia Juvenile Community Crime Control Act (VJCCCA).
- ***Drug Treatment Grant.*** Designates \$1.3 million each year in federal grant funds for use by the Department of Corrections in establishing structured treatment programs and intensive substance abuse treatment programs at St. Brides Correctional Center, Botetourt Correctional Field Unit, Virginia Correctional Center for Women, and Fluvanna Women's Correctional Center.
- ***COPS State Matching Funds.*** Provides \$2.5 million GF each year to continue the Community-Oriented Policing Services (COPS) state matching fund program. Language sets a limit on the duration of state assistance, establishes a step down procedure, and limits total expenditures to the amount of funds appropriated.
- ***599 Funding Intent.*** Includes language requiring the agency to include an updated request for the Aid to Localities with Police Departments (HB 599) program in the biennial budget request.
- **Commonwealth's Attorney's Services and Training Council**
 - ***Videoconferencing.*** Provides \$63,362 GF the first year and \$17,362 GF the second year for videoconferencing equipment and related costs to provide training sessions statewide.
- **Department of Fire Programs**
 - ***Fiscal Management.*** Transfers two fiscal management positions and associated nongeneral funds to the Department of Criminal Justice Services. A recent audit recommended that fiscal management be transferred to a larger agency.
 - ***Northern Neck Fire Training Facility.*** Earmarks \$100,000 NGF the first year for the Rappahannock Volunteer Fire Association,

serving the Northern Neck area, to construct a fire training facility at Wicomico Church.

- **Department of State Police**

- ***Replace Transportation Funds.*** Adds \$9.0 million GF each year to replace an equal amount of transportation funds currently used to support State Police highway patrol operations.
- ***Patrol Car Costs.*** Provides authority for the Department to spend up to \$1.5 million NGF from excess balances that might accrue from the motor vehicle inspection program, to meet the increased purchase costs of highway patrol vehicles.
- ***Communications System Replacement.*** Includes \$250,000 GF the first year to study replacement of the mobile radio communications system. These funds will be transferred to the Secretary of Public Safety to support the interagency radio communications study.
- ***Communications Technicians.*** Adds \$115,368 GF the first year and \$116,238 the second year, for three communication technicians to meet current workload demands.
- ***Criminal Records Staff.*** Includes \$365,095 million GF the first year and \$367,645 the second year, for 15 positions to meet increasing demands for criminal records checks.
- ***Military Surplus Grant Costs.*** Provides \$96,546 GF the first year and \$96,287 GF the second year to assume the cost of a federal grant. The department serves as the coordinating agency to procure military surplus equipment for law enforcement agencies in Virginia. The federal grant which covers the cost of this program expires this year.
- ***Sex Offender Community Notification.*** Approves \$517,635 GF the first year and \$236,055 GF the second year and eight (8) positions to implement the provisions of House Bill 570 and Senate Bill 369, concerning sex offender community notification.
- ***Protective Order Information.*** Earmarks \$8,230 GF the first year to implement the electronic transfer of protective order information between the court system and the Virginia Criminal Information Network. Additional funds for this project are provided to the Office of the Executive Secretary of the Supreme Court.

- ***Mainframe Computer Replacement.*** Includes \$157,481 GF the second year to lease-purchase a new main frame computer. Language authorizes the agency to procure the equipment in the first year should additional funds become available.
- ***Dispatchers.*** Adds \$245,000 GF the first year and \$489,900 GF the second year to provide six new dispatchers in the first year and an additional six in the second year for a total of 12 positions to meet existing workloads in seven divisional dispatch centers.
- ***Insurance Fraud Unit.*** Provides \$2.1 million NGF the first year and \$1.6 NGF the second year and 21 positions to implement Senate Bill 421, which establishes an Insurance Fraud Investigative Unit within the Bureau of Criminal Investigation. Funding is derived from industry fees.

- **Department of Corrections**

Central Administration

- ***Construction Matching Funds.*** Provides \$140,000 GF the first year to match federal funds for prison construction under the Violent Offender Incarceration/Truth-in-Sentencing Act.
- ***St. Brides Replacement Planning.*** Adds language directing that federal funds for prison construction under the Violent Offender Incarceration/Truth-in-Sentencing Act be used to begin planning the phased construction of a replacement medium security prison at St. Brides Correctional Center.
- ***Underground Storage Tanks.*** Authorizes the use of a central account to upgrade underground storage tanks at various facilities.
- ***Time Computation System.*** Recommends \$325,000 GF each year to develop a new inmate time computation system, on a phased-in basis, along with \$911,190 NGF the first year to automate the Commissary system. The present systems are not sufficiently automated to handle the workload generated by the current and projected inmate population, without a large increase in clerical positions.
- ***Capital Outlay Positions.*** Includes \$322,749 GF the second year to assume the cost of architectural and engineering staff currently

funded with bond proceeds. These staff will be assigned to other projects.

- ***Proposed Legislation.*** Adds \$62,500 GF the first year for the estimated impact on prison bed space of Senate Bill 199, pursuant to §30-19.1:4, *Code of Virginia*.
- ***Substance Abuse Program Director.*** Includes \$87,551 GF the first year and \$74,992 GF the second year and one position for a full-time substance abuse program director to oversee both institutional and community substance abuse programs.

Institutions

- ***Prison Capacity.*** Authorizes a series of actions to bring prison capacity in line with the lower projection of inmate population during the next biennium and make productive use of the resultant excess prison bed capacity.

These actions include: (1) opening Red Onion on time to house state responsible inmates; (2) delaying the opening of a private prison in Charlotte County; (3) reducing crowding at Indian Creek Correctional Center and the Baskerville Correctional Field Unit; and (4) opening Sussex II and Wallens Ridge prisons, and additional beds at Fluvanna Women's prison, as part of a contract bed program to house inmates from jurisdictions outside the Commonwealth.

- (1) The Red Onion maximum security prison is expected to open on schedule in July 1998. The approved budget includes \$16.5 million GF the first year and \$18.5 million GF the second year to operate this facility.
- (2) The private medium-security prison in Charlotte County is deferred until such time as the official inmate forecast shows a need for additional beds when compared to existing, authorized, or contracted Department of Corrections bed capacity. It was to have been opened in January, 2000.
- (3) The budget authorizes a reduction in crowding at the Indian Creek Correctional Center, which is a specialized treatment facility for drug offenders and the Baskerville Correctional Field Unit. Reduction of crowding at these two facilities will more closely align staffing levels with inmate population levels.

- (4) A contract prison bed program for housing inmates from jurisdictions outside the Commonwealth is authorized under language included in the budget. A Contract Prisoners Special Revenue Fund is also created for the deposit and accounting of revenues from this program. Revenues from the contract prison bed program will provide the funding source for operating the 3,290 beds authorized for contract use as follows:
- Sussex II State Prison (1,225 beds) will open in October, 1998, with appropriations totaling \$15.4 million NGF the first year and \$19.0 million NGF the second year, and 406.5 FTE positions.
 - Wallens Ridge State Prison (1,225 beds) will open in January, 1999, with appropriations totaling \$12.2 million NGF the first year and \$19.8 million NGF the second year, and 412.5 FTE positions.
 - Fluvanna Women's Correctional Center will open 300 additional beds in July, 1999, (for a total of 1,200 beds) with appropriations of \$4.4 million NGF the second year and 45 FTE positions.
 - Various other state correctional facilities will house a total of 540 inmates under this program with appropriations of \$784,515 NGF the first year and \$1,694,880 NGF the second year.
- ***St. Brides Correctional Center.*** The introduced budget proposed the closure of St. Brides Correctional Center in January, 1999, for a savings of \$3.6 million GF the first year, \$7.2 million GF the second year, and the elimination of 198.5 positions. The approved budget reverses this action by providing nongeneral fund proceeds from the Commonwealth's contract prison bed program to continue operating this facility. This action frees up 540 beds elsewhere in the state corrections system for contract inmates.
- ***Debt Service Payments.*** Transfers \$9.2 million GF each year to the Treasury Board for debt service payments on the Brunswick private prison and the Wallens Ridge prison. This is a technical change.

- ***Carry Forward Language.*** Includes language allowing the Department to carry forward unexpended balances from fiscal years 1998 to 1999, so that unfunded costs associated with the expansion of Mecklenburg Correctional Center can be met.
- ***Drakes Branch Private Prison.*** Modifies language authorizing the Department of Corrections to enter into a contract for a second private correctional center. The intent is to preserve efforts to date by the agency and the vendor until such time as additional prison beds are needed.
- ***Direct Inmate Costs.*** Adds \$6.7 million GF the first year and \$10.9 million GF the second year for the costs of food, clothing and medical care of inmates at new institutions funded to open during the biennium.
- ***Field Officer Training.*** Provides \$212,000 GF the first year to strengthen on-the-job training in the field following basic correctional officer training, to improve employee retention.
- ***Officer Clothing Allowance.*** Adds \$900,000 GF the first year and \$100,000 GF the second year to increase the number of uniforms issued to each correctional officer. Currently, each officer is issued sufficient uniforms for only three working days per week. These funds will provide sufficient uniforms for a full work week, including work shoes.
- ***On-duty Meal Fee Waiver.*** Includes language waiving the requirement that on-duty staff be charged a fee for meals served by the correctional institution. This will improve security by reducing the number of packages brought into the institution and by keeping staff on-site during meal breaks.
- ***Mandatory Overtime.*** Authorizes 36.5 positions to enable the agency to reduce the use of mandatory overtime at Greensville Correctional Center (29.5) and the Medical College of Virginia Hospitals security unit (7.0). Overtime savings will be used to fund these positions.
- ***Grant Funded Positions.*** Adds \$1.4 million GF the first year and \$1.6 million GF the second year to assume the costs of federal grants that will expire for: (1) operation of the therapeutic drug treatment program at Indian Creek Correctional Center; (2) the Peninsula Day Reporting Center; and (3) the narcotics canine program. An expansion of the narcotics canine program by three positions is also included with these funds.

- ***Women's Correctional Center Staffing.*** Eliminates 13 positions saving \$0.4 million GF each year at the Virginia Correctional Center for Women in Goochland, due to the expected opening of the Fluvanna Correctional Center for Women and a subsequent projected decrease in population at VCCW.
- ***Medical Positions.*** Eliminates 89 authorized positions due to the expected outsourcing of medical services at the new Fluvanna Correctional Center for Women and the Sussex I maximum security prison.
- ***Health Care Accreditation.*** Directs the Department of Corrections to investigate the feasibility of seeking accreditation by the National Commission on Correctional Health Care for the Virginia Correctional Center for Women and the Fluvanna Women's Correctional Center. The Department will report its findings and recommendations to the Virginia State Crime Commission by September 1, 1998.
- ***Geriatric Inmate Study.*** Directs the Department to develop a long-term plan for housing geriatric inmates and inmates needing assisted living care.
- ***Agribusiness.*** Provides \$700,000 GF the first year and \$85,000 GF the second year and three positions to expand agricultural and food production. This amendment provides (i) renovations, equipment, and one position to produce cooked meat products at Bland Correctional Center; (ii) equipment to implement the farm conservation plan and maintain property at Sky Meadows State Park; (iii) equipment to expand apple production at White Post Correctional Unit; (iv) greenhouse expansion at the Brunswick Work Center; (v) equipment and two positions to distribute produce from Yarden Farm using the State Farmer's Market Network; and (vi) continuation of a food production study in cooperation with Virginia Polytechnic Institute and State University.
- ***Drug Treatment Grant.*** Directs the Department to seek up to \$1,300,000 each year in federal funds from the Department of Criminal Justice Services to establish a structured treatment program for youthful offenders at St. Brides Correctional Center and to expand intensive substance abuse treatment services at Botetourt Correctional Field Unit, Virginia Correctional Center for Women, and Fluvanna Correctional Center for Women. The Department is further directed to submit quarterly progress

reports to the Secretary of Public Safety and the Chairmen of the House Appropriations and Senate Finance Committees, beginning July 1, 1998.

Community Corrections

- ***Pilot Drug Treatment Program.*** Authorizes the Department of Corrections to enter into a two-year contract with the Gemeinschaft Home/Piedmont House for a pilot project using a community-based residential transition program for drug-involved offenders. The approved budget provides \$100,000 GF each year to supplement existing residential treatment funds for this purpose.
- ***Community Corrections Facility Plans.*** Modifies language authorizing the Department of Corrections to establish Detention Center Incarceration Programs in each of its four regions by directing the Department to also include the establishment of Diversion Center Incarceration Programs for both male and female offenders who are placed on probation in each region. This language also provides guidance on the continued use of Correctional Field Unit #22. This directive is consistent with the Department of Corrections' master plan for community corrections facilities.
- ***Diversion Centers.*** Reduces funding for establishing new diversion centers by \$254,413 GF each year.
- ***Day Reporting Centers.*** Provides funding and positions to establish four new day reporting centers. The expenditures are offset by the transfer of comparable amounts in estimated local jail per diem savings from the Compensation Board. The amounts and locations are shown below:
 - **Southwest Virginia.** Provides \$200,000 GF the first year and \$402,000 GF the second year and 8.5 positions to serve part of the 29th and all of the 30th Judicial Circuits, serving Lee, Wise, Scott, and Dickinson Counties and the City of Norton. This day reporting center will result in an estimated 100 local jail diversions each year;
 - **Shenandoah Valley.** Provides \$200,000 GF the first year and \$402,500 GF the second year and 8 positions each year to serve portions of the 25th and 26th Judicial Circuits serving the Cities of Staunton-Waynesboro-Harrisonburg

and surrounding areas. This day reporting center will result in an estimated 150 local jail diversions each year;

- Martinsville Area. Provides \$200,000 GF the first year and \$402,000 GF the second year and 8.5 positions to serve the 21st Judicial Circuit, serving Henry and Patrick Counties and the City of Martinsville and a portion of the 22nd Judicial Circuit serving Franklin County. This day reporting center will result in an estimated 175 local jail diversions each year; and
- Portsmouth-Chesapeake-Suffolk. Provides \$275,000 GF the first year and \$575,000 GF the second year and 8 positions to serve the 1st, 3rd and 5th Judicial Circuits in the Cities of Chesapeake, Portsmouth and, Suffolk and surrounding areas. This day reporting center will result in an estimated 150 local jail diversions each year.
- ***Certified Substance Abuse Counselors.*** Appropriates \$342,574 GF the second year to provide one probation and parole officer who is a certified substance abuse counselor in each of the 41 district probation and parole offices. This will be accomplished by upgrading one existing probation and parole officer position in each district to a senior level and by providing the training required to receive substance abuse counselor certification. This amendment implements the provisions of House Bill 664 and Senate Bill 317.
- ***Richmond Circuit Drug Court.*** Includes \$139,246 GF the first year and \$185,661 GF the second year and five positions to assume the cost of a federal grant for the drug court operated by the 13th Judicial Circuit, serving the City of Richmond. The Commonwealth already provides 50 percent funding for this drug court through the District Probation and Parole Office, since these units are responsible for providing services to the circuit courts. This appropriation will provide the remaining 50 percent because the grant cannot be renewed.
- ***Circuit Drug Court Positions.*** Authorizes eight positions to provide services to drug courts in the 7th Judicial Circuit, serving the City of Newport News, and the 15th Judicial Circuit, serving the City of Fredericksburg and the Counties of Stafford, Spotsylvania and King George. Funding for these positions will be provided through a combination of federal and state grants.

- ***Transition Specialists.*** Adds \$75,000 GF the first year and \$135,405 GF the second year for three regional transition specialists to coordinate services for offenders released from prison.
- ***Probation and Parole Officers.*** Includes \$650,000 GF the first year and \$1,000,000 GF the second year and 24 positions to increase the number of probation and parole officers for specialized supervision of drug-involved offenders.
- ***Bullet Resistant Vests.*** Provides \$150,000 GF the first year to purchase protective bullet-resistant vests for probation and parole officers in the field-oriented supervision program.
- ***Norfolk City Jail.*** Provides \$250,000 GF the first year for the state share of the capital cost required to meet the requirements imposed on the Norfolk City Jail by a Memorandum of Understanding between the City of Norfolk, the Sheriff of the City of Norfolk, and the United States Department of Justice, effective September 30, 1997. Companion language provides an exception to the moratorium on approval of capital projects by the Board of Corrections, for capital projects required pursuant to certain federal consent decrees or memoranda of understanding.
- ***Nelson County Jail.*** Adds \$292,000 GF the first year for Nelson County to purchase membership in the Albemarle-Charlottesville Regional Jail. The Commonwealth has adopted a policy of encouraging the closure or consolidation of smaller, less efficient jails. These costs will be recovered over time through the efficiencies gained by this consolidation.
- ***Loudoun County Jail.*** Authorizes the Board of Corrections to approve jail construction projects for state reimbursement when the new facility replaces an older facility which has been decertified or which does not meet standards, as long as the replacement facility does not create a net increase in jail capacity, and efforts to find a regional jail solution have been fully exhausted.
- ***Tazewell County Jail.*** Clarifies legislative intent with regard to exceptions to the jail construction moratorium, thereby making Tazewell County eligible for jail construction cost reimbursement.
- ***Southside Regional Jail.*** Directs the Department of Corrections to buy back a parcel of land at Greensville Correctional Center

which was sold to the Southside Regional Jail Authority for use as a regional jail site. Subsequent to the purchase, the authority acquired a more suitable site closer to the City of Emporia. The language also allows the parcel to be repurchased without having to complete a series of costly steps, including reappraisal, survey, title examination, and environmental impact review.

- *Henry County Jail.* Provides \$248,928 GF as the state share of the cost of renovations to the Henry County Jail.
- **Department of Correctional Education**
 - *Privatization of Correctional Education.* Includes language clarifying legislative intent that correctional education in privately-operated prisons may be privatized, but correctional education in state-operated facilities should be provided by the Department of Correctional Education.
 - *Lawrenceville Correctional Center.* Provides \$599,062 GF the first year and \$220,865 GF the second year to contract for academic and vocational programs at the 1,500-bed medium-security adult prison in Brunswick County operated by the Corrections Corporation of America, opening March 20, 1998.
 - *Sussex II State Prison.* Provides \$850,000 NGF the first year and \$568,574 NGF the second year, and 12 positions each year, for educational programs for 1,225 contract inmates housed at Sussex II State Prison.
 - *Wallens Ridge State Prison.* Provides \$650,000 NGF the first year and \$350,000 NGF the second year, and seven (7) positions each year, for a pilot project utilizing distance learning technology for 1,225 contract inmates housed at Wallens Ridge State Prison, located near Big Stone Gap in Wise County.
 - *Red Onion State Prison.* Provides \$650,000 GF the first year and \$350,000 GF the second year, and seven (7) positions each year, for a pilot project utilizing distance learning technology for 1,267 inmates housed at Red Onion State Prison, located on the boundary of Dickenson and Wise Counties.
 - *Culpeper Juvenile Correctional Center.* Provides \$334,640 GF the first year and \$770,760 GF the second year for academic and vocational programs at the 225-bed maximum-security juvenile facility at Culpeper County, opening in April, 1999.

- *Adult Detention Centers.* Transfers existing funds from the Department of Corrections for the purpose of providing educational programs in adult detention centers. The amounts transferred (from Corrections to DCE) include \$38,698 GF the first year and \$39,364 GF the second year.
- **Department of Juvenile Justice**
 - *Culpeper Juvenile Correctional Center.* Provides \$3.7 million GF and \$0.7 million NGF the first year, and \$7.6 million GF and \$2.1 million NGF the second year, and 243 positions each year, to open the new 225-bed maximum security facility at Culpeper.
 - The opening will be phased-in beginning April 1, 1999, due to slower-than expected growth in the juvenile offender population.
 - The facility was originally planned to open in July, 1998. However, the budget as introduced, proposed that the first housing unit open in October, 1998, with the second opening in April, 1999. Under this proposal, the remaining two (of the four) housing units would not open until the 2000-2002 biennium.
 - The budget, as adopted, assumes an opening date of April 1, 1999, for the first two of the four 56-bed housing units. As in the budget, as introduced, no funds are provided for opening the third and fourth housing units.
 - The nongeneral funds represent per diem charges to localities for housing juveniles in a 50-bed unit on the same site which has been set aside for local detention use. This unit (which is in addition to the 225 beds for state-responsible juveniles) includes up to 14 beds reserved for Culpeper County.
 - Of the total of 243.0 FTE positions approved, 42.5 positions are to be supported from nongeneral funds for operation of the local detention unit.
 - An additional \$325,000 GF the first year is provided for Culpeper County to purchase detention beds during the period between the original opening date and the revised opening date of April 1, 1999.

- Language is also included which directs the agency to develop a plan to transfer residents from Hanover Juvenile Correctional Center to the new facility at Culpeper, in order to make the older cottages at Hanover available for renovation. The agency is expected to propose a capital project for this purpose.
- ***Juvenile Boot Camps.*** Includes \$1.6 million GF the first year and \$1.7 million the second year to annualize the cost of the second of two intermediate-sanction boot camps.
 - Virginia's first boot camp opened in 1996 in Isle of Wight County, and is operated by Youth Services International, a private firm based in Maryland. This camp is a joint venture between the Department of Juvenile Justice and the City of Richmond.
 - The two intermediate-sanction camps are to be operated by Rebound, a private firm based in Denver. The first opened in early 1998 in Kenbridge, Lunenburg County, and the second will open no earlier than August, 1998.
- ***LEADER Program.*** Provides \$1.3 GF the first year and \$1.4 million GF the second year, and 33 positions, for expansion of the LEADER program (Leadership, Education, Achievement, Discipline, Empowerment, and Responsibility). This program is intended to introduce military-style discipline in state juvenile correctional facilities. Language is included which directs the agency to provide evaluation reports.
- ***Private Juvenile Correctional Center.*** Includes language which clarifies legislative intent with respect to the authority for the agency to enter into a contract for a private, 225-bed juvenile correctional center. The intent is to preserve efforts to date by the agency and the vendor until such time as the offender forecast justifies the need for additional beds.
- ***VJCCCA.*** Provides an additional \$2.7 million GF the first year and \$2.8 million GF the second year for the Virginia Juvenile Community Crime Control Act. The VJCCCA provides funds through a formula for localities to operate or contract for programs and services for juvenile offenders. The total amount included in the budget, as adopted, for VJCCCA is \$29 million GF the first year and \$29.1 million the second year, including:

- \$1.4 million GF each year to fund the recalculation of the VJCCCA formula, as required in the 1997 appropriation act, to account for new arrest and cost data;
 - \$1.3 million GF each year to fund a hold harmless provision, to assure that no locality receives a lower amount of funding than it received in fiscal year 1998;
 - \$121,983 GF the second year to fund a minimum level of funding, effective July 1, 1999, to assure that no locality receives less than the average formula allocation for the lowest 25 percent of localities; and,
 - Language clarifying local responsibility for maintenance of effort, by excluding expenditures under the Community Services Act, and by requiring that localities meet the required level of effort by July 1, 2000.
- ***Local and Regional Facility Capital Costs.*** Provides \$1.3 million GF the first year and \$3.1 million GF the second year for the state share of the capital costs for several new local and regional juvenile detention facilities.
- The first year amount includes: Prince William Juvenile Detention Home (\$1,040,000 and \$82,553 in cost overruns); Hampton/Newport News Less Secure Home (\$76,530); Northwestern Regional Detention Home equipment costs (\$141,518); and, Chaplin Youth Center (\$28,372 for a cost overrun).
 - The second year amount includes \$3,120,000 for the Henrico-Goochland-Powhatan Regional Detention Home.
 - Outdated language in this section is removed which authorized the Governor to withhold reimbursement for construction projects in the event such expenditures may exceed the amounts listed for specific projects. This is no longer necessary due to recent changes in the method of reimbursing these costs.
- ***Local and Regional Facility Operating Costs.*** Includes \$515,153 GF the first year and \$487,960 GF the second year for the state share of the operating costs for the Prince William and Middle Peninsula Juvenile Detention Homes.

- ***Wilderness Work Camp.*** Eliminates \$50,000 GF each year, in order to cancel plans for a new wilderness work camp. This program is no longer needed due to slower-than-expected growth in the offender population.
- ***Juvenile Probation Officers.*** Provides \$300,000 GF the first year and \$617,224 GF the second year to add 16 new juvenile probation officers to supervise drug-involved offenders.
- ***Juvenile Substance Abuse Screening.*** Provides \$112,096 GF the second year to provide one juvenile probation officer who is a certified substance abuse counselor, in each of the 32 juvenile court services units. This will be accomplished by upgrading one existing position in each unit to a senior level and by providing the training required for certification. This action implements provisions of House Bill 664 and Senate Bill 317 of 1998.
- ***Fredericksburg Regional Juvenile Drug Court.*** Provides \$100,000 GF each year and four (4) positions to match a federal grant for the establishment of a juvenile drug court serving the City of Fredericksburg and the Counties of Stafford, Spotsylvania, and King George.
- ***Richmond Juvenile Drug Court.*** Provides \$100,000 GF each year and four (4) positions to match a federal grant for the establishment of a juvenile drug court serving the City of Richmond, in cooperation with the 13th District Juvenile and Domestic Relations District Court.
- ***Harriet Tubman House.*** Provides \$109,020 GF each year to maintain the current level of contract services provided by the Harriet Tubman House. This is an independent living center or halfway house operated on the grounds of the United Methodist Family Services in Richmond.
- ***Intensive Parole Pilot Project.*** Includes \$174,374 GF the first year and \$172,970 GF the second year, and four (4) positions, to assume the cost of this project, for which a federal grant is expiring. The funds cover the cost of providing intensive institutional and community parole services to high-risk juvenile offenders, through Beaumont and Hanover Juvenile Correctional Centers and the Norfolk Court Services Unit.
- ***Manpower Allocation Study.*** Includes language which directs the agency, in cooperation with the Executive Secretary of the Supreme Court, to prepare a baseline report on the workload

and allocation of manpower in the court services units which serve the Juvenile and Domestic Relations District Courts.

- ***Systems Analysts.*** Includes \$125,000 GF the first year and \$150,000 GF the second year, and two (2) systems analyst positions, to be assigned to the development of the agency's juvenile offender tracking system.
- ***Information Systems Unit.*** Provides \$469,985 GF the first year and \$402,735 GF the second year, and six (6) positions each year, to reorganize and expand the information systems unit.
- ***Offices on Youth.*** Provides \$35,000 GF each year for each of three new local juvenile delinquency prevention programs, serving the City of Radford, Giles County, and the Harrisonburg-Rockingham County area. The budget, as adopted, also includes \$50,000 GF each year to restore previous reductions in funding for local offices on youth.

- **Department of Emergency Services**

- ***Medical Monitoring of HAZMAT Teams.*** Provides \$85,000 GF each year for medical monitoring for persons working in Hazardous Materials Emergency Response Teams, as required by federal regulations.
- ***Search and Rescue Training.*** Includes \$76,974 GF each year for additional training for search and rescue teams.
- ***IFLOWS.*** Provides \$30,000 GF each year for maintenance of the Integrated Flood Warning System.
- ***Rent Increase.*** Includes \$69,000 GF the first year and \$74,000 the second year for administrative office space rent increases.
- ***Disaster Recovery Funds.*** Includes language in Item 507 B which requires that all funds transferred through the Governor's "sum sufficient" authority under § 44-146.28, Code of Virginia, must be recorded in a special fund account to be used only for Disaster Recovery, to enhance accountability for these funds.

- **Department of Alcoholic Beverage Control**
 - ***Enforcement of Tobacco Laws.*** Provides \$423,000 NGF each year and nine (9) positions to enforce the prohibition of tobacco sales to minors.
 - A related language amendment directs the agency to operate this program in such a way as to avoid diverting personnel or other resources away from any enforcement or regulatory activities or programs which were in place as of January 1, 1998, which were dedicated to wholesale wine and beer licensee oversight.

- **Department of Military Affairs**
 - ***Relocation of DMA Headquarters.*** Provides \$1.1 million GF the first year and \$400,500 GF the second year to move headquarters staff and equipment to Fort Pickett.
 - In FY 1998, the Governor approved a \$3.6 million capital project to renovate a building at Fort Pickett for DMA headquarters. The Governor approved this project pursuant to his authority under §4-4.01(j) of the Appropriation Act.
 - ***Renovation of Warehouses at Fort Pickett.*** The capital budget includes an additional \$300,000 NGF the second year for renovation of warehouses at Fort Pickett.
 - The nongeneral funds are expected to be received from the sale of the Waller Road Supply Depot, which is assessed at \$1.2 million. The balance of the proceeds of the sale would be deposited into the general fund and the Conservation Resources Fund, pursuant to § 3-3.03 B in the budget, as adopted.
 - ***Assumption of Camp Pendleton Expenses.*** Provides \$250,000 GF and \$285,000 NGF for the first year only, to permit continued operation of the State Military Reservation at Camp Pendleton in Virginia Beach, for one year. The federal government has eliminated its support for this facility.
 - In view of the need to review the status of this facility, the budget includes language in Item 16 directing JLARC to

study the feasibility of converting Camp Pendleton into a state park.

- ***Commonwealth ChalleeNGe.*** Provides \$360,000 GF the first year and \$498,000 GF the second year as the cash match for the Commonwealth ChalleeNGe program at Camp Pendleton. This is a residential program for troubled youth who have dropped out of school but have not entered the juvenile justice system.
 - A related language amendment authorizes the agency to designate building space at Camp Pendleton as an in-kind match for the federal funds. This in-kind match is equivalent to a value of \$188,868 per year.
- ***Army and Air National Guard Armories.*** Provides \$226,300 GF and \$300,000 NGF the first year and \$239,600 GF and \$300,000 NGF the second year, for increased operating and maintenance costs of armories. The general fund amounts are based on a standard cost-sharing formula with the federal government.
- ***Joint Use Agreement for Richmond Airport.*** Includes \$43,142 GF and \$124,527 NGF the first year and \$45,574 GF and \$131,823 NGF the second year, to fund the joint use agreement between the Richmond International Airport and the Virginia Air National Guard.
- ***National Guard Tuition Assistance.*** Provides \$194,796 GF the first year and \$260,448 GF the second year for tuition assistance for members of the Virginia National Guard. This provides a total of \$584,348 the first year and \$650,000 the second year for this program.

Transportation

The adopted 1998-2000 budget for Transportation agencies provides a net increase of \$406.2 million NGF over the adjusted appropriation for current operations. The budget provides \$5,212.8 million in the 1998-2000 budget, an increase of 8.4 percent over the 1996-98 activity-based budget. Nongeneral funds account for more than 98 percent of the Transportation budget.

The adopted budget included several funding enhancements for public transportation, including: a change in the Transportation Trust Fund distribution formula for public transportation; performance-based funding incentives in the second year; funds for a statewide bus purchase program; and matching funds for the South Hampton Roads Transit Project.

Other significant changes included authorization and funding for an additional \$90.9 million in bonds for the Northern Virginia Transportation District Program and an additional \$3.5 million to fund the remaining unfunded authorized bonds for the Route 58 Corridor Development Fund.

- **Department of Transportation**
 - *Construction Program.* Appropriates an increase of \$194.7 million in the construction budget, bringing the total for 1998-2000 to \$2.25 billion. The budget anticipates that Federal revenues, currently about \$460.0 million in FY 1998, will approximate \$600.0 million a year in the next biennium based on assumed appropriation levels under consideration by Congress. It is expected that Congress in the 1998 session will adopt a transportation funding bill succeeding the Intermodal Surface Transportation Efficiency Act that expired last September 30.
 - *Maintenance.* Appropriates an increase of \$212.1 million in the maintenance budget, bringing the total for 1998-2000 to \$1.93 billion.
 - *Northern Virginia Transportation District Program.* Appropriates \$2.8 million in public right-of-way use fees and \$1.0 million in designated local revenues the first year, and \$3.5 million in public right-of-way use fees, \$1.0 million in designated local revenues, and \$3.5 million in Commonwealth Transportation Funds the second year, to finance debt service on \$100.9 million in bonds to be issued for projects in the Northern

Virginia Transportation District Program. \$10.0 million in bonds are currently authorized, but unsold. \$90.9 million in new bonds were authorized in House Bill 1117/Senate Bill 566.

- ***Route 58 Corridor Development Program.*** Adds an additional \$3.5 million in the second year from the Highway Maintenance and Operating Fund to the Route 58 Corridor Development Fund. Of the \$600 million in authorized bonds, approximately \$46 million is currently unfunded. The additional \$3.5 million will provide most, if not all, of the remaining funding necessary to issue all the authorized bonds.
- ***Secondary Road Local Revenue Sharing.*** Increased from \$10 to \$15 million per year the amount of Commonwealth Transportation Funds allocated for the VDOT secondary road local revenue sharing program. This will allow additional opportunities for localities to match state funds for secondary road construction.
- ***Management Information System.*** Appropriates \$22.4 million to continue an upgrade of the agency's automated systems -- a process called the "MIS Strategic Plan." Funds to resolve the Year 2000 issue also are included.
- ***General Purposes.*** Appropriates \$7.5 million for increases in administrative costs, the operation and maintenance of facilities, and the Geographic Information System.
- ***Western Transportation Corridor MIS.*** Requires the Department of Transportation to continue, until no later than October 15, 1998, its Major Investment Study of the Western Transportation Corridor in cooperation with the National Park Service, the United States Army Corps of Engineers, the United States Marine Corps, the United States Environmental Protection Agency, and such other state, federal, and private entities as may be deemed appropriate by the Department.
- **Capital Outlay**
 - ***National Air & Space Museum Extension.*** Provides \$6.2 million in DMV Special Funds, \$1.2 million in excess interest earned on Virginia Public Building Authority Bonds, and \$3.0 million in Commonwealth Transportation Funds for a portion of infrastructure costs and in-kind items agreed to by the state and the Smithsonian Institution

for a new museum to be constructed adjacent to Dulles Airport.

- ***Upgrade Operational Facilities.*** Provides \$8.3 million NGF for the first phase of a ten-year Capital Improvement Plan.
- ***New District/Residency Facilities.*** Provides \$5.9 million NGF to allow the expansion of operational and support facilities for activities such as administration, human resources, and environmental review.
- ***Central Warehouse.*** Provides \$4.5 million NGF to demolish the 80-year old central warehouse, and construct a new, smaller warehouse.
- ***Old State Library Renovation.*** Provides \$800,000 in the first year to fund a feasibility and engineering study to convert the Old State Library into an office building for the Department of Transportation. The study would also examine the feasibility of converting the first floor into general meeting and conference activities as Seat of Government and Executive Mansion support space.

- **Department of Rail and Public Transportation**

- ***Mass Transit's Share of the Transportation Trust Fund.*** Appropriates an additional \$2.4 million the first year and \$5.5 million the second year to reflect mass transit's increased share of the Transportation Trust Fund (TTF), as enacted in SB 562/HB 958. Instead of receiving 8.4% of the TTF and \$35 million from the Highway Maintenance and Operating Fund each year, transit will receive 14.5% the first year and 14.7% the second year from the TTF.
- ***Performance-Based Incentive Supplement.*** Provides an additional \$5.0 million in the second year from transportation revenues to encourage the improved performance of local public transit operations. The funding will be provided according to service efficiency, service effectiveness, and local goal achievement. The funds for the incentive program would supplement the current cost-based program for financial assistance to local public transit. The budget, as adopted, provides about \$100 million a year in total funding for the current program.

- ***Statewide Bus Purchases.*** Provides \$3.5 million in the first year from federal Surface Transportation Program (STP) funds for statewide bus purchases. These funds shall be provided through a competitive grant program requiring a 20 percent local match. In addition, the budget requires the Commonwealth Transportation Board to develop a unified, statewide bus purchase request from the federal government.
- ***South Hampton Roads Transit Project.*** Provides \$5.0 million in the first year to the Tidewater Regional Transit District Commission for development of the Norfolk-Virginia Beach Transit System. Oversight for use of the funds is the responsibility of the Department of Rail and Public Transportation. The funds are intended to be used to help match \$20 million in federal funds and to help study the feasibility of extending a transit system to the Norfolk Naval Base.
- ***Dulles Corridor Transit Project.*** Requires the Commonwealth Transportation Board to provide \$500,000 for the Dulles Corridor commuter rail project if federal matching funds become available.
- ***Rail Preservation Programs.*** An additional \$1.5 million each year is provided for the rail preservation program. This funding is generally used for capital programs that upgrade the short-line railroads in Virginia.
- ***Paratransit Assistance.*** Provides \$800,000 each year from Oil Overcharge Trust Funds for "paratransit" services for the elderly and disabled.
- **Department of Motor Vehicles**
 - ***Emporia Customer Service Center.*** Authorizes 7.0 FTE and \$500,000 the first year and \$400,000 the second year and to fund the costs of a full-service customer center in Emporia.
- **Motor Vehicle Dealer Board**
 - ***Convert Part-time Positions to Full -time.*** Provides 6.0 FTE and \$60,000 each year to convert six part-time positions to full-time

positions at the Motor Vehicle Dealer Board. A fee increase is not necessary to fund the conversion.

- **Virginia Port Authority**

- ***Debt Service.*** Provided \$6.9 million each year from the Port's share of Transportation Trust Fund revenues for debt service on the issuance in 1997 of \$98.1 million in bonds to finance capital improvement. The Port's 4.2 percent share of Transportation Trust Fund revenues is \$53.0 million over the biennium.
- ***General Purposes.*** Provided \$370,000 in nongeneral funds to establish an internet web site, support international trade missions, and to increase promotion of the port's capabilities.
- ***Port-Related Special Projects.*** Provided \$3.1 million from the general fund to finance the state's share of a deep-draft dredging project in the Hampton Roads area (\$2.6 million), and to continue a study of developing a fourth terminal on Craney Island at Portsmouth (\$500,000). (This item is found in Central Appropriations.)
- ***Study of Rudee Inlet.*** Provided \$325,000 GF the first year to the City of Virginia Beach to fund a study of how best to maintain the navigability of Rudee Inlet.

Central Appropriations

The Central Appropriations contain \$765.2 million in general funds used to supplement state agency budgets for unallocated or unbudgeted costs. These funds are designated for a variety of purposes, including state employee salary increases, economic contingencies to address emergencies, higher education equipment lease payments, the Governor's discretionary economic development "Deal Closing Fund", and the Personal Property Tax Relief and School Construction Program.

Funding of \$533.0 million for the biennium is provided to phase in the proposed elimination of the personal property tax on personal vehicles and to support school construction, renovation, and other related purposes. A language amendment indicates that the Governor shall supplement this appropriation by an additional \$29.2 million from (1) GF revenue collections above the official forecast, or (2) from projected agency savings. Also, as stated, \$9.0 million of this amount may be transferred from the Literary Fund.

The budget, as adopted, contains \$166.4 million in general funds to provide compensation increases for state classified employees and state-supported local employees. Funding for salary adjustments for college faculty and public school teachers is contained directly in the budgets of the higher education institutions and in public education.

Employer premium increases totaling \$30.2 million are included as part of a package designed to restore the financial stability of the state's self-insured health benefits program.

Funding of \$30.5 million for the biennium is included for the Governor's "Deal Closing Fund," along with \$2.8 million for the Solar Photovoltaic Economic Development Incentive Grants, \$2.0 million for economic contingencies, and \$3.1 million for the dredging of a deep anchorage at Craney Island in Hampton Roads.

Biennial funding of \$13.7 million is included to pay the cost of correcting year 2000 problems for information systems at non-higher education agencies. Funds for this purpose in higher education are budgeted directly to the affected institutions. In addition, a language amendment provides that the Director of the Department of Planning and Budget may withhold up to \$20.0 million from agency appropriations in the second year if it is determined that insufficient funds are budgeted to correct the year 2000 problem statewide.

The remaining \$7.7 million contained in the Central Appropriations is designated for: the Higher Education Desegregation Plan (\$7.6 million), and Legal Defense (\$0.1 million).

- **Compensation Supplements**

- ***November 25, 1998 Salary Increase.*** Approved \$41.2 million the first year and \$76.8 million the second year to provide a performance based salary increase of either 2.25 percent or 4.55 percent for all state classified employees on November 25, 1998. Effective December 1, 1998, employees of Constitutional Officers that have a performance pay plan in effect will receive either a 2.25 percent or 4.55 percent salary increase. Effective December 1, 1998, employees of Constitutional Officers that do not have a performance pay plan, and state-supported block grant employees, will receive a 2.25% salary increase. The difference in effective dates is the result of the implementation of lag pay.
- ***November 25, 1999 Salary Increase.*** Approved \$26.8 million GF the second year to provide a 2.25 percent salary increase for state employees on November 25, 1999 and for state-supported local employees on December 1, 1999. The difference in effective dates is the result of the implementation of lag pay. This increase will be revisited during the 1999 Session when proposed changes to the state classified pay plan are considered.
- ***Appointed Officials and Constitutional Officers.*** Approved a 3.67 percent salary adjustment for all Cabinet Secretaries, Judges, Commissioners of the State Corporation Commission, local elected Constitutional Officers, and General Registrars and members of local electoral boards. For Executive and Legislative Agency Heads, the General Assembly authorizes performance based salary increases from 0 percent to 4.55 percent.
- ***State Police Officer Regrade..*** Approved funding of \$4.1 million the first year and \$7.1 million the second year for a one pay grade (9.3%), job class regrade for all state troopers through the rank of captain, effective November 25, 1998.
- ***District Court Clerks Regrade.*** Provides \$1.5 million the first year and \$4.0 million the second year to phase-in a job class regrade for employees of the District Court Clerks.

- *Local Social Services Employee Pay Plan.* Approved \$2.1 million each year to continue implementation of the local social service employee pay plan.
 - *Technical Adjustments for VRS Contributions.* Technical adjustments required an additional \$21.6 million GF the first year and \$42.6 million GF the second year for increases in VRS rates. This increase is the net result of (1) miscellaneous actuarial adjustments; and (2) the continued phase-in of prefunding for annual cost-of-living adjustments (COLAs).
 - *Higher Education Group Life Insurance Savings.* Reduced the compensation supplement account by \$2.3 million the first year and \$2.1 million the second year to reflect tuition savings from institutions of higher education, resulting from the group life insurance "premium holiday".
- **Economic Contingency**
 - *Economic Contingency Fund.* Approved an appropriation of \$2.0 million GF the first year for the Economic Contingency Fund. This fund may be used to supplement the appropriations to state agencies in case of an emergency or an unexpected cost increase. In addition to this direct appropriation of \$2.0 million for the biennium, language authorizes the Governor to use up to \$1.0 million of the unappropriated general fund balance for purposes of economic contingency.
 - *Deal Closing Fund.* Provides \$30.5 million GF in the first year for the "Deal Closing Fund". The fund may be used by the Governor for a variety of purposes to further economic development efforts. These activities are targeted to attract new industry to Virginia and to assist existing companies expand their employment and capital investment.
 - *Solar Photovoltaic Incentive Grants.* Provides funding to transfer \$0.1 million GF in the first year and \$2.7 million GF in the second year to the Department of Mines, Minerals and Energy, to encourage companies developing new solar panel manufacturing facilities to locate in Virginia. The amount of performance-based grants awarded to a company depends on the kilowatt equivalent amount of the solar panels manufactured in the state.

- ***Hampton Roads Dredging.*** Approved \$2.6 million GF the first year to pay 50 percent of the cost of dredging a deep channel in Hampton Roads.
 - ***Craney Island Study.*** Adds \$250,000 GF the first year and \$250,000 GF the second year for a study that will develop recommendations on the future uses of Craney Island in Hampton Roads.
 - ***Shipbuilding Grant Program.*** Approved funding of \$8.0 million GF the first year and \$3.2 million GF the second year for grant awards to qualified shipbuilders pursuant to §3 of Senate Bill 442, 1998 Session of the General Assembly, along with language requiring the Governor to submit an amendment to the 1999 Session for the balance of funding, if certain conditions are met.
- **Reversion Clearing Account**
 - ***Group Life Premium Holiday.*** Approved savings of \$14.8 million GF the first year and \$15.1 million GF the second year by eliminating group life insurance premium contributions during the 1998-2000 biennium due to large reserves in the fund.
 - ***DIT Computer Savings.*** Approved savings of \$0.9 the first year and \$0.9 million each year from agency budgets as a result of a rate reductions in computer and telecommunications services provided by the Department of Information Technology.
- **Information Systems Management**
 - ***Year 2000 Corrections.*** Includes \$12.1 million the first year and \$1.6 million the second year to pay the cost of correcting year 2000 problems for information systems at non-higher education agencies. Funds to correct the year 2000 problem in higher education are budgeted directly to the affected institutions. In addition, a language amendment provides that the Director of the Department of Planning and Budget may withhold up to \$20.0 million from agency appropriations in the second year, if necessary, to correct the problem in a timely fashion.

- **Higher Education Desegregation Plan**
 - *Higher Education Desegregation Plan.* Continues funding for the Higher Education Desegregation Plan at \$3.8 million GF each year.
- **Legal Defense**
 - *Legal Defense.* Continues funding for Legal Defense at \$50,000 each year.
- **Health Insurance Administration**
 - *Employer premium increases.* Provides \$15.1 million GF each year for increases in the employer premiums for group health insurance. These amounts include the share of employer premium increases that would normally be borne by non-general funds at the institutions of higher education.

This is one of several actions that are intended to restore the financial stability of the state's self-insured health benefits program by providing \$40.8 million in additional revenues annually:

Increased employee co-payments	\$8.5 million
Increased employee premiums	6.6 million
Increased GF premiums	15.1 million
Increased NGF premiums	<u>10.6 million</u>
Total	\$40.8 million

- *Create a Health Insurance Fund Reserve.* A language amendment authorizes transfer of the \$19.2 million lag pay reserve established during the 1998 Session to the Health Insurance Fund as one of several actions designed to created a \$70 million reserve for claims incurred by employees but not yet billed to the health insurance program (IBNR).

Direct Appropriation	\$19.2 million
1996-98 Interest Earnings on the HIF	10.0 million
Lag pay receivables*	18.0 million
Trigon receivable**	<u>22.8 million</u>
Total IBNR Reserve	\$70.0 million

In addition, language in Part III of the introduced bill provides a \$25.0 million line of credit with the State Treasury for an actuarial risk reserve.

* The introduction of lag pay in June 1997 produced one-time savings of \$18 million from health insurance premiums.

** The hospital discounts received from Trigon as the third party administrator of the state's self-insured health benefits program.

- **Personal Property Tax Relief Program/School Construction**

- *Personal Property Tax Relief Program/School Construction.* The adopted budget provides \$222.4 million GF the first year and \$310.6 million GF the second year to implement a program for personal property tax relief on personal vehicles and for a program to support school construction, renovation, and related purposes. In addition to this appropriation, language is included directing the Governor to supplement this appropriation by an additional \$29.2 million from (1) GF revenue collections above the official forecast, or (2) from projected agency savings. Also, language provides that \$9.0 million of this amount may be transferred from the Literary Fund.

Independent Agencies

The approved budget for 1998-2000 increases funding for Independent agencies by about \$12.7 million NGF, offset by a savings of almost \$3.0 million in administrative cost of the Lottery Department. Approximately half of this increase is entirely technical, involving moving the Higher Education Tuition Trust Fund's administration from a sum sufficient to a specific appropriated amount. The remaining increase involves the State Corporation Commission (\$2.4 million NGF), and the Virginia Retirement System (\$4.9 million NGF).

The State Corporation Commission will increase its net spending by about \$2.4 million NGF in the next biennium. Actual increases total \$4.0 million, but are offset by a \$1.6 million reduction in the amount recommended for computer enhancements in the Bureau of Financial Institutions. Just over a third of this increase -- \$1.4 million -- is for increased workload. Another third -- \$1.6 million -- is for implementation of the Commission's new pay plan. The remaining increase of \$1.6 million will fund a variety of information systems enhancements.

The Virginia Retirement System will increase by about \$4.9 million NGF in the next biennium. The increase is almost entirely the result of workload additions generated by legislation.

- **State Corporation Commission**
 - ***Workload Increases.*** Adds an additional \$713,564 NGF the first year and \$659,473 NGF the second year, and 16 FTE positions to address workload increases in the Bureaus of Insurance, and Financial Institutions and the Railroad Regulation Division.
 - ***Geographic Information System.*** Provides \$313,976 NGF the second year to acquire a Geographic Information System for the Communications and Energy Regulation Divisions.
 - ***Commission Pay Plan.*** Includes \$811,448 NGF the first year and \$783,893 NGF the second year for the increased cost of the new SCC compensation plan.
 - ***Securities Division Computer System Upgrade.*** Adds \$348,670 NGF the first year and \$74,263 NGF the second year to continue

upgrading the computer systems supporting the Securities Division.

- *Insurance Division Computer System Upgrade.* Provides \$276,140 NGF the first year to continue upgrading computer systems supporting the Securities Division.
- *Financial Division Computer System Savings.* Saves \$647,332 NGF the first year and \$967,635 NGF the second year by eliminating continued funding for computer systems upgrades for the Bureau of Financial Institutions.

- **Virginia Retirement System**

- *Administrative & Workload Increases.* Provides an additional \$1.8 million NGF the first year, \$1.7 million NGF the second year and 13 FTE positions for increased workload due to recent legislative changes.
- *Computer System Upgrades.* Adds \$327,932 NGF the first year and \$310,905 NGF the second year and 6 FTE positions for information systems enhancements related to member, retiree, and employer records.
- *Customer Service Information Center.* Provides \$327,990 NGF the first year and \$327,990 the second year to continue the retirement system's information center.
- *Audit & Monitoring Function Increase.* Includes an additional \$80,312 NGF the first year, \$238,454 NGF the second year and 2 FTE positions for improvements to the processing of retirement applications and refund requests.
- *Social Security Assistance for Disabled Members.* Adds \$200,000 NGF the first year and \$200,000 NGF the second year to establish a program to assist VRS members in obtaining social security benefits.
- *Computer Operations Help Desk.* Recommends an additional \$51,700 NGF the first year and \$65,095 NGF the second year and 1 FTE position for management of the computer operations help desk, as recommended in a recent security study.

- *State Aid Intercept.* Adds new language that will allow the VRS to recover delinquent accounts from local governments by offsetting state aid payments.
 - *Suspend Lease of Headquarters Building.* Saves \$277,575 NGF each year by suspending rent payments on the VRS headquarters building. The VRS owns the building, which is to be converted to a non-revenue producing asset.
 - *1998 Legislation.* Includes \$285,000 NGF for computer programming, system maintenance, and customer service support associated with 1998 legislation increasing retirement benefit calculations and tax-deferred re-purchase of service credits.
- **Virginia Lottery Department**
 - *Revenue Estimation.* Includes language calling for a study of the Department's net revenue estimating process.
 - *Administrative Savings.* Anticipates savings of \$2.3 million NGF the first year and \$0.6 million NGF the second year, through administrative cost-efficiencies. These savings will result in a net increase in revenues transferred to the general fund each year.

Historic Landmarks and Nonstate Agencies

- **Historic Landmarks and Nonstate Agencies**
 - Adds \$46.6 million GF for historic landmarks and nonstate agencies in the biennium. These funds are grants to nonstate groups and organizations for historical and cultural purposes and must be matched by a local contribution. Exceptions to this requirement are noted with an asterisk (*). Those that are underlined will be administered by the Department of Historic Resources; the Department of Planning and Budget will administer all others.

Non-State Agencies/Hist. Landmarks	<u>FY 1999</u>	<u>FY 2000</u>
<u>1829 Johnston House</u>	25,000	0
<u>Aberdeen Garden Historic and Civic Assoc.</u>	50,000	50,000
<u>Alexandria Academy</u>	25,000	0
Alexandria Seaport Center	25,000	0
American Theater	25,000	25,000
Appalachian Traditions	10,000	10,000
Art Museum of Western Virginia	150,000	150,000
<u>Assoc. for the Preserv. of Va Antiquities</u>	1,000,000	1,000,000
Barter Theatre	200,000	200,000
<u>Bedford City/County Museum</u>	125,000	0
<u>Belle Grove Plantation</u>	25,000	25,000
<u>Ben Lomond</u>	50,000	0
Black History Museum & Cultural Center	100,000	100,000
Blue Ridge Community Orchestra	10,000	10,000
Blue Ridge Institute Inc.	35,000	35,000
Blue Ridge Zoological Society	27,500	27,500
Calfee Athletic Field	20,000	20,000
Camp Virginia Jaycees	50,000	50,000
Cartersville Rescue Squad Building	25,000	0
Chesapeake Arts Center	25,000	25,000
Children's Museum of Richmond	1,075,000	1,075,000
Children's' Museum of Virginia	100,000	100,000
Chincoteague Center	25,000	0
Chrysler Museum	900,000	900,000
<u>City of Petersburg for Centre Hill Museum</u>	62,500	0
<u>Confederate Museum</u>	70,000	70,000
Council for America's First Freedom	316,000	316,000
<u>Crispus Attucks Theater</u>	150,000	0
Culpeper Cavalry Museum	30,000	30,000

Non-State Agencies/Hist. Landmarks	<u>FY 1999</u>	<u>FY 2000</u>
Cumberland Gap Tri-State Visitor Center	50,000	0
Dan River Alliance for Arts and Culture	15,000	15,000
<u>Dodona Manor</u>	500,000	500,000
Fluvanna Arts Council*	10,000	0
Fluvanna Heritage Trail	20,000	0
<u>Fort Norfolk 1810 Officers' Quarters</u>	25,000	0
Fredericksburg Area Museum and Cult. Ctr.	20,000	20,000
George C. Marshall Research Foundation	75,000	75,000
<u>Giles County Historical Society</u>	45,000	0
<u>Glencoe Residence</u>	100,000	0
Good Neighbor Village	50,000	0
Guest River Gorge Trail	10,000	0
Halifax Educational Foundation, Inc.	250,000	0
Hampton History Museum Association	100,000	100,000
Hampton University Museum Foundation	200,000	200,000
Hand Workshop Art Center	25,000	25,000
<u>Hanover Co. Branch, APVA, for</u>		
<u>Scotchtown</u>	20,000	20,000
<u>Hanover Tavern</u>	50,000	50,000
Harrison Museum	25,000	25,000
Henricus Foundation	100,000	100,000
<u>Historic Avenel</u>	50,000	0
<u>Historic Brentsville District Court House</u>	50,000	0
<u>Historic Christchurch</u>	50,000	0
Historic Crab Orchard Museum and Pioneer		
Park, Inc.	45,000	45,000
Historic Dumfries Virginia, Inc.	35,000	35,000
<u>Historic Exchange Hotel</u>	10,000	10,000
<u>Historic Fredericksburg Foundation, Inc. for</u>		
<u>the Fielding Lewis Store</u>	125,000	125,000
<u>Historic Gordonsville</u>	10,000	10,000
<u>Historic Pocahontas, Inc. for Emma Yates</u>		
<u>Millinery Shop</u>	10,000	5,000
<u>Historic Pocahontas, Inc. for Pocahontas</u>		
<u>Cemetery</u>	10,000	10,000
<u>Historic Presbyterian Church</u>	2,150	0
History Museum & Historical Society of		
Western Va.	25,000	25,000
Holiday Lake 4-H Educational Center	125,000	125,000
<u>Hopewell Preservation, Inc.</u>	231,250	231,250
<u>Isle of Wight County for Boykins Tavern</u>	200,000	25,000
Jacksonville Center	30,000	0
James Madison Museum	27,000	0
Jamestown 4-H Center	50,000	50,000
Jamestown Slave Museum	100,000	0
John Marshall Foundation	6,250	6,250
Julian Stanley Wise Foundation (Rescue		
Squad Museum)	50,000	50,000

Non-State Agencies/Hist. Landmarks	<u>FY 1999</u>	<u>FY 2000</u>
<u>Kenmore</u>	150,000	150,000
<u>Kerr Place</u>	35,000	35,000
Kids Voting Virginia	20,000	0
<u>King William County Courthouse</u>	20,000	20,000
<u>Lady Astor Preservation Trust for</u>		
<u>Langhorne House</u>	10,000	0
<u>Last Capitol of the Confederacy (Danville</u>		
<u>Museum of Fine Arts & History)</u>	245,000	95,000
Leesylvania State Park	20,000	0
Lewis Ginter Botanical Garden	100,000	100,000
<u>Lincoln Theater</u>	50,000	50,000
Louisa County Library	250,000	0
<u>Lynchburg Academy of Music</u>	100,000	50,000
MacCallum More Museum & Gardens	30,000	30,000
Mariners' Museum	745,000	745,000
<u>Mary Ball Washington Museum</u>	10,000	10,000
Mathematics and Science Center	30,000	30,000
<u>Mayfield and Cannon Branch Forts</u>	100,000	0
Maymont Foundation	600,000	600,000
<u>Menokin</u>	75,000	75,000
Middlesex County Museum	50,000	50,000
<u>Miles B. Carpenter Museum</u>	18,202	0
Mill Mountain Theatre	100,000	100,000
Mills Godwin Honorary Foundation	100,000	0
<u>Montpelier</u>	350,000	350,000
National D-Day Memorial Foundation	2,250,000	250,000
National Red Cross Convention	60,000	0
<u>National Trust for Historic Preservation for</u>		
<u>Oatlands</u>	35,000	35,000
New Virginia Review, Inc.	15,000	15,000
<u>Newtown Improvement and Civic Club, Inc.</u>		
<u>for Little England Chapel</u>	25,000	25,000
Newport News Street Watch	75,000	75,000
Norfolk Botanical Garden Society, Inc.	175,000	175,000
<u>Norge Train Depot</u>	5,000	0
Northern Virginia 4-H Educational Center	50,000	50,000
Northumberland County Community Center	15,000	0
Ocean View Station Museum	35,000	25,000
<u>Old Dinwiddie Courthouse</u>	100,000	0
Opera Roanoke	50,000	50,000
OpSail 2000	250,000	250,000
<u>Patrick Henry Memorial Foundation for Red</u>		
<u>Hill</u>	25,000	25,000
Peninsula Fine Arts Center	260,000	260,000
Piedmont Arts Association	137,500	137,500
<u>Poe Foundation, Inc. for the Poe Museum</u>	30,000	30,000
<u>Point of Honor</u>	25,000	0

Non-State Agencies/Hist. Landmarks	<u>FY 1999</u>	<u>FY 2000</u>
<u>Poplar Forest</u>	1,000,000	1,000,000
<u>Port Royal Town Hall and Lyceum</u>	24,000	0
<u>Preservation Alliance of Virginia</u>	20,000	20,000
<u>Prince Edward County for Historic</u>		
<u>Worsham Clerk's Office</u>	65,000	0
<u>Pythian Castle</u>	50,000	0
Rawls Museum Arts	25,000	25,000
Reedville Fishermen's Museum	25,000	25,000
Richmond Behavioral Health Authority for the South Richmond Seniors' Behavioral Health Care Project	131,500	0
Richmond Boys Choir	30,000	30,000
Roanoke Higher Education Center	5,379,000	0
<u>Robert E. Lee Memorial Association, Inc. for</u>		
<u>Stratford Hall Plantation</u>	100,000	100,000
<u>Rosewell Foundation for the Rosewell</u>		
<u>Mansion Ruins</u>	45,000	0
Saltville Foundation	35,000	0
Science Museum of Danville	25,000	25,000
Science Museum of Western Virginia	500,000	350,000
Settlers Museum of S.W. Virginia	20,000	0
Shenandoah County Public Library System	200,000	0
Shenandoah Valley Discovery Museum	50,000	25,000
Smith Mountain Lake 4-H Educ. Center	50,000	50,000
<u>Smyth County Historical & Museum</u>		
<u>Society, Inc. for the Staley-Collins House</u>	10,000	0
Southeast 4-H Educational Center, Inc.	50,000	50,000
Southwest Virginia 4-H Educational Center	50,000	50,000
Special Friends Project	25,000	25,000
Sports Virginia, Inc.	75,000	75,000
<u>Tazewell County Historical Society</u>	5,000	5,000
TheaterVirginia	50,000	50,000
Theatre IV	25,000	25,000
<u>Tinner Hill Heritage Foundation</u>	20,000	0
Trail of the Lonesome Pine Outdoor Drama	110,000	10,000
<u>Valentine Museum</u>	150,000	150,000
Very Special Arts Virginia	75,000	35,000
<u>Village View</u>	2,000	0
Virginia Air and Space Center	325,000	325,000
Virginia Amateur Sports	75,000	75,000
<u>Virginia Association of Museums</u>	45,000	20,000
Virginia Ballet Theater	35,000	35,000
Virginia Center for the Creative Arts	100,000	0
Virginia Creeper Trail	10,000	0
Virginia Equine Center Foundation*	1,025,348	1,019,558
Virginia Foundation for Agriculture in the Classroom	25,000	0
<u>Virginia Historical Society</u>	350,000	350,000

Non-State Agencies/Hist. Landmarks	<u>FY 1999</u>	<u>FY 2000</u>
Virginia Living Museum	450,000	450,000
Virginia Marine Science Museum	500,000	500,000
Virginia Museum of Transportation*	250,000	250,000
Virginia Opera	50,000	50,000
Virginia Recreational Facilities Authority	750,000	750,000
Virginia Special Olympics	100,000	100,000
Virginia Sports Hall of Fame	125,000	125,000
Virginia Symphony	50,000	50,000
<u>Virginia Trust for Historic Preservation of</u>		
<u>Lee-Fendall House</u>	50,000	25,000
<u>Virginia War Museum for End View</u>		
<u>Plantation</u>	40,000	40,000
<u>Virginia War Museum for Lee Hall Mansion</u>	50,000	50,000
Virginia Zoological Society	100,000	100,000
<u>Warren County Courthouse</u>	50,000	0
Watermen's Museum*	25,000	25,000
<u>Waynesboro Heritage Foundation, Inc.</u>	25,000	0
Western Virginia Foundation for the Arts & Sciences	500,000	500,000
William King Regional Arts Center	150,000	150,000
Williamsburg Area Civic & Cultural Center	5,000	0
Williamsburg's 300th Anniversary	150,000	0
Windmore Foundation - Art in the Park	5,000	5,000
Wolf Trap Foundation for the Performing Arts	375,000	375,000
Women in Military Service For America Memorial Foundation, Inc.	12,500	12,500
<u>Woodlawn</u>	50,000	50,000
<u>Woodrow Wilson Birthplace Found, Inc.</u>	100,000	100,000
Y. H. Thomas Athletic Association	<u>25,000</u>	<u>25,000</u>
TOTAL LANDMARKS & NONSTATES	\$28,887,700	\$17,675,558

Capital Outlay

The approved capital budget for 1998-2000, and supplementary appropriations contained in HB 29 for the current biennium, provide \$933.3 million for state construction projects. Of this total, \$385.2 million is provided from the general fund, and \$19.9 million represents above average growth in the nowwithholding component of individual income taxes which is placed in a special fund account for non-recurring costs. Funding for high priority higher education projects comprises \$773.8 million (all funds) of the total, \$341.8 million of which comes from the general fund.

Nongeneral fund projects include \$55.8 million for dorms and dining halls at colleges and universities authorized as self-supporting § 9(c) debt, and bonded debt authorizations pursuant to Article X, § 9 (d) of the Constitution totals \$199.2 million for college and university projects.

Included in these totals are several capital projects contained in House Bill 29, the amendments to the 1996-98 biennium budget. General funds of \$8.9 million are provided for renovation of the Executive Mansion and the 100-year-old Finance Building, located in Capitol Square. Funding is also provided for the College of Integrated Science and Technology at James Madison University (\$28.0 million); for Swem Library at the College of William and Mary (\$24.0 million); and to complete the Midlothian Campus of John Tyler Community College (\$0.3 million).

Capital Outlay Recommendations (in millions)	
House Bill 30	
General Fund	\$323.9
Nongeneral Fund	
Nonwithholding Special Fund	19.9
9(c) bonds	49.1
9(d) bonds	195.8
Other NGF	<u>299.4</u>
Subtotal	\$888.1
House Bill 29	
General Fund	\$61.3
Nongeneral Fund	
9(c) bonds	6.6
9(d) bonds	3.4
Other NGF & Technical	<u>(26.1)</u>
Subtotal	\$45.2

- **Central Appropriations**
 - *Maintenance Reserve.* Provides \$84.5 million to fund on-going repairs aimed at maintaining or extending the useful life of a facility, such as roofs, heating and cooling, and electrical systems.
 - *Central Account Appropriations.* Provides \$18.0 million for high priority health, safety, and code compliance capital needs.
- **Department of General Services**
 - *Building Security Improvements.* Provides \$25,000 GF and \$1.1 million NGF the first year, and \$765,000 GF the second year to install a centralized access system for the 41 buildings at the seat of government, and for security modifications to the James Monroe Building.

- *Central Warehouse.* HB 29 increases the previously authorized project to construct a new Central Distribution Warehouse by \$2.2 million NGF, bringing the total appropriation for the project to \$12.5 million.
- *Capitol Square Buildings.* HB 29 provides \$8.9 million GF to renovate the Executive Mansion and begin restoration of the old Finance Building, located in Capitol Square. In addition, HB 30 provides a planning appropriation of \$0.8 million NGF to the Departments of Transportation and General Services to begin design work associated with renovation of the old State Library and Archives building.
- *Planning for Building Utilization at the Seat of Government.* Provides \$500,000 the first year to plan the future utilization of the office buildings at the seat of government, including the Eighth Street Office Building and the Old Finance Building. Up to 20 percent of the funds may be used to plan and improve the elevator system in the General Assembly Building.
- **Department of Agriculture and Consumer Services**
 - *Relocation of Regional Office.* Provides \$215,000 GF to plan the relocation of the Harrisonburg laboratory and office of the Department of Agriculture and Consumer Services.
 - *Northern Neck Farmers' Market.* Provides a supplement of \$250,000 GF to complete the new Northern Neck Farmers' Market.
- **Department of Forestry**
 - *Abingdon Mechanic Shop.* Provides \$376,000 GF for construction of a new regional office to store equipment and tree seedlings. The current shop would be renovated to serve as a forest fire operations center.
 - *Grayson County Office.* Provides \$100,000 GF to begin design work and complete infrastructure associated with the new Mathews State Forest in Grayson County, near Galax.
 - *Prince William Nature Center.* Provides \$200,000 GF to begin design work associated with a nature education center program to be located in the Prince William State Forest.

- **Virginia Community College System**
 - *Midlothian Campus of John Tyler Community College.* HB 29 provides \$296,000 GF for equipment for the new campus. The project was originally funded in 1996 through the 21st Century College Program.
 - *Medical Education Campus.* Provides \$16.8 million GF and \$3.7 million NGF for a new medical education campus of Northern Virginia Community College. The funds would be used to acquire 21 acres and construct a 130,000 square foot facility.
 - *New Academic Building at Tidewater Community College.* Provides \$10.0 million GF and \$13.0 million NGF for construction of a new academic building on the Virginia Beach campus of Tidewater Community College. The nongeneral funds would come from the Virginia Beach Public Schools, which would share use of the facility.
 - *Annandale Campus Renovations.* Provides \$2.0 million GF for general renovations of the original campus facilities for Northern Virginia Community College in Annandale.
 - *Mountain Empire Renovations.* Includes \$2.0 million GF for renovations at Mountain Empire Community College.
 - *Humanities and Social Science Building.* Provides \$1.7 million GF for planning and renovation of instructional and support space at Piedmont Virginia Community College.
 - *Workforce Development Centers.* Provides \$4.7 million GF and \$3.0 million NGF to develop workforce training and education centers at Danville and Paul D. Camp Community Colleges.
 - *Roof Repair.* Provides \$159,000 GF for the replacement of roofs on various buildings at Virginia Western Community College.
- **University of Virginia**
 - *Special Collections Library.* Provides \$10.0 million GF and \$16.0 million from private funds for the construction of an 80,000 square-foot facility to house the University's rare book and manuscript collections.

- *Clark Hall.* Provides \$18.9 million GF and \$7.6 million NGF for the renovation and construction of an 84,000 square foot addition to the Department of Environmental Science and Library. The addition will provide laboratory and research space for undergraduate education.
 - *Chiller Plant.* Provides \$1.3 million GF and \$4.5 million NGF for the construction of a chilled water distribution system in the East Precinct Complex, which serves the University Hospital.
 - *Steam Tunnels.* Provides \$800,000 GF to repair and replace deteriorated heating tunnels located in the central grounds area.
 - *Pavilion Balconies.* Provides \$550,000 GF to reconstruct five of the six wooden balconies located in the historic buildings on the Lawn.
 - *Rugby Road Apartments.* Provides \$3.5 million of § 9(c) debt authority to convert apartments to single-occupancy rooms for graduate housing. Debt service will be paid from housing revenues.
 - *Expand Scott Stadium.* Provides \$60.0 million of 9(d) debt, to be issued by the University, for the addition of 20,000 seats to Scott Stadium. Annual debt service will be paid through the interest earned on a private gift.
- **University of Virginia Medical Center**
 - *Acquire Office Building.* Provides \$9.0 million NGF to allow the Medical Center to acquire a new 50-bed musculoskeletal facility at the Fontaine Research Park. The project would be financed through 9(d) debt, with debt service paid from patient revenues.
- **Clinch Valley College**
 - *Science Building.* Provides \$9.7 million GF for the renovation of the existing science building, and construction of a 37,000 square foot addition for new laboratories for biology and chemistry.
 - *Athletic Fields.* Provides \$6.0 million NGF for the construction of a football, soccer, and intramural stadium. The project will be

financed through 9(d) revenue bonds, with the debt service paid from interest earned on the investment of a private gift.

- *Student Center.* Provides \$8.0 million of § 9(d) debt authority to construct a new Student Center, the debt service for which will be derived from student fees.

- **Virginia Polytechnic Institute and State University**

- *Physics and Chemistry Building.* Provides \$1.4 million GF for planning in the first year, and \$22.0 million GF and \$1.8 million NGF in the second year for construction of a new physics and chemistry building, to house laboratories and lecture space.
- *Dietrick Dining Hall HVAC.* Provides \$2.1 million of 9(c), state-supported debt for the replacement of the heating, cooling, and ventilation system. Debt service will be paid from dining hall revenues.
- *Plan Replacement Dairy Research Facilities.* Provides \$293,000 GF to plan for new dairy complex facilities.

- **Virginia Polytechnic Institute and State University -- Cooperative Extension**

- *Planning for Research Laboratory.* Provides \$1.2 million GF to plan a new 102,000 square foot Agriculture and Forestry Research Laboratory to house the College of Agriculture and Life Sciences and the College of Forestry and Wildlife Resources.

- **Virginia Commonwealth University**

- *Sanger Hall.* Provides \$841,000 GF in the first year for planning, and \$9.3 million GF and \$3.1 million NGF in the second year for renovation of 500,000 square feet of instructional and research space. The renovation will include all major systems, and convert lecture hall and classrooms to electronic classrooms.
- *Sciences Building.* Provides \$21.9 million GF and \$4.0 million NGF for the construction of a new 133,000 square foot facility for instruction in the sciences. The existing facility would be demolished.
- *School of Social Work.* Provides \$8.0 million NGF for the first of a three-phase project for the School of Social Work. The

facility will be operated as a public/private partnership between the University and a private tenant to enhance the social work instructional program. The project will be financed with 9(d) debt, with debt service to be paid from the rental income from the private tenant and university operating funds.

- *Residence Hall.* Provides \$12.4 million of 9(c), state-supported debt for construction of a new 400-bed residence hall. As an alternative, language is included which allows the university to explore a joint venture with private vendors for the project. Debt service will be paid from housing revenues.

- **Old Dominion University**

- *Constant Hall.* Provides \$800,000 GF in the first year, and \$9.1 million GF and \$2.6 million NGF in the second year to renovate Constant Hall, and to construct an addition of about 46,500 square feet. The facility will provide classroom and administrative space.

- **George Mason University**

- *Academic IV, Fairfax Campus.* Provides \$19.0 million GF for the construction of a new classroom building to address deficits in classroom, class laboratories, and faculty offices.

- **College of William & Mary**

- *Swem Library.* HB 29 provides \$24.0 million GF for the renovation of and addition to Swem Library. Planning funds had been provided for this project in a prior year.
- *Underground Utilities.* Provides \$295,000 GF to upgrade the stormwater drainage system at various campus sites.
- *Residence Hall Renovations.* Provides \$6.7 million of 9(c), state-supported debt to renovate six dormitories and several fraternity units. Debt service will be paid from housing revenues.

- **Richard Bland College**
 - *Repairs.* Provides \$630,000 GF to replace the boiler in the Library/Student Center and the HVAC systems in Ernst Hall. Funding of \$340,000 GF is provided to replace exterior lighting and upgrade the campus electrical system.

- **Virginia Institute of Marine Science**
 - *Byrd Hall.* Includes \$4.2 million GF for the renovation and expansion of Byrd Hall. This project will, in part, provide saltwater laboratory facilities and high containment laboratories for the conduct of Pfiesteria research.
 - *Gloucester Point Bulkhead.* Provides \$862,000 GF to replace 1,530 feet of bulkhead at the Gloucester Point campus.

- **James Madison University**
 - *College of Integrated Science and Technology, Phase II.* HB 29 provides \$28.0 million GF for the completion of the second academic building on the CISAT campus of JMU. Planning and infrastructure funding for this project had been provided in a prior year.

- **Christopher Newport University**
 - *Acquire Shoe Lane and Warwick Boulevard Properties.* Provides \$1.0 million GF to allow the university to continue to acquire property on the perimeter of its campus.
 - *Ratcliffe Gymnasium.* Provides \$2.5 million GF for planning, renovation, and construction of an addition to Ratcliffe Gymnasium to provide new instructional space.

- **Longwood College**
 - *East, West, and Main Ruffner.* Provides \$9.1 million GF for planning and renovation of the college's main academic complexes. Renovations will include replacement of roofs, windows, mechanical systems, and restoration of brick exteriors.

- *Equipment for Hiner Building.* Provides \$1.6 million GF for equipment for the newly renovated business school building.
- **Mary Washington College**
 - *Goolrick Hall.* Provides \$2.2 million GF to replace the heating, ventilation and cooling systems in Goolrick Gymnasium.
 - *Residence Hall Renovations.* Provides \$1.5 million of 9(c), state supported debt to upgrade HVAC systems in three of the college's residence halls. Debt service will be paid from housing revenues.
 - *Seacobeck Dining Hall.* Provides \$5.0 million of 9(c), state-supported debt to renovate and expand the main campus dining facility. Debt service will be paid from dining hall revenues.
 - *Property Transfers.* Language amendments authorize the college to sell as surplus approximately 70 acres of real property, not contiguous to the main campus of the college, on the Route 1 bypass in Fredericksburg, and to enter into a long-term lease with a public station to construct certain new broadcasting facilities on the Stafford campus.
 - *Belmont Improvements.* Provides \$500,000 for repairs to the Melchers-Monroe galleries and Belmont.
- **Norfolk State University**
 - *Communications Building.* Provides \$3.6 million GF to plan and fund the renovation of outdated systems in the Communications Building.
- **Radford University**
 - *Walker Hall.* Provides \$2.6 million GF to replace outdated systems and correct building deficiencies in Walker Hall.
 - *Steam Distribution System.* Provides \$715,000 GF to construct a steam tunnel loop and upgrade piping to alleviate corrosion.

- *Electrical Distribution System.* Provides \$400,000 GF and \$400,000 NGF to complete the second phase of a project to improve the primary electrical distribution system.
- **Virginia Military Institute**
 - *Scott-Shipp Hall.* Provides \$10.2 million GF to renovate building systems, address life/safety problems, and provide electronic classrooms in Scott-Shipp Hall.
- **Virginia State University**
 - *Johnston Memorial Library.* Provides \$1.6 million GF in the first year for the renovation of a temporary library facility and planning for the renovation of the library, and \$8.4 million GF in the second year to fund the renovation of Johnston Library. The renovation will improve systems and space utilization.
 - *Owens Hall.* Provides \$5.5 million GF for planning and the funding of renovations to Owens Hall to upgrade systems and reconfigure interior spaces.
- **Virginia Museum of Fine Arts**
 - *Security & Access Systems.* Provides \$1.8 million GF for replacement of the current out-dated security and building access systems.
 - *Fire Safety Study.* Provides \$200,000 GF for a study to evaluate the existing fire safety system, and the alternatives for replacement systems.
 - *Robinson House.* Provides \$174,000 GF for design work associated with restoring the historic Robinson House.
- **Science Museum of Virginia**
 - *Fiber Optics.* Provides \$500,000 GF for installation of fiber optic telecommunications cable for voice, data, and video transmission.

- *Integrate Science Museum Campus.* Provides \$2.1 million GF to integrate outdoor and pedestrian areas to better link the Museum with the newly relocated Children's Museum.
- *East and West Terraces.* Provides \$919,000 GF to remodel and enclose existing terraces to support special museum activities and school groups.
- **Jamestown-Yorktown Foundation**
 - *Education Center.* Provides \$0.6 million GF for completion of Phase II of the new Jamestown Education Center.
 - *Cafe and Visitor Center.* Provides \$2.5 million GF to construct a replacement facility to house a cafe, visitor center, and administrative offices.
 - *Addition to Jamestown Gallery.* Provides \$4.5 million GF to plan and construct new gallery space to join the visitor center to the Jamestown Gallery.
 - *Expansion & Renovation of Jamestown Gallery.* Provides \$6.3 million GF to redesign and expand gallery space, and provide a multi-media center.
 - *Preparation for 2007 Celebration.* Provides \$348,000 GF to develop a design concept for a monument to celebrate the 400th anniversary, and to plan a plaza to commemorate the event. Funding of \$694,000 GF is also provided to expand a parking lot and correct visitor safety problems.
- **Frontier Culture Museum of Virginia**
 - *Facility Repairs.* Provides \$50,000 GF to plan a replacement maintenance facility for the museum, and \$33,000 to construct a road to provide an emergency access way.
- **Department of Taxation**
 - *Replace Office Panels.* Provides \$1.7 million GF to replace dated panels that define workspaces and provide electrical power for computers and office equipment.

- **Department of Mental Health, Mental Retardation and Substance Abuse Services**
 - *Boiler Plant.* Provides \$535,000 GF to plan for outsourcing the replacement of the coal fired boiler plant and steam lines at Southside Virginia Training Center.
 - *Boiler Plant & Steam Line Renovations.* Provides \$3.2 million GF to replace chillers at Southside Virginia Training Center, boilers at Southern Virginia Mental Health Institute, and hot water lines at Northern Virginia Training Center.
 - *Asbestos Removal.* Provides \$3.8 million GF to remove asbestos-containing materials at state mental health facilities.
- **Department for the Visually Handicapped**
 - *Charlottesville Workshop Renovation.* Provides \$5.0 million GF to renovate the manufacturing and training facility for the blind and visually impaired.
- **Virginia Museum of Natural History**
 - *New Museum.* Provides \$1.7 million GF to design a new museum facility in the City of Martinsville.
- **Department of Conservation and Recreation**
 - *Bear Creek Lake.* Provides \$0.6 million GF and \$0.4 million NGF to dredge the swimming and boating areas of Bear Creek Lake State Park.
 - *Karlan.* Provides \$125,000 GF for improvements to Karlan State Park.
- **Department of Corrections**
 - *Water Treatment Upgrades.* Provides \$1.6 million to replace the wastewater treatment plant at Pocahontas Correctional Unit to provide additional capacity, and \$1.1 million to upgrade the water treatment plant at Coffeewood Correctional Center.

- ***Renovations & Upgrades.*** Provides \$1.7 million for a variety of small renovations at Brunswick and James River, an electrical system upgrade at Powhatan, replacement of boilers at the Virginia Correctional Center for Women, water tank replacement at Southampton, and laundry ventilation at Greenville.
 - ***Locks, Window, and Fence Replacements.*** Provides \$1.2 million to replace locking systems at five correctional centers, and \$500,000 to replace windows at Powhatan and Haynesville. Funding of \$500,000 is provided to replace the interior perimeter fence at Southampton.
 - ***Steam Lines.*** Provides \$1.0 million to repair steam and water lines at Tidewater, James River, and Powhatan Correctional Centers.
 - ***Bland Isolation Project.*** Provides \$369,000 to supplement the Bland Isolation Building project, which experienced unanticipated cost increases.
- **Department of Juvenile Justice**
 - ***Fire Safety & Security Improvements*** Provides \$1.0 million to install fire safety systems in juvenile facilities that lack them, and to upgrade those systems that do not meet building code requirements. Also provides \$598,000 to improve security systems at juvenile correctional centers.
 - ***Wastewater Treatment.*** Provides \$3.1 million to construct a wastewater plant at the Hanover Juvenile Correctional Center, and repair the Beaumont wastewater operations.
 - ***System Upgrades.*** Provides \$2.6 million to make heating, ventilation, and air conditioning system upgrades at five juvenile correctional facilities.
 - ***Modular Offices.*** Provides \$324,000 to construct a pre-engineered modular office for counseling support staff at the Hanover JCC.
 - **Department of Emergency Services**
 - ***Cheatham Annex Cleanup.*** Provides \$2.7 million GF and \$500,000 NGF to continue the environmental cleanup of

Cheatham Annex, an abandoned fuel storage facility owned by the Commonwealth.

- **Department of Military Affairs**

- *Fort Pickett Warehouse.* Provides \$300,000 NGF for renovation of warehouses at Fort Pickett. The nongeneral funds will come from the sale of a supply depot in Richmond.
- *Powhatan Armory.* Provides \$500,000 GF for a portion of the state share of match of federal funds for construction of a new National Guard Armory in Powhatan County. An additional \$2.8 million NGF authority is provided, pending a federal appropriation for the project.

- **Department of State Police**

- *Headquarters & Emergency Operations Center.* Provides \$400,000 GF and \$400,000 NGF to plan for an addition to the current State Police headquarters building and a new Emergency Operations Center to be located in the basement of the facility.
- *Headquarters Gymnasium.* Provides \$250,000 to upgrade the HVAC system of the multipurpose gymnasium at the Headquarters complex.

- **Department of Transportation**

- *National Air & Space Museum Extension.* Provides \$10.4 million NGF for a portion of infrastructure costs and in-kind items agreed to by the state and the Smithsonian Institution for a new museum to be constructed adjacent to Dulles Airport.
- *Upgrade Operational Facilities.* Provides \$8.3 million NGF for the first phase of a ten-year Capital Improvement Plan.
- *New District/Residency Facilities.* Provides \$5.9 million NGF to allow the expansion of operational and support facilities for activities such as administration, human resources, and environmental review.
- *Central Warehouse.* Provides \$4.5 million NGF to demolish the 80-year old central warehouse, and construct a new, smaller warehouse.

APPENDIX A

AID FOR PUBLIC EDUCATION

DIVISION	COMPOSITE INDEX	AVERAGE				1998-99				1999-00			
		DAILY MEMBERSHIP		ADM	ADM	SOQ		PAYMENTS	SOQ	EDUCATIONAL		TECHNOLOGY	TOTAL
		1998-99	1999-00			1998-99	1999-00			1998-99	1999-00		
ACCOMACK	0.3185	5,342	5,305		\$	19,965,685	\$	20,481,104	\$	390,000	\$	20,871,104	
ALBEMARLE	0.6233	11,756	12,021			25,020,811		26,436,918		598,000		27,034,918	
ALLEGHANY	0.3157	2,302	2,283			8,123,498		8,278,699		-		8,278,699	
AMELIA	0.3334	1,773	1,788			6,303,101		6,540,517		78,000		6,618,517	
AMHERST	0.3168	4,645	4,626			15,872,188		16,331,454		260,000		16,591,454	
APPOMATTOX	0.2908	2,344	2,355			8,513,586		8,832,804		104,000		8,936,804	
ARLINGTON	0.8000	17,935	18,305			28,005,486		29,676,791		780,000		30,456,791	
AUGUSTA	0.3585	10,848	10,910			33,235,739		34,603,103		494,000		35,097,103	
BATH	0.8000	897	901			1,308,094		1,371,003		78,000		1,449,003	
BEDFORD	0.3942	9,544	9,825			26,814,132		28,459,995		520,000		28,979,995	
BLAND	0.2652	955	926			4,116,921		4,142,591		104,000		4,246,591	
BOTETOURT	0.3963	4,669	4,758			14,411,945		15,176,051		286,000		15,462,051	
BRUNSWICK	0.2685	2,532	2,532			10,331,243		10,593,609		156,000		10,749,609	
BUCHANAN	0.2668	4,467	4,261			17,661,431		17,310,770		416,000		17,726,770	
BUCKINGHAM	0.2758	2,338	2,384			9,624,578		10,123,128		156,000		10,279,128	
CAMPBELL	0.3010	8,595	8,658			27,601,409		28,719,162		390,000		29,109,162	
CAROLINE	0.3316	3,776	3,789			13,001,938		13,488,023		156,000		13,644,023	
CARROLL	0.2963	3,989	3,992			14,494,709		14,905,499		260,000		15,165,499	
CHARLES CITY	0.3756	983	974			3,658,665		3,721,237		78,000		3,799,237	
CHARLOTTE	0.2510	2,305	2,343			9,008,683		9,452,706		156,000		9,608,706	
CHESTERFIELD	0.4062	50,616	51,355			141,214,884		148,183,900		1,508,000		149,691,900	
CLARKE	0.5241	1,917	1,957			4,925,374		5,204,457		130,000		5,334,457	
CRAIG	0.3215	717	723			2,630,634		2,736,741		52,000		2,788,741	
CULPEPER	0.4077	5,370	5,434			16,616,950		17,341,730		182,000		17,523,730	
CUMBERLAND	0.3342	1,324	1,375			4,976,177		5,308,630		78,000		5,386,630	
DICKENSON	0.2443	2,940	2,859			11,899,211		11,909,437		234,000		12,143,437	
DINWIDDIE	0.2962	4,313	4,453			15,218,128		16,186,154		182,000		16,368,154	
ESSEX	0.4544	1,596	1,607			4,845,567		5,035,037		78,000		5,113,037	
FAIRFAX	0.7199	142,752	144,569			252,206,011		266,050,628		5,356,000		271,406,628	
FAUQUIER	0.6000	9,254	9,310			20,511,998		21,426,450		442,000		21,868,450	
FLOYD	0.3391	1,916	1,941			6,683,021		6,987,265		130,000		7,117,265	
FLUVANNA	0.3968	2,938	3,072			9,042,550		9,724,916		156,000		9,880,916	
FRANKLIN	0.3899	7,017	7,123			21,491,795		22,500,156		390,000		22,890,156	

AID FOR PUBLIC EDUCATION

DIVISION	COMPOSITE INDEX	AVERAGE DAILY MEMBERSHIP				1998-99		1999-00		TOTAL		
		1998-99		1999-00		1998-99		1999-00				
		ADM	ADM	ADM	ADM	PAYMENTS	SOQ	PAYMENTS	SOQ			
FREDERICK	0.3997	10,368	10,690	10,690	\$	28,749,637	\$	30,627,370	\$	416,000	\$	31,043,370
GILES	0.3197	2,591	2,607	2,607		9,027,264		9,363,050		156,000		9,519,050
GLOUCESTER	0.3245	6,638	6,673	6,673		21,819,316		22,672,824		234,000		22,906,824
GOOCHLAND	0.7975	2,004	2,060	2,060		3,196,824		3,343,596		130,000		3,473,596
GRAYSON	0.2534	2,353	2,388	2,388		9,874,972		10,351,268		312,000		10,663,268
GREENE	0.3177	2,536	2,615	2,615		9,258,780		9,829,882		130,000		9,959,882
GREENSVILLE	0.2436	1,602	1,582	1,582		6,823,860		6,919,465		156,000		7,075,465
HALIFAX	0.2380	6,036	5,954	5,954		24,712,492		25,038,481		494,000		25,532,481
HANOVER	0.4774	15,789	16,416	16,416		38,694,075		41,510,348		468,000		41,978,348
HENRICO	0.5225	39,983	40,763	40,763		99,093,897		104,563,363		1,560,000		106,123,363
HENRY	0.3016	8,964	8,917	8,917		31,172,051		32,079,701		546,000		32,625,701
HIGHLAND	0.5553	333	321	321		1,324,151		1,322,188		52,000		1,374,188
ISLE OF WIGHT	0.3915	4,896	4,992	4,992		15,122,238		15,902,720		208,000		16,110,720
JAMES CITY	0.6088	7,260	7,365	7,365		14,913,810		15,667,983		-		15,667,983
KING GEORGE	0.3682	2,913	2,959	2,959		9,347,732		9,807,559		104,000		9,911,559
KING QUEEN	0.4085	944	956	956		3,607,650		3,751,018		78,000		3,829,018
KING WILLIAM	0.3811	1,762	1,821	1,821		5,875,220		6,248,190		78,000		6,326,190
LANCASTER	0.6384	1,609	1,604	1,604		3,329,708		3,452,864		78,000		3,530,864
LEE	0.1861	3,989	3,931	3,931		18,393,506		18,598,775		364,000		18,962,775
LOUDOUN	0.6776	25,544	27,905	27,905		46,230,381		51,872,482		1,014,000		52,886,482
LOUISA	0.6626	4,068	4,134	4,134		8,193,359		8,620,255		130,000		8,750,255
LUNENBURG	0.2346	1,926	1,879	1,879		8,214,077		8,258,887		104,000		8,362,887
MADISON	0.3919	1,885	1,866	1,866		6,044,467		6,214,179		130,000		6,344,179
MATHEWS	0.4829	1,337	1,342	1,342		3,827,960		3,982,535		78,000		4,060,535
MECKLENBURG	0.3329	5,005	4,971	4,971		17,892,664		18,337,921		312,000		18,649,921
MIDDLESEX	0.5756	1,433	1,460	1,460		3,633,288		3,827,148		104,000		3,931,148
MONTGOMERY	0.3744	9,274	9,370	9,370		29,387,477		30,671,976		520,000		31,191,976
NELSON	0.5038	1,911	1,882	1,882		5,581,505		5,668,659		130,000		5,798,659
NEW KENT	0.4445	2,359	2,445	2,445		6,899,560		7,363,929		104,000		7,467,929
NORTHAMPTON	0.3129	2,296	2,252	2,252		8,828,939		8,854,186		130,000		8,984,186
NORTHUMBERLAND	0.6365	1,559	1,561	1,561		3,377,078		3,494,125		78,000		3,572,125
NOTTOWAY	0.2563	2,528	2,542	2,542		10,312,628		10,675,539		182,000		10,857,539
ORANGE	0.4245	3,820	3,814	3,814		11,631,067		12,024,221		156,000		12,180,221

AID FOR PUBLIC EDUCATION

DIVISION	COMPOSITE INDEX	AVERAGE				1998-99		1999-00		TOTAL			
		DAILY MEMBERSHIP		ADM	ADM	SOQ PAYMENTS	SOQ PAYMENTS	EDUCATIONAL TECHNOLOGY					
		1998-00	1998-99										
PAGE	0.3252		3,577	3,609		\$	12,356,832	\$	12,870,001	\$	208,000	\$	13,078,001
PATRICK	0.3013		2,676	2,685			9,362,352		9,708,142		182,000		9,890,142
PITTSYLVANIA	0.2868		9,242	9,225			33,324,696		34,236,437		494,000		34,730,437
POWHATAN	0.4131		3,395	3,610			9,866,403		10,783,805		130,000		10,913,805
PRINCE EDWARD	0.3146		2,650	2,662			9,362,530		9,680,328		78,000		9,758,328
PRINCE GEORGE	0.2736		5,423	5,426			18,858,037		19,286,828		260,000		19,546,828
PRINCE WILLIAM	0.4158		49,852	51,355			148,687,729		158,648,015		1,716,000		160,364,015
PULASKI	0.3184		5,036	5,011			17,203,075		17,657,971		286,000		17,943,971
RAPPAHANNOCK	0.7089		1,081	1,094			2,151,403		2,263,660		52,000		2,315,660
RICHMOND	0.3467		1,338	1,354			4,326,178		4,522,211		78,000		4,600,211
ROANOKE	0.4280		14,031	14,139			39,600,923		41,310,805		728,000		42,038,805
ROCKBRIDGE	0.4067		3,019	3,026			9,445,545		9,748,847		208,000		9,956,847
ROCKINGHAM	0.3644		10,664	10,687			32,734,472		33,917,936		494,000		34,411,936
RUSSELL	0.2520		4,343	4,276			16,598,207		16,755,406		364,000		17,119,406
SCOTT	0.2178		3,736	3,701			15,488,168		15,831,281		364,000		16,195,281
SHENANDOAH	0.3966		5,417	5,472			16,642,664		17,351,015		260,000		17,611,015
SMYTH	0.2678		5,239	5,245			19,283,021		19,891,545		364,000		20,255,545
SOUTHAMPTON	0.3063		2,941	2,980			10,552,742		11,018,581		182,000		11,200,581
SPOTSYLVANIA	0.3913		17,078	17,749			49,420,233		53,032,064		598,000		53,630,064
STAFFORD	0.3530		18,770	19,793			56,076,677		60,992,918		520,000		61,512,918
SURRY	0.8000		1,169	1,162			1,895,470		1,964,112		78,000		2,042,112
SUSSEX	0.3369		1,550	1,562			6,000,130		6,248,772		130,000		6,378,772
TAZEWELL	0.2691		7,622	7,467			27,786,929		28,083,482		442,000		28,525,482
WARREN	0.4073		4,673	4,711			13,500,478		14,083,795		182,000		14,265,795
WASHINGTON	0.3287		7,527	7,540			24,131,286		24,955,908		442,000		25,397,908
WESTMORELAND	0.3975		2,106	2,121			6,809,138		7,091,116		104,000		7,195,116
WISE	0.2245		7,362	7,212			27,610,085		27,871,942		416,000		28,287,942
WYTHE	0.3163		4,356	4,364			15,007,186		15,523,875		286,000		15,809,875
YORK	0.3894		11,314	11,563			31,587,942		33,369,413		494,000		33,863,413
ALEXANDRIA	0.8000		19,800	11,041			17,472,366		18,305,330		208,000		18,513,330
BRISTOL	0.3613		2,430	2,402			8,216,984		8,630,056		442,000		9,072,056
BUENA VISTA	0.2501		1,059	1,064			4,305,374		4,480,007		156,000		4,636,007
CHARLOTTESVILLE	0.5310		4,224	4,202			12,192,561		12,429,255		104,000		12,533,255

AID FOR PUBLIC EDUCATION

DIVISION	AVERAGE				1998-99			1999-00		
	COMPOSITE INDEX	DAILY MEMBERSHIP		ADM	1998-99		SOQ PAYMENTS	1999-00		EDUCATIONAL TECHNOLOGY
		1998-00	1998-99		ADM	ADM		PAYMENTS	SOQ	
CLIFTON FORGE	0.2519		651	645			\$ 2,516,984	\$ 2,629,985	\$ 234,000	\$ 2,863,985
COLONIAL HEIGHTS	0.4871		2,806	2,829			7,028,313	7,332,708	130,000	7,462,708
COVINGTON	0.3475		929	922			3,132,869	3,217,514	78,000	3,295,514
DANVILLE	0.3000		7,875	7,799			27,286,122	27,877,144	364,000	28,241,144
FALLS CHURCH	0.8000		1,481	1,516			2,144,465	2,283,507	104,000	2,387,507
FREDERICKSBURG	0.6328		2,206	2,208			5,237,641	5,457,620	78,000	5,535,620
GALAX	0.3608		1,291	1,311			3,873,238	4,072,798	78,000	4,150,798
HAMPTON	0.2885		23,363	23,441			77,237,049	80,033,081	884,000	80,917,081
HARRISONBURG	0.5477		3,501	3,515			8,683,219	9,014,866	156,000	9,170,866
HOPEWELL	0.2712		4,222	4,242			15,288,486	15,817,578	156,000	15,973,578
LYNCHBURG	0.3915		9,381	9,330			30,631,976	31,528,036	546,000	32,074,036
MARTINSVILLE	0.3294		2,686	2,654			9,013,898	9,207,707	156,000	9,363,707
NEWPORT NEWS	0.2901		31,879	32,172			109,774,465	114,132,001	1,118,000	115,250,001
NORFOLK	0.2905		36,274	36,491			132,829,385	137,320,564	1,586,000	138,906,564
NORTON	0.3484		787	778			2,744,508	2,808,016	52,000	2,860,016
PETERSBURG	0.2319		6,188	6,196			25,671,014	26,439,840	260,000	26,699,840
PORTSMOUTH	0.2309		17,470	17,393			70,742,390	72,547,156	754,000	73,301,156
RADFORD	0.3412		1,568	1,598			4,995,819	5,263,766	104,000	5,367,766
RICHMOND CITY	0.4320		26,656	26,435			86,195,885	88,201,002	1,534,000	89,735,002
ROANOKE CITY	0.4157		13,352	13,470			42,612,044	44,280,323	780,000	45,060,323
STAUNTON	0.4075		2,890	2,872			9,098,255	9,346,311	156,000	9,502,311
SUFFOLK	0.3276		11,019	11,287			38,552,040	40,630,502	442,000	41,072,502
VIRGINIA BEACH	0.3466		76,860	77,381			232,862,218	242,328,936	2,158,000	244,486,936
WAYNESBORO	0.3831		3,006	3,007			8,921,219	9,225,528	156,000	9,381,528
WILLIAMSBURG	0.8000		758	769			1,378,606	1,443,171	286,000	1,729,171
WINCHESTER	0.5439		3,284	3,307			8,022,586	8,369,559	182,000	8,551,559
FAIRFAX CITY	0.8000		2,451	2,482			3,518,583	3,721,404	-	3,721,404
FRANKLIN CITY	0.2883		1,725	1,719			6,576,625	6,764,459	78,000	6,842,459
CHESAPEAKE CITY	0.3560		36,425	37,007			110,518,899	116,004,846	1,118,000	117,122,846
LEXINGTON	0.4163		625	604			1,950,365	1,973,288	52,000	2,025,288
EMPORIA	0.3154		1,072	1,059			3,656,327	3,762,059	-	3,762,059
SALEM	0.4412		4,044	4,119			10,512,244	11,078,672	156,000	11,234,672
BEDFORD CITY	0.3319		1,087	1,119			3,376,067	3,597,910	-	3,597,910

AID FOR PUBLIC EDUCATION

DIVISION	1998-00 COMPOSITE INDEX	AVERAGE				1998-99		1999-00		TOTAL
		DAILY MEMBERSHIP		ADM	ADM	SOQ PAYMENTS	SOQ PAYMENTS	EDUCATIONAL TECHNOLOGY		
		1998-99	1999-00							
POQUOSON	0.3384	2,472	2,482			\$ 7,181,837	\$ 7,471,493	\$ 104,000	\$ 104,000	\$ 7,575,493
MANASSAS CITY	0.4557	6,146	6,345			17,780,338	19,000,175	208,000	208,000	19,208,175
MANASSAS PARK	0.3388	1,745	1,833			6,341,598	6,875,384	130,000	130,000	7,005,384
COLONIAL BEACH	0.3029	709	718			2,541,774	2,660,591	26,000	26,000	2,686,591
WEST POINT	0.3327	796	818			2,686,156	2,856,434	78,000	78,000	2,934,434
TOTALS		1,109,560	1,124,134			\$ 3,204,701,105	\$ 3,347,278,142	\$ 48,646,000	\$ 48,646,000	\$ 3,395,924,142

* SOQ Payments include: Basic Aid, Textbooks, Vocational SOQ, Gifted, Special Ed SOQ, Remedial Ed SOQ, Early Reading, Remedial Summer School, ESL, Truancy, K-3, At Risk, Maintenance, Sales Tax, Add'l Ret., Fringe Benefits, Enrollment Loss, Retiree Health Care Credit, Salary Supplement, SOL Remediation, SOL Materials, Teacher Training, Additional Elementary Teachers, Composite Index Transition, Cost of Competing, and School Health Incentive.

** The funding for some cities/counties has been combined with the appropriate counties/cities.

*** Funding for Educational Technology for Regional Schools (Gov., Sp. Ed., Voc/Tech) has not been distributed.

APPENDIX B

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
LEGISLATIVE DEPARTMENT			
General Assembly Of Virginia			
FY 1997-98 Adjusted Budget	42,050,361	0	213.00
House Appropriations Per Diem & Travel	30,000	0	0.00
House Appropriations Office and Meeting Space	42,000	0	0.00
House of Delegates Chamber Sound System	30,000	0	0.00
House and Senate Chamber Automation Project	400,000	0	0.00
Study of Shipbuilding Incentives (SJR 171)	50,000	0	0.00
Convert House Clerk's Wage Employees to FTE	50,000	0	3.00
Members' Aides' Salary Increase (\$28,000 for FT)	2,680,000	0	0.00
Members' Office Expense Allowance (\$1,250/mo)	1,820,000	0	0.00
Members' Interim Meeting Per Diem (\$200)	640,000	0	0.00
SPORS Study	Language	0	0.00
Health Care Purchasing Study	Language	0	0.00
Higher Education Funding Policy Study	Language	0	0.00
Continue Legislative Study of Tax-Supported Debt	Language	0	0.00
Technical Adjustment per H/S Rules Committees	101,133	0	0.00
HB 30 Total	47,893,494	0	216.00
% Net Change	13.90%	NA	1.41%
Division Of Legislative Services			
FY 1997-98 Adjusted Budget	7,699,168	135,000	54.00
Conference on Criminal Justice (SJR 88)	25,000	0	0.00
Study of Electric Utility Industry (SJR 91)	5,000	0	0.00
Technical Adjustment per Joint Rules Committee	103,239	0	0.00
HB 30 Total	7,832,407	135,000	54.00
% Net Change	1.73%	0.00%	0.00%
Virginia Code Commission			
FY 1997-98 Adjusted Budget	521,860	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	521,860	0	0.00
% Net Change	0.00%	NA	NA
Virginia Coal and Energy Commission			
FY 1997-98 Adjusted Budget	42,640	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	42,640	0	0.00
% Net Change	0.00%	NA	NA
State Water Commission			
FY 1997-98 Adjusted Budget	20,320	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	20,320	0	0.00
% Net Change	0.00%	NA	NA
National Conference of Commissioners of Uniform State Laws			
FY 1997-98 Adjusted Budget	79,000	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	79,000	0	0.00
% Net Change	0.00%	NA	NA
Virginia Housing Study Commission			
FY 1997-98 Adjusted Budget	296,316	0	2.00
Technical Adjustment per Joint Rules Committee	(292)	0	0.00
HB 30 Total	296,024	0	2.00
% Net Change	(0.10%)	NA	0.00%

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Virginia State Crime Commission			
FY 1997-98 Adjusted Budget	629,402	186,134	5.00
Adopted Changes	0	0	0.00
Technical Adjustment per Joint Rules Committee	(4,039)	0	0.00
HB 30 Total	625,363	186,134	5.00
% Net Change	(0.64%)	0.00%	0.00%
Virginia Commission On Youth			
FY 1997-98 Adjusted Budget	463,315	0	3.00
Study of Disruptive Students Language		0	0.00
Technical Adjustment per Joint Rules Committee	99,455	0	0.00
HB 30 Total	562,770	0	3.00
% Net Change	21.47%	NA	0.00%
Chesapeake Bay Commission			
FY 1997-98 Adjusted Budget	313,832	0	1.00
Technical Adjustment per Joint Rules Committee	19,835	0	0.00
HB 30 Total	333,667	0	1.00
% Net Change	6.32%	NA	0.00%
Joint Commission On Health Care			
FY 1997-98 Adjusted Budget	1,034,914	192,545	5.00
Long Term Care Study	65,000	0	0.00
Health Workforce Initiatives Study Language		0	0.00
Technical Adjustment per Joint Rules Committee	(232,902)	0	0.00
HB 30 Total	867,012	192,545	5.00
% Net Change	(16.22%)	0.00%	0.00%
Dr. Martin Luther King, Jr. Memorial Commission			
FY 1997-98 Adjusted Budget	80,000	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	80,000	0	0.00
% Net Change	0.00%	NA	NA
Joint Commission On Technology And Science			
FY 1997-98 Adjusted Budget	200,000	0	0.00
Technical Adjustment per Joint Rules Committee	122,800	0	2.00
HB 30 Total	322,800	0	2.00
% Net Change	61.40%	NA	NA
Division Of Legislative Automated Systems			
FY 1997-98 Adjusted Budget	5,236,651	457,576	19.00
Technical Adjustment per Joint Rules Committee	77,094	22,894	0.00
HB 30 Total	5,313,745	480,470	19.00
% Net Change	1.47%	5.00%	0.00%
Joint Legislative Audit And Review Commission			
FY 1997-98 Adjusted Budget	4,914,162	729,208	34.00
Public Broadcasting Study Language		0	0.00
Air Medevac Study Language		0	0.00
Camp Pendleton Study Language		0	0.00
Health Professions Study Language		0	0.00
Technical Adjustment per Joint Rules Committee	0	0	1.00
Technical Adjustment per Joint Rules Committee	(280,602)	0	0.00
HB 30 Total	4,633,560	0	35.00
% Net Change	(5.71%)	(100.00%)	2.94%

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Auditor Of Public Accounts			
FY 1997-98 Adjusted Budget	17,276,478	1,605,343	180.00
Continuation of Court Fines & Fees Study	0	0	0.00
Technical Adjustment per Joint Rules Committee	(16,926)	119,001	(20.00)
HB 30 Total	17,259,552	1,724,344	160.00
% Net Change	(0.10%)	7.41%	(11.11%)
Virginia Commission On Intergovernmental Cooperation			
FY 1997-98 Adjusted Budget	716,378	0	0.00
Technical Adjustment per Joint Rules Committee	31,864	0	0.00
HB 30 Total	748,242	0	0.00
% Net Change	4.45%	NA	NA
Division Of Capitol Police			
FY 1997-98 Adjusted Budget	5,690,178	0	75.00
Technical Adjustment per Joint Rules Committee	11,979	0	0.00
HB 30 Total	5,702,157	0	75.00
% Net Change	0.21%	NA	0.00%
Commission On The Virginia Alcohol Safety Action Program			
FY 1997-98 Adjusted Budget	0	2,046,411	6.00
Training & Technical Assistance (HB 664 /SB 317)	0	300,000	3.00
Technical Adjustment per Joint Rules Committee	0	248,298	2.50
HB 30 Total	0	2,594,709	11.50
% Net Change	NA	26.79%	91.67%
Legislative Department Reversion Clearing Account			
FY 1997-98 Adjusted Budget	212,640	0	0.00
House of Delegates Interim Per Diem Increase	85,000	0	0.00
Fiscal Impact of Legislation Adopted in 1998	500,000	0	0.00
% Net Change	135.14%	NA	NA
LEGISLATIVE DEPARTMENT			
1997-98 Adjusted Budget	87,459,231	5,352,217	597.00
Adopted Changes	6,454,638	690,193	(8.50)
HB 30 Total	93,913,869	6,042,410	588.50
% Net Change	7.38%	12.90%	(1.42%)
JUDICIAL BRANCH			
Supreme Court			
FY 1997-98 Adjusted Budget	367,649,849	1,340,950	2,287.56
Invol. Mental Commitment Fees (HB 596)	2,702,000	0	0.00
Criminal Fund-Caseload Growth	20,654,108	0	0.00
Criminal Fund-Attorneys Fees (HB 948)	3,118,851	0	0.00
Criminal Fund-Adult Guardianship (HB 209)	600,000	0	0.00
Circuit Court Judgeships (HB 174)	656,200	0	2.00
Electronic Transfer of Protective Orders	112,000	0	0.00
General District Court Judgeship (HB 173)	297,800	0	1.00
New Positions for District Courts	947,780	0	21.60
Computer Equipment for District Courts	600,000	0	0.00
Contract to Increase Mediation Services	200,000	0	0.00
J&DR Court Judgeships (HB 173)	893,400	0	3.00
New Positions for J&DR Courts	750,584	0	17.70
J&DR Court Calendar Mgmt Pilot Project	250,000	0	0.00
New Positions for Combined District Courts	163,262	0	3.40

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Foreign Language Interpreter Pilot Project	90,000	0	0.00
Procedures for Acceptance of Unpaid Fines	Language	0	5.00
Supreme Court Travel Policy Adjustment	Language	0	0.00
Court of Appeals Position, Equipment	114,730	0	1.00
New Magistrate Positions	407,936	0	6.40
Employer Share Social Security Cap Increase	197,904	0	0.00
Adjust Criminal Fund (C'ville Public Defender)	(870,000)	0	0.00
Adjust Criminal Fund (Patrick Public Defender)	(71,844)	0	0.00
HB 30 Total	399,464,560	1,340,950	2,348.66
% Net Change	8.65%	0.00%	2.67%
Judicial Inquiry & Review Commission			
FY 1997-98 Adjusted Budget	776,393	0	3.00
Additional Office Expenses	50,000	0	0.00
HB 30 Total	826,393	0	3.00
% Net Change	6.44%	NA	0.00%
Virginia State Bar			
FY 1997-98 Adjusted Budget	2,940,000	16,934,520	70.50
Enforce Consumer Real Estate Protection Act	0	109,770	1.00
Legal Services Corporation of Virginia	750,000	0	0.00
Attorney General Legal Fees	0	51,384	0.00
Salary Adjustments (4% across the board)	0	170,000	0.00
HB 30 Total	3,690,000	17,265,674	71.50
% Net Change	25.51%	1.96%	1.42%
State Board of Bar Examiners			
FY 1997-98 Adjusted Budget	1,676,413	0	4.00
Adopted Changes	0	0	0.00
HB 30 Total	1,676,413	0	4.00
% Net Change	0.00%	NA	0.00%
Public Defender Commission			
FY 1997-98 Adjusted Budget	31,142,606	0	280.50
Juvenile Detention Hearing Representation	93,370	0	1.00
Patrick County Pub. Def. (HB 246/SB 263)	115,600	0	0.50
Computer Systems Improvements	154,000	0	0.00
C'ville-Albemarle Public Defender (HB 742)	870,000	0	6.00
C'ville-Albemarle Public Defender (HB 742)	(1,181,188)	0	(10.00)
HB 30 Total	31,194,388	0	278.00
% Net Change	0.17%	NA	(0.89%)
Virginia Criminal Sentencing Commission			
FY 1997-98 Adjusted Budget	1,514,710	70,000	10.00
Adopted Changes	0	0	0.00
HB 30 Total	1,514,710	70,000	10.00
% Net Change	0.00%	0.00%	0.00%
Judicial Branch			
FY 1997-98 Adjusted Budget	405,699,971	18,345,470	2,655.56
Adopted Changes	32,666,493	331,154	59.60
HB 30 Total	438,366,464	18,676,624	2,715.16
% Net Change	8.05%	1.81%	2.24%

EXECUTIVE OFFICES

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Office of the Governor			
FY 1997-98 Adjusted Budget	4,523,279	0	35.00
Adopted Changes	0	0	0.00
HB 30 Total	4,523,279	0	35.00
% Net Change	0.00%	NA	0.00%
Office of the Lieutenant Governor			
FY 1997-98 Adjusted Budget	610,757	0	6.00
Adopted Changes	0	0	0.00
HB 30 Total	610,757	0	6.00
% Net Change	0.00%	NA	0.00%
Attorney General & Dept. of Law			
FY 1997-98 Adjusted Budget	26,514,331	10,934,198	269.00
Replace Federal Grant	408,132	0	0.00
Increased Cost of Pay Plan, etc.	1,000,000	0	18.00
HB 30 Total	27,922,463	10,934,198	287.00
% Net Change	5.31%	0.00%	6.69%
Secretary of the Commonwealth			
FY 1997-98 Adjusted Budget	2,443,508	0	21.00
Removal of One-Time Expenses	(268,000)	0	0.00
HB 30 Total	2,175,508	0	21.00
% Net Change	(10.97%)	NA	0.00%
Virginia Liaison Office			
FY 1997-98 Adjusted Budget	427,866	212,191	4.00
Report on Regulation of Waste Language	0	0	0.00
HB 30 Total	427,866	212,191	4.00
% Net Change	0.00%	0.00%	0.00%
Interstate Organization Contributions			
FY 1997-98 Adjusted Budget	438,802	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	438,802	0	0.00
% Net Change	0.00%	NA	NA
Executive Offices			
FY 1997-98 Adjusted Budget	34,958,543	11,146,389	335.00
Adopted Changes	1,140,132	0	18.00
HB 30 Total	36,098,675	11,146,389	353.00
% Net Change	3.26%	0.00%	5.37%
ADMINISTRATION			
Secretary of Administration			
FY 1997-98 Adjusted Budget	1,817,644	0	15.00
Study of Employee Stock Ownership Plans language	0	0	0.00
HB 30 Total	1,817,644	0	15.00
% Net Change	0.00%	NA	0.00%
Virginia Veterans' Care Center			
FY 1997-98 Adjusted Budget	0	348,650	2.00
Adopted Changes	0	0	0.00
HB 30 Total	0	348,650	2.00
% Net Change	NA	0.00%	0.00%

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Council on Human Rights			
FY 1997-98 Adjusted Budget	585,164	38,000	4.00
Adopted Changes	0	0	0.00
HB 30 Total	585,164	38,000	4.00
% Net Change	0.00%	0.00%	0.00%
Department of Personnel & Training			
FY 1997-98 Adjusted Budget	8,307,797	2,876,356	67.00
Fund implementation of new payroll and personnel system	466,585	0	5.00
Study of Gain-Sharing Programs language	language	0	0.00
Study of Out-sourcing Employee background Checks language	language	0	0.00
HB 30 Total	8,774,382	2,876,356	72.00
% Net Change	5.62%	0.00%	7.46%
Department of Employee Relations Counselors			
FY 1997-98 Adjusted Budget	1,891,185	45,322	13.00
Provide administrative support	54,684	0	0.00
Address information system needs	6,300	0	0.00
Wokload Increase Staffing	60,000	0	1.00
HB 30 Total	2,012,169	45,322	14.00
% Net Change	6.40%	0.00%	7.69%
Department of General Services			
FY 1997-98 Adjusted Budget	44,223,032	16,095,939	674.00
Maintain the stability of the Workers Compensation and Liability funds	10,512,000	0	0.00
Establishing an Environmental Laboratory Certification Program	0	814,722	0.00
Fund DGS - Virginia War Memorial Foundation	874,924	0	0.00
Computer Procurement Guidelines language	language	0	0.00
Recyling Activities Coordination Position	0	0	1.00
Central Warehouse Construction Restrictions delete lang.	delete lang.	0	0.00
Transfer funds to Commonwealth Competition Council	(585,194)	0	(4.00)
HB 30 Total	55,024,762	16,910,661	671.00
% Net Change	24.43%	5.06%	(0.45%)
State Board of Elections			
FY 1997-98 Adjusted Budget	17,072,810	0	24.00
Design a new Virginia Voter Registration System	150,000	0	0.00
Implement Electronic Filing (HB 588)	210,000	0	0.00
HB 30 Total	17,432,810	0	24.00
% Net Change	2.11%	NA	0.00%
Compensation Board			
FY 1997-98 Adjusted Budget	860,986,439	8,400,000	15.00
Fund annual costs of partially funded new jail positions	13,737,795	0	0.00
Fund increased positions for new jails	12,871,466	0	0.00
Fund computer operations and costs for local reporting systems	711,087	0	0.00
Provide funding for automated systems support	716,020	0	1.00
Convert part-time Commonwealth's Attorneys to full-time.	614,066	0	0.00
Highland County Comm. Attorney Conversion	(180,891)	0	0.00
Fund sheriffs' master deputy program	824,652	0	0.00
Add local law enforcement deputies	1,530,746	0	0.00

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Fund local sheriffs' deputies based on one deputy to 1,500 people	16,114,167	0	0.00
Increase salaries for local officials due to population changes	102,214	0	0.00
Maintain Local Inmate Data System	49,000	0	2.00
Establish Jail Report Oversight Unit	90,000	0	1.00
Upgrade Board's Computer Equipment	45,000	0	0.00
Transportation Positions Nelson County Jail	37,502	0	0.00
Reclassify Chief Deputy Positions	70,660	0	0.00
Delete Unnecessary Language re: 1:1,500 Deputies	language	0	0.00
Begin Career Prosecutor Program	513,615	0	0.00
Land Records Management Support (NGF)	0	0	1.00
DOC-Jail Contract Bed Program @ 300 inmates	1,865,752	0	0.00
Adjust payments to localities for state inmates in local jails	(24,151,764)	0	0.00
State Inmates-Restore to 60 Day Pipeline	5,842,900	0	0.00
Reduce the jail contract bed program to match state needs	(19,460,933)	0	0.00
Close Nelson County Jail + Language	(162,945)	0	0.00
Martinsville Day Reporting Center Savings	(602,000)	0	0.00
Far Southwest Day Reporting Center Savings	(602,000)	0	0.00
Staunton/Harrisonburg Day Reporting Center Savings	(602,000)	0	0.00
Suffolk/Chesapeake Day Reporting Center Savings	(850,000)	0	0.00
HB 30 Total	870,110,548	8,400,000	20.00
% Net Change	1.06%	0.00%	33.33%
Commission on Local Government			
FY 1997-98 Adjusted Budget	1,224,306	0	7.00
1997 salary Action Adjustment	15,688	0	0.00
HB 30 Total	1,239,994	0	7.00
% Net Change	1.28%	NA	0.00%
Department of Information Technology			
FY 1997-98 Adjusted Budget	14,820,560	0	346.00
Norton Relay Center	language		
Instructional Telecommunications Support	500,000	0	0.00
Public Television Community Service Grants	333,600	0	0.00
CNVT-Mary Washington College Relocation	233,750	0	0.00
Public Radio Community Service Grants	125,600	0	0.00
WVPY Facilities Grant	245,000	0	0.00
WBRA Facilities Grant	75,000	0	0.00
WHRO Facilities Grant	275,000	0	0.00
Allegheny Mountain Radio	20,000	0	0.00
JLARC Filled Position/Organization Study	0	0	(39.00)
Graduate Engineering Support	(644,928)	0	0.00
HB 30 Total	15,983,582	0	307.00
% Net Change	7.85%	NA	(11.27%)
Council on Information Management			
FY 1997-98 Adjusted Budget	1,295,333	0	7.00
Year 2000 Project Office	1,253,956	0	9.00
Project Office Language Clarification	language	0	0.00
Geographic Information Network Division	200,000	101,895	1.00
HB 30 Total	2,749,289	101,895	17.00
% Net Change	112.25%	NA	142.86%
Department of Veterans' Affairs			

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
FY 1997-98 Adjusted Budget	5,172,196	230,000	56.00
Study Need for Additional Veteran's Home	35,000	0	0.00
HB 30 Total	5,207,196	230,000	56.00
% Net Change	0.68%	0.00%	0.00%
Charitable Gaming Commission			
FY 1997-98 Adjusted Budget	0	4,681,616	21.00
Adopted Changes	0	0	0.00
HB 30 Total	0	4,681,616	21.00
% Net Change	NA	0.00%	0.00%
Commonwealth Competition Council			
FY 1997-98 Adjusted Budget	0	0	0.00
Transfer from DGS	585,194	0	4.00
HB 30 Total	585,194	0	4.00
% Net Change	NA	NA	NA
Office of Administration			
FY 1997-98 Adjusted Budget	957,396,466	32,715,883	1,251.00
Adopted Changes	24,126,268	916,617	(17.00)
HB 30 Total	981,522,734	33,632,500	1,234.00
% Net Change	2.52%	2.80%	(1.36%)
COMMERCE AND TRADE			
Secretary of Commerce & Trade			
FY 1997-98 Adjusted Budget	1,115,236	0	7.00
State Business Incentives Report	Language	0	0.00
HB 30 Total	1,115,236	0	7.00
% Net Change	0.00%	NA	0.00%
Dept. of Housing & Community Dev.			
FY 1997-98 Adjusted Budget	53,118,382	137,296,371	123.00
Increase Enterprise Zone Incentives	3,400,000	0	0.00
Support Richmond Centre Expansion	10,000,000	0	0.00
Arlington Community Temporary Shelter	Language	0	0.00
Williamsburg Housing Partnership Fund	Language	0	0.00
Miriam's House in Lynchburg	Language	0	0.00
Homeless Shelter Assistance	810,000	0	0.00
Migrant Housing Authorization	Language	0	0.00
Low Income Home Energy Assistance Program	0	6,000,000	1.00
Alleghany Highlands Economic Development	350,000	0	0.00
Virginia Water Project	150,000	0	0.00
Partially Restore VA Enterprise Initiative	700,000	0	0.00
Industrial Site Development Fund	3,000,000	0	0.00
Planning District Commissions	840,000	0	0.00
Enterprise Zone Study	Language	0	0.00
RCA - Workforce Training	8,750,001	0	0.00
Partially Restore Regional Competitiveness	7,685,238	0	0.00
Eliminate Virginia Enterprise Initiative	(998,911)	0	0.00
Eliminate Regional Competitiveness Funding	(12,000,000)	0	0.00
HB 30 Total	75,804,710	143,296,371	124.00
% Net Change	42.71%	4.37%	0.81%
VA Economic Development Partnership			
FY 1997-98 Adjusted Budget	63,662,924	0	0.00
Semiconductor Endowment Fund Commitment	4,000,000	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Host Southeast U.S.-Korea Econ. Conference	250,000	0	0.00
Develop Prospect Decision Support System	1,320,000	0	0.00
Restore National Business Development Funds	400,000	0	0.00
Fund Performance Compensation	743,323	0	0.00
Obtain New Software to Track Active Projects	100,000	0	0.00
Increase International Marketing Efforts	600,000	0	0.00
Increase International Advertising	100,000	0	0.00
VEDP Pay Plan	Language	0	0.00
VA Southwest Blue Ridge Highlands	100,000	0	0.00
Coalfield Tourism Authority	150,000	0	0.00
Fishing Tournaments	100,000	0	0.00
Travel Guide for Blind and Disabled	75,000	0	0.00
Southside Business & Education Commission	100,000	0	0.00
Potomac Gateway Welcome Center	80,000	0	0.00
Increase Cooperative Tourism Advertising	500,000	0	0.00
HB 30 Total	72,281,247	0	0.00
% Net Change	13.54%	NA	NA
Department of Business Assistance			
FY 1997-98 Adjusted Budget	28,383,694	4,103,642	40.00
Increase Staffing for Administration	140,125	0	2.00
Increase VA Small Business Growth Fund	500,000	0	0.00
Increase Workforce Services Training	6,000,000	0	0.00
Use Interest Revenue for Loan Pgm. Admin.	0	150,000	0.00
Fund National Red Cross Convention	100,000	0	0.00
Small Business Incubator Program	1,000,000	0	0.00
VA Economic Bridge Program	170,000	0	0.00
Small Business Incubator - Danville	150,000	0	0.00
Small Business Incubator - Southside	50,000	0	0.00
Fund Virginia-Israel Advisory Board	300,000	0	0.00
HB 30 Total	36,793,819	4,253,642	42.00
% Net Change	29.63%	3.66%	5.00%
Dept. of Minority Business Enterprise			
FY 1997-98 Adjusted Budget	502,940	1,931,279	18.00
Adopted Changes	0	0	0.00
HB 30 Total	502,940	1,931,279	18.00
% Net Change	0.00%	0.00%	0.00%
Department of Labor and Industry			
FY 1997-98 Adjusted Budget	13,572,365	9,281,274	188.00
Increase Apprenticeship Program Staff	0	0	3.00
HB 30 Total	13,572,365	9,281,274	191.00
% Net Change	0.00%	0.00%	1.60%
Dept. of Occupation & Profession Reg.			
FY 1997-98 Adjusted Budget	0	18,272,858	128.00
Fund Automated Phone Information System	0	92,000	0.00
HB 30 Total	0	18,364,858	128.00
% Net Change	NA	0.50%	0.00%
Dept. of Agriculture & Consumer Ser.			
FY 1997-98 Adjusted Budget	47,212,965	35,879,288	526.00
Increase International Marketing Efforts	170,000	0	0.00
Expand Domestic Marketing Operations	230,000	0	1.00
Expand Meat, Poultry, & Ratite Inspections	92,206	72,206	2.00
Bolster VA's Finest Trademark Program	100,000	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Increase Pesticide Services Compliance	0	188,526	2.00
Expand Metrology Lab - ISO 9000 Standards	0	100,000	1.00
Operating Support for Ofc. of Consumer Affairs	150,000	0	0.00
Elodea Control - Virginia Beach	10,000	0	0.00
Lake Gaston Hydrilla	50,000	0	0.00
Continue Seafood Marketing Campaign	100,000	0	0.00
HB 30 Total	48,115,171	36,240,020	532.00
% Net Change	1.91%	1.01%	1.14%
Virginia Agriculture Council			
FY 1997-98 Adjusted Budget	0	580,668	0.00
Increase Research Grant Awards	0	100,000	0.00
HB 30 Total	0	680,668	0.00
% Net Change	NA	17.22%	NA
Milk Commission			
FY 1997-98 Adjusted Budget	0	1,358,977	10.00
Adopted Changes	0	0	0.00
HB 30 Total	0	1,358,977	10.00
% Net Change	NA	0.00%	0.00%
Dept. of Mines, Minerals & Energy			
FY 1997-98 Adjusted Budget	20,897,107	28,356,657	250.00
Use Solar Photovoltaic Federal Grant	0	2,300,000	0.00
HB 30 Total	20,897,107	30,656,657	250.00
% Net Change	0.00%	8.11%	0.00%
Virginia Employment Commission			
FY 1997-98 Adjusted Budget	0	734,758,075	950.00
Implement 4 Phases of VA Career Connections	0	2,701,250	0.00
Improve Technology and Automation	0	6,582,000	0.00
Fund Year 2000 Compliance	0	3,170,000	0.00
Implement New Accounting System	0	530,000	0.00
Decrease Position Level	0	0	(9.00)
HB 30 Total	0	747,741,325	941.00
% Net Change	NA	1.77%	(0.95%)
Department of Forestry			
FY 1997-98 Adjusted Budget	24,547,548	17,282,021	334.00
Fire Fighting Equipment and Training	115,000	0	0.00
Computer Technology	35,000	0	0.00
Reforestation Incentives	721,937	0	0.00
Replace Forest Fire Fighting Vehicles	1,510,548	0	0.00
Reduce Position Level	0	0	(14.00)
HB 30 Total	26,930,033	17,282,021	320.00
% Net Change	9.71%	0.00%	(4.19%)
Virginia Racing Commission			
FY 1997-98 Adjusted Budget	0	2,988,231	8.00
Additional Clerical Positions	0	104,522	2.00
Implement House Bill 590 Allocations	0	800,000	0.00
Increase Breeders Fund Appropriation	0	4,800,000	0.00
HB 30 Total	0	8,692,753	10.00
% Net Change	NA	190.90%	25.00%
Innovative Technology Authority			
FY 1997-98 Adjusted Budget	20,654,474	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Maintain CIT Building Complex	73,425	0	0.00
Earmarked Funding for VA Spaceport	Language	0	
VA Technology "Blueprint" Funding	2,500,000	0	0.00
Fund VA Commercial Space Flight Authority	500,000	0	0.00
HB 30 Total	23,227,899	0	0.00
% Net Change	12.46%	NA	NA
Commerce & Trade			
FY 1997-98 Adjusted Budget	273,667,635	992,089,341	2,582.00
Adopted Changes	45,572,892	27,690,504	(9.00)
HB 30 Total	319,240,527	1,019,779,845	2,573.00
% Net Change	16.65%	2.79%	(0.35%)

EDUCATION

Secretary of Education			
FY 1997-98 Adjusted Budget	1,073,044	0	5.00
Qualified Zone Academies	0	0	0.00
Innovative Programs	200,000	0	0.00
Restructuring/Strategic Planning	0	0	0.00
HB 30 Total	1,273,044	0	5.00
% Net Change	18.64%	NA	0.00

Department of Education			
FY 1997-98 Adjusted Budget	52,696,387	42,341,270	272.00
SOL Testing Program	7,981,786	0	1.00
Develop SOL Test in World Geography	276,000	0	0.00
Develop SOL Test in Physics	335,000	0	0.00
Develop SOL Test in Calculus	335,000	0	0.00
School Report Card Development	3,070,549	0	4.00
Needs Assessment Information Systems	688,500	0	3.00
Develop Teacher Training	1,689,255	0	0.00
Additional Federal Funding/Driver's Education	0	200,000	0.00
Additional Teacher Certification Fees	0	400,000	0.00
Establish Appropriation for Trust and Agency	0	50,000	0.00
Eliminate Physics and Calculus Tests	(670,000)	0	0.00
Best Practices Unit-Dept. of Ed. HB 710	380,000	0	3.00
Strengthen Cooperative Arrangements	0	0	0.00
Study of At-Risk Programs	0	0	0.00
Virginia VIEW	25,000	0	0.00
Teacher Training - DOE	(869,255)	0	0.00
Educational Technology Analysis	375,000	0	0.00
Phase-out Literacy Passport Test	(2,736,571)	0	0.00
HB 30 Total	63,576,651	42,991,270	283.00
% Net Change	20.65%	1.54%	0.04

Direct Aid to Public Education			
FY 1997-98 Adjusted Budget	6,083,223,580	733,614,978	0.00
Rebenchmark SOQ Costs	231,107,071	0	0.00
Revised Sales Tax Projections	128,014,000	0	0.00
Teacher Salary Increase by 2.25 Percent	97,094,542	0	0.00
1,000 New Elementary Teachers	22,925,028	0	0.00
Teacher Training on New SOLs	34,782,000	0	0.00
Remediation Assistance/ New SOLs	31,649,617	0	0.00
SOL Materials/Textbooks	25,058,299	0	0.00
Retiree Health Care Benefit (1996 GA Action)	31,682,063	0	0.00
Eliminate Literary Fund Diversion by 2000	23,289,383	(23,289,383)	0.00

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Teacher Liability Insurance	1,577,414	0	0.00
Increase for Dropout Prevention Program	1,000,000	0	0.00
Increase for Achievable Dream Program	270,000	0	0.00
Federal Funds for Charter Schools	0	5,000,000	0.00
Update: At-risk 4-yr-old Program	16,896,038	0	0.00
Update: Regional Special Education Programs	20,025,023	0	0.00
Update: K-3 Class Size Reduction Program	16,619,629	0	0.00
Update: Remedial Summer School Programs	16,831,661	0	0.00
Update: Programs for At-risk Students	7,036,539	0	0.00
Update: Hospitals/Clinics/Detention Homes	4,175,900	0	0.00
Update: Homework Assistance Program	2,103,927	0	0.00
Update: English as a Second Language Prgms.	1,301,726	0	0.00
Update: Alternative Education Programs	1,078,772	0	0.00
Update: Homebound Instruction	914,749	0	0.00
Update: Reading Remediation Program	798,154	0	0.00
Update: Truancy/Safe Schools	278,286	0	0.00
Update: Maintenance Supplement Payments	219,506	0	0.00
Update: Indian Children Payments	12,968	0	0.00
Update: Existing Governor's Schools	870,959	0	0.00
Operation of 3 New Governor's Schools	2,180,396	0	0.00
Increase NGF for Debt Service/ Techn. Bonds	0	21,849,954	0.00
Adjustment-Reflect Actual Federal Payments	0	51,050,000	0.00
Federal Fund Increase for Adult Literacy	0	4,000,000	0.00
Federal Fund Increase Title II Eisenhower	0	4,000,000	0.00
Adjustment to Reflect Actual NGF	0	1,090,000	0.00
Eliminate Teacher Liability Insurance	(1,577,414)	0	0.00
Eliminate Homework Assistance	(4,118,307)	0	0.00
Federal School-to-Work (FTE Yr. 1)	0	6,300,000	0.00
Avid for Staunton and Petersburg	104,193	0	0.00
VGAP for Fredericksburg	95,000	0	0.00
Cease Fire Kids Program	17,500	0	0.00
Project ECOLE	50,000	0	0.00
New Century Public Education Consortium	75,000	0	0.00
Foster Care Revised Participation	(4,000,000)	0	0.00
Group Life Ins. Revision - ESL	(15,437)	0	0.00
Sales Tax Revision - Benefits	(7)	0	0.00
Group Life Ins. Revision-Public School Emp.	(6,139,623)	0	0.00
School Health Incentive Payments	3,305,813	0	0.00
Composite Index Transition Payment	1,573,804	0	0.00
Early Reading Int. Group Life Revision/VRS	(1,038,948)	0	0.00
SOL Remediation Group Life Revision/VRS	(2,086,285)	0	0.00
Cost of Competing -- SOQ	3,022,609	0	0.00
100% - K-3 Reduced Class Size Program	29,182,762	0	0.00
Reading Rem Reduced Second Year	(5,549,741)	0	0.00
Remove 1-time: Remediation Standards Comm.	(266,000)	0	0.00
Tech. Amend.-Disabled Expelled Students	0	0	0.00
Regional Alternative Ed. Lang.	0	0	0.00
Add Slots-Regional Alt. Ed.	441,466	0	0.00
\$50 Million Educational Technology Program	0	0	0.00
400 New Elementary Teachers	13,533,198	0	0.00
Revised Group Life Ins-Public School Emp.	(1,775,221)	0	0.00
Small Division Assistance Grants	800,000	0	0.00
Group Life Ins. & VRS - Alternative Ed.	(38,330)	0	0.00
Revised Inflation Factors - SOQ Utilities	(929,832)	0	0.00
Revised Participation - K-3	(350,000)	0	0.00
Revised Participation - At-Risk 4-Year-Old Prog	(5,608,136)	0	0.00
Revised Teacher Training Program	(9,598,260)	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Sales Tax Revision - SOQ	4,459,722	0	0.00
Enrollment Loss Increase	420,198	0	0.00
Remedial Summer School Clarification	0	0	0.00
Sales Tax Revision	(7,900,000)	0	0.00
Increase Govs. School Add-On Amt.	506,762	0	0.00
Planning New Shen. Valley Gov. School	50,000	0	0.00
New Gov. School/Fluvanna	25,000	0	0.00
Local Match for Governor's Schools Lang.	0	0	0.00
Commonwealth Governor's School	0	0	0.00
Linwood Holton Gov. School	85,195	0	0.00
Merge Clinical Faculty/Mentor Teacher	900,000	0	0.00
Technical Correction - VPSA	0	0	0.00
HB 30 Total	6,810,673,911	803,615,549	8.00
% Net Change	11.96%	9.54%	NA
Comprehensive Services Act for At-Risk Youth and Families			
FY 1997-98 Adjusted Budget	201,149,096	18,839,996	0.00
Caseload Growth	10,673,958	0	0.00
Incentive Fund for Meeting Performance Goals	1,000,000	0	0.00
Reporting & Utilization Management Req.	Language	0	0.00
Additional TANF Federal Funding	See Social Services	0	0.00
Medicaid Funding in CSA	(17,487,310)	28,317,697	0.00
CSA Trust Fund-Culpeper & Petersburg	378,514	0	0.00
Assessment Instrument	0	0	0.00
CSA-Rate Increase: Foster Parents	377,286	0	0.00
Funding Shortfall in CSA	1,400,000	0	0.00
Remove Performance Fund	(1,000,000)	0	0.00
Reporting Foster Care Cases	0	0	0.00
Survey of Non-Mandated CSA Children	0	0	0.00
HB 30 Total	196,491,544	47,157,693	0.00
% Net Change	(2.32%)	150.31%	NA
School for the Deaf & Blind (Staunton)			
FY 1997-98 Adjusted Budget	10,797,396	1,094,574	144.00
Increase Operating Funds	86,952	0	0.00
Replace School Buses	30,511	0	0.00
HB 30 Total	10,914,859	1,094,574	144.00
% Net Change	1.09%	0.00%	0.00
School for the Deaf & Blind (Hampton)			
FY 1997-98 Adjusted Budget	11,985,296	924,050	130.00
Replace School Buses	30,511	0	0.00
HB 30 Total	12,015,807	924,050	130.00
% Net Change	0.25%	0.00%	0.00
Department of Education			
FY 1997-98 Adjusted Budget	6,359,851,755	796,814,868	546.00
Adopted Changes	733,821,017	98,968,268	11.00
HB 30 Total	7,093,672,772	895,783,136	557.00
% Net Change	11.54%	12.42%	0.02
HIGHER EDUCATION			
Council of Higher Education			
FY 1997-98 Adjusted Budget	89,744,110	5,950,680	44.00
Increase TAG from \$2,000 to \$2,600	15,916,000	0	0.00
Increase TAG for Projected Enrollments	1,367,600	0	0.00

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
4th Class - Va. Women's Inst. for Leadership	395,592	0	0.00
Minority Doctoral Scholarships	26,000	0	0.00
Space Grant Scholarships	87,500	0	0.00
Teacher Technology Training	500,000	0	0.00
Virtual Library	770,000	0	0.00
Contract with College of Health Sciences	700,000	0	0.00
Eliminate Technology Pilot Projects	(368,000)	0	0.00
Transfer Clinical Faculty to Dept. of Ed.	(150,000)	0	0.00
HB 30 Total	108,988,802	5,950,680	44.00
% Net Change	21.44%	0.00%	0.00

Virginia Community College System

FY 1997-98 Adjusted Budget	483,891,599	331,894,530	7,390.88
Additional Funds for Nonpersonal Services	2,030,422	1,212,283	0.00
Faculty Salary Increase to 60th Percentile	17,769,760	0	0.00
Technology Operating Support	4,302,840	0	0.00
Increase Financial Aid	630,867	0	0.00
Tidewater CC, Norfolk Campus, Phase II	2,000,000	0	0.00
Operation and Maintenance of New Facilities	3,199,967	482,549	0.00
Staff for New Campuses	850,000	0	6.00
Equipment for New Campus, John Tyler CC	501,080	0	0.00
Equipment for Piedmont Va. CC	245,440	0	0.00
Workforce Coordinator Positions	1,000,000	0	10.00
Workforce Training Council	275,000	0	1.50
Workforce Training Centers	1,200,000	0	4.00
Workforce Support for Noncredit Instruction	1,500,000	0	0.00
Va. Manufacturing Extension Service	300,000	0	0.00
Pre-employment Training, SW Va. Com. Col.	125,000	0	0.00
Peninsula Workforce Center, Thomas Nelson	660,000	0	0.00
Greenfield Ctr., DS Lancaster & Va. Western	690,000	0	0.00
Dental Hygiene Program, Germanna & No. Va.	350,000	0	2.00
Local School Technology Initiatives	50,000	0	0.00
Commonwealth Classroom at Rappahannock CC	50,000	0	0.00
Gretna Learning Center, Danville Com. College	40,000	0	0.00
Positions for Oper. & Maint. & Initiatives	0	0	51.29
Instructional Technology Fee	0	6,800,000	0.00
Trans. TCC Norfolk Lease Paym'ts to T Board	(2,566,801)	0	0.00
HB 30 Total	519,095,174	340,389,362	7,465.67
% Net Change	7.28%	2.56%	0.01

University of Virginia

FY 1997-98 Adjusted Budget	269,082,272	769,151,701	5,761.50
Faculty Salary Increase to 60th Percentile	5,837,466	9,755,512	0.00
Technology Operating Support	2,333,860	0	0.00
Support for Undergraduate Medical Education	800,000	0	0.00
Increase Financial Aid	332,094	0	0.00
Operation and Maintenance of New Facilities	78,087	176,913	0.00
Funding for Performance	5,558,366	0	0.00
Reprogram Performance Funding	(5,484,409)	0	0.00
Salary Increase for Family Practice	54,879	0	0.00
Year 2000 Computer Compliance	1,135,483	2,428,880	0.00
QualChoice Employer Premium Increase	1,496,874	0	0.00
Lynchburg Graduate Engineering	80,000	0	0.00
Foundation for the Humanities	150,000	0	1.00
Center for Government	150,000	0	0.00
State Arboretum	125,000	0	0.00
Diabetes Program	100,000	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Instructional Technology Fee	0	1,986,908	0.00
Financial Aid for Graduate Students	0	9,900,000	0.00
Transfer Positions from Hospital to Academic	0	0	31.00
Adjust Aux. Enterprise & Research Budgets	0	27,150,000	14.00
Reduce Satellite Charges	(487,500)	0	0.00
Eliminate Balance from Residency Study	(20,000)	0	0.00
HB 30 Total	281,322,472	820,549,914	5,807.50
% Net Change	4.55%	6.68%	0.01
University of Virginia Medical Center			
FY 1997-98 Adjusted Budget	0	875,456,700	3,518.38
Adopted Changes	0	0	0.00
HB 30 Total	0	875,456,700	3,518.38
% Net Change	NA	0.00%	0.00
Clinch Valley College			
FY 1997-98 Adjusted Budget	15,735,094	16,139,890	226.54
Faculty Salary Increase to 60th Percentile	437,679	661,063	0.00
Technology Operating Support	153,846	0	0.00
Instructional Program Support	200,000	0	0.00
Instructional Technology Fee	0	195,925	0.00
HB 30 Total	16,526,619	16,996,878	226.54
% Net Change	5.03%	5.31%	0.00
Virginia Tech. - Instructional Division			
FY 1997-98 Adjusted Budget	308,717,967	643,111,351	5,194.05
Faculty Salary Increase to 60th Percentile	10,658,899	6,508,874	0.00
Technology Operating Support	2,365,499	0	0.00
Year 2000 Computer Compliance	4,638,126	3,912,155	0.00
Funding for Performance	8,067,902	0	0.00
Reprogram Performance Funding	(7,960,554)	0	0.00
Biotechnology Support	700,000	0	4.00
Tobacco Research	754,444	0	3.00
Increase Financial Aid	1,009,990	0	0.00
Operation and Maintenance of New Facilities	652,321	637,499	0.00
Agriculture Scholarships	125,000	0	0.00
Preservation of "Solitude"	50,000	0	0.00
Reynolds Homestead Programs	50,000	0	0.00
Water Research Center	100,000	0	0.00
Geographic Alliance Program	50,000	0	0.00
Reduce Satellite Services Charges	(380,100)	0	0.00
Positions for Oper. & Maint. & Initiatives	0	0	72.50
Instructional Technology Fee	0	2,179,041	0.00
Adjust Funding for Auxiliary Enterprises	0	15,315,096	48.00
HB 30 Total	329,599,494	671,664,016	5,321.55
% Net Change	6.76%	4.44%	0.02
Virginia Tech. - Va. Coop. & Agr. Exp. Station Division			
FY 1997-98 Adjusted Budget	101,980,063	34,353,180	1,163.12
Faculty Salary Increase	4,156,847	0	0.00
Support for Plan to Serve Virginia	2,360,000	0	27.00
HB 30 Total	108,496,910	34,353,180	1,190.12
% Net Change	6.39%	0.00%	0.02
Virginia Commonwealth University			
FY 1997-98 Adjusted Budget	293,710,302	550,048,516	4,871.46
Faculty Salary Increase to 60th Percentile	9,549,302	4,786,635	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Technology Operating Support	1,807,352	0	0.00
Operation and Maintenance of New Facilities	1,723,866	353,634	6.25
Support for Undergraduate Medical Education	800,000	0	5.00
Funding for Performance	6,749,698	0	0.00
Reprogram Performance Funding	(6,659,890)	0	0.00
Increase Financial Aid	931,469	0	0.00
Year 2000 Computer Compliance	499,991	932,509	0.00
Expand Autism Program	431,000	0	0.00
Fairfax Family Practice Program	300,000	0	0.00
Police and Security Enhancements	350,000	280,000	9.00
Virginia Biotechnology Center Operating	300,000	0	0.00
Winchester Family Practice Program	268,108	0	2.33
Salary Increase for Family Practice	270,885	0	0.00
Support for Labor Center	100,000	0	0.00
Instructional Technology Fee	0	1,536,445	0.00
Reclassify Selected Local Accounts	0	8,100,000	140.00
Transfer Positions from Hospital to Academic	0	0	0.00
Adjust Aux. Enterprise & Research Budgets	0	38,658,588	90.00
HB 30 Total	311,132,083	604,696,327	5,124.04
% Net Change	5.93%	9.94%	0.05
Old Dominion University			
FY 1997-98 Adjusted Budget	141,376,964	184,726,232	2,225.49
Faculty Salary Increase to 60th Percentile	3,912,147	2,317,059	0.00
Technology Operating Support	1,110,984	0	0.00
Technology Workforce Training Center	5,220,000	5,220,000	0.00
Funding for Performance	4,217,586	0	0.00
Reprogram Performance Funding	(4,161,469)	0	0.00
Year 2000 Computer Compliance	1,988,321	793,858	0.00
Enhance Instructional Technology	2,330,392	0	2.00
TELETECHNET Site in Northern Va.	500,000	0	1.00
Share of Peninsula Workforce Center	500,000	0	0.00
Operation & Maintenance for New Facilities	1,021,666	0	17.00
Increase Financial Aid	560,808	0	0.00
Lambert's Point Summer Program	150,000	0	0.00
Reduce Satellite Services Charges	(376,800)	0	0.00
Instructional Technology Fee	0	1,197,778	0.00
HB 30 Total	158,350,599	194,254,927	2,245.49
% Net Change	12.01%	5.16%	0.01
George Mason University			
FY 1997-98 Adjusted Budget	162,266,069	347,299,104	2,628.02
Faculty Salary Increase to 60th Percentile	4,617,256	3,856,817	0.00
Improve Technology Instructional Programs	4,562,500	4,062,500	0.00
Funding for Performance	8,078,938	0	0.00
Reprogram Performance Funding	(8,431,238)	0	0.00
Technology Operating Support	1,309,600	0	0.00
Increase Financial Aid	633,692	0	0.00
Operation and Maintenance of New Facilities	822,320	1,091,847	0.00
Salary Increase for Family Practice	0	0	0.00
Year 2000 Computer Compliance	723,070	856,930	0.00
Center for Conflict Resolution	175,000	0	0.00
Instructional Technology Fee	0	1,534,188	0.00
Adjust Aux. Enterprise & Research Budgets	0	20,500,000	0.00
HB 30 Total	174,757,207	379,201,386	2,628.02
% Net Change	7.70%	9.19%	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
College of William & Mary			
FY 1997-98 Adjusted Budget	75,701,295	188,943,434	1,362.45
Faculty Salary Increase to 60th Percentile	3,946,008	3,504,012	0.00
Operating Technology	837,885	0	0.00
Funding for Performance	1,884,142	0	0.00
Reprogram Performance Funding	(1,859,072)	0	0.00
Teaching and Learning Institute	250,000	0	3.00
Expand Peninsula Economic Dev. Center	150,000	0	1.00
Increase Financial Aid	190,408	0	0.00
Instructional Technology Fee	0	760,939	0.00
Positions for Institutional Initiatives	0	0	8.00
HB 30 Total	81,100,666	193,208,385	1,374.45
% Net Change	7.13%	2.26%	0.01
Richard Bland College			
FY 1997-98 Adjusted Budget	7,356,937	5,695,026	98.19
Positions for Enrollment Growth	135,644	28,942	2.02
Faculty Salary Increase to 60th Percentile	190,167	24,610	0.00
Technology Operating Support	93,508	0	0.00
Technology Initiatives	58,500	0	0.00
Additional Funds for Nonpersonal Services	44,874	0	0.00
Increase Financial Aid	7,775	0	0.00
Instructional Technology Fee	0	82,556	0.00
HB 30 Total	7,887,405	5,831,134	100.21
% Net Change	7.21%	2.39%	0.02
Virginia Institute of Marine Science			
FY 1997-98 Adjusted Budget	27,300,437	23,900,282	333.77
Faculty Salary Increase to 60th Percentile	948,037	0	0.00
Operating Support for Facility	504,939	0	0.00
Technology Operating Support	201,613	0	0.00
Year 2000 Computer Compliance	80,000	0	0.00
Campus Security	49,300	0	1.00
Pfiesteria Research	1,555,099	0	11.00
HB 30 Total	30,639,425	23,900,282	345.77
% Net Change	12.23%	0.00%	0.04
James Madison University			
FY 1997-98 Adjusted Budget	93,971,278	258,851,670	2,020.30
Faculty Salary Increase to 60th Percentile	4,294,728	1,658,975	0.00
Support for CISAT Campus	1,250,000	0	0.00
Technology Operating Support	927,368	0	0.00
General Operating Support	225,000	0	0.00
Increase Financial Aid	288,452	0	0.00
Positions for Enrollment Growth	5,749,175	1,939,409	50.59
Year 2000 Computer Compliance	1,625,407	414,768	0.00
Instructional Technology Fee	0	1,197,901	0.00
Adjust Aux. Enterprise & Research Budgets	0	34,115,322	117.50
HB 30 Total	108,331,408	298,178,045	2,188.39
% Net Change	15.28%	15.19%	0.08
Christopher Newport University			
FY 1997-98 Adjusted Budget	33,621,023	42,777,670	529.92
Faculty Salary Increase to 60th Percentile	1,414,895	161,933	0.00
Positions for Enrollment Growth	3,312,306	722,669	49.12
Year 2000 Computer Compliance	514,012	108,388	0.00
Electronic Commerce Center	400,000	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Technology Initiatives	450,000	0	8.00
Technology Operating Support	297,596	0	0.00
Increase Financial Aid	170,980	0	0.00
Instructional Technology Fee	0	286,846	0.00
Adjust Auxiliary Enterprise Funding	0	4,216,390	8.00
Enhance Research Budget	0	1,310,770	1.00
HB 30 Total	40,180,812	49,584,666	596.04
% Net Change	19.51%	15.91%	0.12
Longwood College			
FY 1997-98 Adjusted Budget	30,122,700	57,315,356	540.94
Faculty Salary Increase to 60th Percentile	936,786	241,711	0.00
Technology Operating Support	378,455	0	0.00
Provide GF for Classified Salaries	382,216	0	0.00
Year 2000 Computer Compliance	209,478	93,782	0.00
Technology Equipment	265,473	0	0.00
Increase Financial Aid	168,019	0	0.00
Virginia Writing Program	100,000	0	2.00
Instructional Technology Fee	0	294,768	0.00
Positions for Institutional Initiatives	0	0	4.00
Nongeneral Funds for Debt Service	0	551,225	0.00
HB 30 Total	32,563,127	58,496,842	546.94
% Net Change	8.10%	2.06%	0.01
Mary Washington College			
FY 1997-98 Adjusted Budget	26,773,738	59,598,622	556.16
Faculty Salary Increase to 60th Percentile	668,344	940,265	0.00
Support for Staffing Needs	1,100,000	0	12.00
Regional Competitive Salaries	200,000	510,000	0.00
Technology Operating Support	277,551	0	0.00
NGF Staff and Support Positions	0	4,900,000	42.00
Increase Financial Aid	42,711	0	0.00
Operation and Maintenance of New Facilities	458,474	739,860	0.00
Year 2000 Computer Compliance	112,172	187,828	0.00
Instructional Technology Fee	0	258,059	0.00
HB 30 Total	29,632,990	67,134,634	610.16
% Net Change	10.68%	12.64%	0.10
Melchers-Monroe Memorials			
FY 1997-98 Adjusted Budget	574,028	220,000	6.00
General Support	200,000	0	0.00
Manager for Belmont	100,000	0	1.00
HB 30 Total	874,028	220,000	7.00
% Net Change	52.26%	0.00%	0.17
Norfolk State University			
FY 1997-98 Adjusted Budget	61,647,543	119,015,608	1,004.75
Faculty Salary Increase to 60th Percentile	1,300,133	1,019,771	0.00
Base Support	1,000,000	0	0.00
Share of Va. Beach Educ. Center Debt Service	600,000	0	0.00
Technology Operating Support	579,157	0	0.00
NSU at Applied Research Center	100,000	0	0.00
Increase Financial Aid	306,130	0	0.00
Year 2000 Computer Compliance	199,409	300,591	0.00
Enrollment Management Plan	156,400	0	0.00
Improve Retention and Graduation Rates	188,444	0	0.00
Instructional Technology Fee	0	424,860	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
HB 30 Total	66,077,216	120,760,830	1,004.75
% Net Change	7.19%	1.47%	0.00
Radford University			
FY 1997-98 Adjusted Budget	68,155,107	105,265,598	1,223.04
Faculty Salary Increase to 60th Percentile	1,403,820	911,721	0.00
Technology Operating Support	619,442	0	0.00
Operation and Maintenance of New Facilities	338,335	0	3.00
Instructional Initiatives	200,000	0	2.00
Increase Financial Aid	266,589	0	0.00
Year 2000 Computer Compliance	81,643	114,339	0.00
Instructional Technology Fee	0	520,502	0.00
HB 30 Total	71,064,936	106,812,160	1,228.04
% Net Change	4.27%	1.47%	0.00
Virginia Military Institute			
FY 1997-98 Adjusted Budget	25,782,780	39,991,936	435.85
Faculty Salary Increase to 60th Percentile	0	871,143	0.00
Increase Financial Aid	46,852	0	0.00
Technology Operating Support	188,927	0	0.00
Female Admissions Officer	120,000	0	1.00
Support for George C. Marshall Foundation	150,000	0	0.00
Support for VPI Corps of Cadets	200,000	0	0.00
Year 2000 Computer Compliance	0	12,280	0.00
Nongeneral Fund Purposes	0	106,357	0.00
Assimilation of Female Cadets	442,000	0	2.00
4th Class - Va. Women's Inst. for Leadership	182,400	0	0.00
Instructional Technology Fee	0	190,060	0.00
HB 30 Total	27,112,959	41,171,776	438.85
% Net Change	5.16%	2.95%	0.01
Virginia State University			
FY 1997-98 Adjusted Budget	43,394,956	81,258,476	785.81
Faculty Salary Increase to 60th Percentile	416,435	862,440	0.00
Instructional Initiatives	500,000	0	2.00
State Match for Extension	250,000	0	1.00
Technology Operating Support	347,747	0	0.00
Increase Financial Aid	44,009	0	0.00
Improve Economic Viability of Small Farmers	788,000	0	6.00
Year 2000 Computer Compliance	114,307	396,693	0.00
Nongeneral Fund Purposes	0	142,592	0.00
Increase No. of Faculty With Term. Degrees	395,000	0	0.00
Instructional Technology Fee	0	246,901	0.00
HB 30 Total	46,250,454	82,907,102	794.81
% Net Change	6.58%	2.03%	0.01
Roanoke Higher Education Authority			
FY 1997-98 Adjusted Budget	0	0	0.00
Operating Support	125,000	0	0.00
HB 30 Total	125,000	0	0.00
% Net Change	NA	NA	NA
Southwest Va. Higher Education Center			
FY 1997-98 Adjusted Budget	1,680,937	45,971	6.50
Services at New Facility	0	450,000	4.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Operation and Maintenance of New Facility	124,000	0	0.00
Technology Support Positions	367,255	0	3.50
Study of Veterinary Technology	20,000	0	0.00
Technology Operating Support	51,930	0	0.00
HB 30 Total	2,244,122	495,971	14.00
% Net Change	33.50%	978.88%	1.15
Medical College of Hampton Roads			
FY 1997-98 Adjusted Budget	24,832,930	0	0.00
Medical Educaiton	400,000	0	0.00
HB 30 Total	25,232,930	0	0.00
% Net Change	1.61%	NA	NA
Southeastern Univ. Research Assoc.			
FY 1997-98 Adjusted Budget	1,642,550	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	1,642,550	0	0.00
% Net Change	0.00%	NA	NA
Higher Education			
FY 1997-98 Adjusted Budget	2,389,062,679	4,741,011,533	41,927
Adopted Changes	190,166,709	251,203,664	893.60
#	2,579,229,388	4,992,215,197	42,820.72
% Net Change	7.96%	5.30%	0.02
OTHER EDUCATION			
The Library of Virginia			
FY 1997-98 Adjusted Budget	50,088,792	9,837,658	171.00
Artwork Coordinator Position	156,126	0	1.00
Enhance General Staffing Level	377,123	212,368	8.00
Library Operating Support	1,123,082	0	6.00
State Aid to Local Libranes	1,400,000	0	0.00
Archivist Positions	63,026	0	0.00
Maintain and Operate Records Center	135,000	0	0.00
HB 30 Total	53,343,149	10,050,026	186.00
% Net Change	6.50%	2.16%	0.09
Virginia Museum of Fine Arts			
FY 1997-98 Adjusted Budget	14,878,909	8,748,240	146.50
Specialized Legal Services	38,400	0	0.00
Support for Marketing Programs	175,000	0	1.00
Additional Housekeepers	196,372	0	4.00
Assistant Registrar	114,487	0	1.00
Administrative/Clerical Support	80,219	0	1.00
Improve Storage Facilities	50,000	0	0.00
Conservator Support Positions	139,050	0	2.00
Community Affairs Staffing	125,418	0	1.00
HB 30 Total	15,797,855	8,748,240	156.50
% Net Change	6.18%	0.00%	0.07
Science Museum of Virginia			
FY 1997-98 Adjusted Budget	5,414,810	5,923,299	69.00
Improve Demonstration Projects & Services	250,000	0	1.00
Strengthen Financial Management	416,000	0	4.00
Improve Exhibit Maintenance	676,000	0	3.00
Advertising and Promotion	588,000	0	2.50

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Contract for Security/Housekeeping	200,000	0	0.00
Refurbish Journey Into Science Galleries	344,000	0	1.00
Support for Danville Science Center	50,000	0	2.00
Develop Plan for Virginia Aviation Museum	50,000	0	0.00
HB 30 Total	7,988,810	5,923,299	82.50
% Net Change	47.54%	0.00%	0.20
Jamestown-Yorktown Foundation			
FY 1997-98 Adjusted Budget	9,099,678	7,725,745	120.00
Improve Educational Program	174,821	278,474	7.00
Enhance Fund Raising Capability	164,000	96,278	3.00
Education Outreach Positions	158,623	58,669	4.00
Promote the 2007 Celebration	145,000	0	0.00
Administrative Support	650,297	39,230	3.00
Planning the 2007 Celebration	140,279	0	1.00
Technological Equipment	1,200,000	0	0.00
Seed Money for 2007 Monument	1,000,000	0	0.00
HB 30 Total	12,732,698	8,198,396	138.00
% Net Change	39.92%	6.12%	0.15
Frontier Culture Museum			
FY 1997-98 Adjusted Budget	2,705,022	1,006,650	39.00
Develop/Maintain DeJarnette Property	0	100,000	0.00
Support Positions	123,000	0	2.50
Additional Staff	0	45,500	2.00
HB 30 Total	2,828,022	1,152,150	43.50
% Net Change	4.55%	14.45%	0.12
Gunston Hall			
FY 1997-98 Adjusted Budget	1,081,433	412,146	10.00
Adopted Changes	0	0	0.00
HB 30 Total	1,081,433	412,146	10.00
% Net Change	0.00%	0.00%	0.00
Virginia Commission for the Arts			
FY 1997-98 Adjusted Budget	6,376,269	958,400	5.00
State Aid for Arts Organizations	1,250,000	0	0.00
HB 30 Total	7,626,269	958,400	5.00
% Net Change	19.60%	0.00%	0.00
Other Education			
FY 1997-98 Adjusted Budget	89,644,913	34,612,138	560.50
Adopted Changes	11,753,323	830,519	61.00
HB 30 Total	101,398,236	35,442,657	621.50
% Net Change	13.11%	2.40%	10.88%
Office of Education			
FY 1997-98 Adjusted Budget	8,839,632,391	5,572,438,539	43,038.62
Adopted Changes	935,941,049	351,002,451	965.60
HB 30 Total	9,775,573,440	5,923,440,990	44,004.22
% Net Change	10.59%	6.30%	2.24%
FINANCE			
Secretary of Finance			
FY 1997-98 Adjusted Budget	780,320	0	4.00
Design Replacement Information Systems	330,000	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Decentralization in Higher Education	Language	0	0.00
HB 30 Total	1,110,320	0	4.00
% Net Change	42.29%	NA	0.00%
Department of Planning & Budget			
FY 1997-98 Adjusted Budget	9,479,125	0	66.00
Self-Insurance Study	Language	0	0.00
Spending and Debt Per Capita Calculations	Language	0	0.00
FTE Position Reduction	0	0	(1.00)
HB 30 Total	9,479,125	0	65.00
% Net Change	0.00%	NA	(1.52%)
Department of Accounts			
FY 1997-98 Adjusted Budget	149,897,886	4,530,880	134.00
VELA Loan Servicing Reserve Fund.	0	544,778	0.00
Upgrade and Standardize Desktop Technology	170,590	0	0.00
Automated Publication Finishing Equipment	25,000	0	0.00
Aid to Localities	714,667	0	0.00
Start-up Cost-State Employee Disability Program	70,000	0	0.00
Transfer portion of funding for agency rent	(36,872)	0	0.00
HB 30 Total	150,841,271	5,075,658	134.00
% Net Change	0.63%	12.02%	0.00%
Department of Taxation			
FY 1997-98 Adjusted Budget	159,398,176	3,597,947	842.00
Expand Electronic Fund Transfer Program	259,200	0	0.00
Relocate Warehoused Tax Records	396,694	0	0.00
Continue Electronic W-2 Program	487,012	0	0.00
Printing Costs of Tax Forms	198,000	0	0.00
Building Management Costs	356,000	0	0.00
Audit of Public/Private Partnership Project	300,000	0	0.00
Clarification: Public/Private Partnership Project	Language	0	0.00
Federal Retirees-Accelerate Payment	Language	0	0.00
State Land Evaluation Advisory Commission	Language	0	0.00
Administrative Costs of Legislation from 1998 Session	376,000	0	0.00
Increase NGF appropriation	0	165,000	0.00
Increase NGF appropriation	0	3,030,976	0.00
Transfer Unfunded Positions	0	0	(5.00)
HB 30 Total	161,771,082	6,793,923	837.00
% Net Change	1.49%	88.83%	(0.59%)
Department of the Treasury			
FY 1997-98 Adjusted Budget	11,959,095	6,235,345	89.00
Staff for Bank Reconciliation	0	0	1.00
Unclaimed Property Customer Service	0	80,478	1.00
Purchase Bank Reconciliation System - Year 2000.	0	0	1.00
Replace Facility Security System.	37,200	22,800	0.00
Replace Information Technology Equipment	85,862	47,983	0.00
Revenue Stabilization Fund	238,834,000	0	0.00
Increase in Rent Allocation.	36,872	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	250,953,029	6,386,606	92.00
% Net Change	1,998.43%	2.43%	3.37%
Treasury Board			
FY 1997-98 Adjusted Budget	308,826,903	9,730,670	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Debt Service for Higher Ed. Equip. Trust Fund	14,465,399	0	0.00
Technology Program	5,462,500	0	0.00
Treasury Board Debt Service.	35,018,315	(190,036)	0.00
Centralize Capital Lease Payments	37,651,959	0	0.00
VPBA & Regional Jail Refinancing	5,117,418	0	0.00
Correct Reference in Treasury Board Language	(450,000)	0	0.00
Debt Service-Southampton Juvenile	(6,740,037)	0	0.00
Move Jail Reimbursements to VPBA			
HB 30 Total	399,352,457	9,540,634	0.00
% Net Change	29.31%	(1.95%)	NA
Department of the State Internal Auditor			
FY 1997-98 Adjusted Budget	864,269	0	5.00
Add Two Positions	208,597	0	2.00
Training for Internal Auditors	100,000	0	0.00
HB 30 Total	1,172,866	0	7.00
% Net Change	35.71%	NA	40.00%
Finance			
FY 1997-98 Adjusted Budget	641,205,774	24,094,842	1,140.00
Adopted Changes	333,474,376	3,701,979	(1.00)
HB 30 Total	974,680,150	27,796,821	1,139.00
% Net Change	52.01%	15.36%	(0.09%)
HEALTH & HUMAN RESOURCES			
Secretary of Health & Human Resources			
FY 1997-98 Adjusted Budget	1,205,396	0	7.00
Inspector General-MHMR Facilities	220,000	0	1.00
HB 30 Total	1,425,396	0	8.00
% Net Change	18.25%	NA	14.29%
Department for the Aging			
FY 1997-98 Adjusted Budget	22,463,522	35,962,788	22.00
Jewish Family Service of Tidewater	115,000	0	0.00
Increase Home Delivered Meals	1,000,000	0	0.00
Southwest Va. Companion Care Pilot	200,000	0	0.00
In-home Care Services for the Elderly	1,000,000	0	0.00
Public Guardianship Program	560,000	0	3.00
Long-Term Care Ombudsman Program	180,000	0	0.00
HB 30 Total	25,518,522	35,962,788	25.00
% Net Change	13.60%	0.00%	13.64%
Board for People with Disabilities			
FY 1997-98 Adjusted Budget	267,029	2,613,499	6.00
Adopted Changes	0	0	0.00
HB 30 Total	267,029	2,613,499	6.00
% Net Change	0.00%	0.00%	0.00%
Dept. for the Rights of Virginians with Disabilities			
FY 1997-98 Adjusted Budget	417,488	3,109,552	19.00
Adopted Changes	0	0	0.00
HB 30 Total	417,488	3,109,552	19.00
% Net Change	0.00%	0.00%	0.00%
Dept. for Deaf & Hard-of-Hearing			
FY 1997-98 Adjusted Budget	2,304,276	275,114	14.00
Adopted Changes	0	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
HB 30 Total	2,304,276	275,114	14.00
% Net Change	0.00%	0.00%	0.00%
Department of Health Professions			
FY 1997-98 Adjusted Budget	0	21,645,755	119.00
Coordination of Regulations	0	80,899	0.00
Review Regulatory Needs of Other Professions	0	80,000	0.00
HB 30 Total	0	21,806,654	119.00
% Net Change	NA	0.74%	0.00%
Department of Health			
FY 1997-98 Adjusted Budget	238,643,528	535,719,183	3,748.00
Added Chicken Pox Vaccines	699,696	0	0.00
Increase Funding for Local Health Facilities	1,235,311	957,203	0.00
Norfolk Medical Examiner Office	770,640	0	0.00
Pfisteria Research Unit	433,850	0	(1.00)
Match for Safe Drinking Water Act	2,388,480	(20,000,000)	0.00
Match for Abstinence Education Grants	750,196	0	0.00
Increased Cost of Pap Smears	679,140	0	0.00
Poison Control Centers	1,711,754	0	0.00
Telemedicine Expansion	788,431	0	3.00
Merge & Upgrade Trauma Registry Data	400,000	0	0.00
Rural Health Care Initiatives	650,000	0	0.00
AIDS Drug Assistance Program	300,000	0	0.00
Increase in Medical Examiner Staff	432,152	0	4.00
Northern Virginia Dental Clinic	25,000	0	0.00
Center for Pediatric Research	0	75,000	0.00
Emergency Medical Services-"\$4 for Life"	0	16,800,000	0.00
Va. Statewide AHEC Program	350,000	0	0.00
Medical Scholarships	40,000	0	0.00
S.W. Va. Graduate Med. Educ. Consortium	492,920	0	0.00
Study of Health Dept-Consumer Protection	50,000	0	0.00
NGF Authorization for Fatherhood Initiative	0	200,000	0.00
Neurotrauma Initiative Fund	0	950,000	0.00
333 7h · Women's Health Initiative	(50,000)	0	0.00
333 14h · Transplant Council	(25,000)	0	0.00
HB 30 Total	250,766,098	534,701,386	3,754.00
% Net Change	5.08%	(0.19%)	0.16%
Dept. of Medical Assistance Services			
FY 1997-98 Adjusted Budget	2,327,496,208	2,498,975,875	319.00
State Children's Health Insurance Program	0	24,451,861	0.00
G.A.. Further Expansion of Child Health Insurance	10,758,775	23,517,631	0.00
Medicaid for Eligible but Unenrolled Children	10,433,029	25,076,745	0.00
Utilization and Inflation	111,694,847	123,624,190	0.00
Medicaid Transfer for Mental Health Svcs.	41,112,622	21,375,061	0.00
Medicaid Transfer for Inv. Civil Commitmts.	17,000,000	0	0.00
Increase Air Ambulance Rates	58,000	62,000	0.00
Increase in Dental Rates	4,928,453	5,252,596	0.00
Audit Community Services Boards	290,580	309,420	0.00
Medicaid Management Information System	4,569,166	7,637,198	0.00
Implement Medicare Pmium Buy-in Prog.	0	9,000,000	0.00
Administrative Costs-CSA	600,000	638,155	5.00
Adult Day Health Care Rates	400,000	425,422	0.00
Study Nursing Salaries-Nursing Homes	75,000	75,000	0.00
School-Based Health Svcs.	0	1,469,216	0.00
School-Based Psychological Svcs.	0	253,614	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Medicaid for New CSA Children	417,375	443,902	0.00
Payment Rate Change /Medicare Copay/Ded.	(27,838,000)	(29,662,000)	0.00
Transfer Piedmont Patients to nursing homes	(6,941,980)	(9,615,825)	0.00
G.A.: Restore Medicaid Funds for Piedmont	6,941,980	9,615,825	0.00
HB 30 Total	2,501,996,055	2,712,545,560	324.00
% Net Change	7.50%	8.55%	1.57%
Dept. of Mental Health, Mental Retardation & Substance Abuse Services			
FY 1997-98 Adjusted Budget	591,402,034	578,735,332	9,796.00
Dischg 85 Dually Diag. Patients to Community	5,388,048	0	0.00
Atypical Medications in Facilities	4,998,000	0	0.00
Assertive Community Treatment Programs	6,150,000	0	0.00
Atypical Medications in Community	8,750,000	0	0.00
Facility Special Hospitalization Fund	2,600,000	0	0.00
Convert SPO Consumers to Waiver(HCFA Rules)	4,171,696	0	0.00
CRIPA-NVMHI (Continue funding for 64 FTEs)	5,639,136	0	64.00
CRIPA-NVMHI (Discharges & Diversions)	7,631,744	0	0.00
CRIPA-ESH (Continue Staffing Current Level)	3,200,000	1,400,000	7.00
CRIPA-CSH Civil Unit Staffing	6,503,716	0	61.00
CRIPA-CSH Jail Diversions to Riverside	8,566,033	0	0.00
CRIPA-CSH Forensic Step Down Unit	2,366,436	0	36.00
CRIPA-CSH Forensic Unit Staffing	2,595,332	0	14.00
Performance Outcome Measurement System	2,270,157	0	2.00
ESH Pharmacy Project	904,186	0	0.00
SWVMHI Pharmacy Project	1,070,816	0	0.00
Enhance Human Rights Info. System	187,000	0	0.00
Human Rights System Enhancements	200,000	0	1.00
Consumer Support Pilot Project	250,000	0	1.00
Residential Services for Mentally Retarded	5,500,000	0	0.00
"Keeping Our Kids At Home " Program	287,000	0	0.00
Mentally Retardation Waiver Svs.	2,500,000	2,658,894	0.00
Residential Services-Seriously Mentally Ill	6,500,000	0	0.00
Adult Homes-Pilot Projects	1,500,000	0	0.00
MH Svs. for Deaf/Blind/Hard of Hearing	400,000	0	0.00
Substance Abuse Services	3,000,000	0	0.00
Community Mental Health Svs.	1,500,000	0	0.00
Case Mgmt. of Postpartum Sub. Abusers	300,000	0	0.00
Va. Autism Resource Center	156,000	0	0.00
Invol. Detention Certification Trng.	150,000	0	0.00
NVTC MR Health Care Svs.	500,000	0	0.00
Closure of Piedmont/Cut Eastern State	(6,958,020)	(18,231,740)	(355.00)
Piedmont Employee Separation Costs	3,900,000	0	0.00
G.A.: Restore Funds for Eastern State Hospital	558,092	0	0.00
G.A.: Restore Admin. Funds for Piedmont	15,649	6,295,389	0.00
G.A.: Restore Service Funds for Piedmont	2,484,279	11,936,351	355.00
Use Agency Balances to Offset CRIPA Req.	(8,000,000)	0	0.00
HB 30 Total	677,162,332	584,769,228	9,982.00
% Net Change	14.50%	1.04%	1.90%
Department of Rehabilitative Services			
FY 1997-98 Adjusted Budget	39,819,925	155,158,510	684.50
Staffing for Eligibility Determination	0	0	20.00
Expanded Services for Brain-Injured	500,000	0	0.00
New Centers for Independent Living	400,000	0	0.00
Personal Assistance Services	800,000	0	0.00
Transition Services for Disabled Youth	250,000	0	0.00
TANF-Employment Services for Disabled	0	1,675,000	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Supported Employment for Disabled	500,000	0	0.00
Rehabilitative Services Incentive Fund	325,000	0	0.00
HB 30 Total	42,594,925	156,833,510	704.50
% Net Change	6.97%	1.08%	2.92%
Woodrow Wilson Rehab. Center			
FY 1997-98 Adjusted Budget	10,165,859	36,262,726	367.50
Adopted Changes	0	0	0.00
HB 30 Total	10,165,859	36,262,726	367.50
% Net Change	0.00%	0.00%	0.00%
Department of Social Services			
FY 1997-98 Adjusted Budget	484,860,189	1,583,493,531	1,552.00
Foster Care Growth & Residential Costs	3,653,643	3,972,283	0.00
Adoption Subsidies-Special Needs Children	10,454,171	3,117,590	0.00
Child Support Case Registry	477,000	759,000	0.00
Improve Accuracy of Food Stamp Eligibility	110,000	0	0.00
Added Licensing Staff for Adult and Child Care	0	1,773,756	8.00
Eligibility for Children's Health Initiative	4,152,613	847,387	5.00
G.A.: No Norton Office-Child Health Insurance	(4,152,613)	(847,387)	0.00
Added Child Care Subsidies for Working Poor	0	10,000,000	0.00
Enhanced Child Support Customer Service	782,000	1,518,000	0.00
Upgrade Automated Child Support System	3,570,000	6,930,000	0.00
G.A.: Delay DCSE Database Migration	(2,200,000)	(4,022,588)	0.00
Past-Due Support: Former Welfare Recipients	0	11,178,011	0.00
Increase Auxiliary Grants	139,402	0	0.00
Child Support Enforcement Revenue Loss	4,264,122	(2,358,477)	0.00
New "Welfare-to-Work" for Hard to Employ	6,569,966	13,139,935	0.00
G.A.: Substitute TANF for "Welfare to Work"	(5,569,966)	5,569,966	0.00
Shelter Respite Care-Homeless Children	100,000	0	0.50
Local Implementation-ADAPT Automation	1,000,000	1,000,000	0.00
Community Action Agencies	250,000	0	0.00
Healthy Families-Statewide	2,277,200	0	0.00
DSS-Rate Increase for Foster Parents	404,141	0	0.00
Fiscal Position-CSA	87,000	0	1.00
Additional Fraud Investigators	750,000	3,803,078	0.00
Pittsylvania DSS/Health Dept.	140,000	0	0.00
Craig County Child Care Center	50,000	0	0.00
Day Care for Homeless Children	0	600,000	0.00
Family Loan Program	50,000	0	0.00
TANF-Individual Development Accounts	0	500,000	0.00
Private Agencies-Day Care Training	0	100,000	0.00
Substitute Federal TANF Grant for GF	(11,800,000)	11,800,000	0.00
Reduce TANF for Caseload Cecline	0	(45,689,860)	0.00
Projected Decline in Use of General Relief	(2,000,000)	0	0.00
Child Support Pass-Through for TANF MOE	(9,100,000)	9,100,000	0.00
Assume TANF Maintenance of Effort at 75%	(4,260,734)	4,260,734	0.00
Child Support Enforcement overhead	(2,412,074)	(4,682,260)	0.00
Foster Care Calculation Error	(15,800)	0	0.00
LIHEAP Transfer	0	(6,000,000)	0.00
Richmond One to One Partnership	(50,000)	0	0.00
HB 30 Total	482,580,260	1,609,862,699	1,566.50
% Net Change	(0.47%)	1.67%	0.93%
Dept. for the Visually Handicapped			
FY 1997-98 Adjusted Budget	11,892,368	23,737,778	166.00
412 1h : Services for Visually Impaired	250,000	0	0.00

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
HB 30 Total	12,142,368	23,737,778	166.00
% Net Change	2.10%	0.00%	0.00%
Va. Rehab. Center for the Blind			
FY 1997-98 Adjusted Budget	480,138	2,493,738	26.00
Adopted Changes	0	0	0.00
HB 30 Total	480,138	2,493,738	26.00
% Net Change	0.00%	0.00%	0.00%
Gov. Employment & Training Dept.			
FY 1997-98 Adjusted Budget	1,278,400	86,507,528	33.00
Added Job Training Partnership Act Funds	0	17,115,618	0.00
Consolidated Workforce Information System	0	7,137,500	0.00
GF Share of DIT Telecommunications Charges	2,000	0	0.00
HB 30 Total	1,280,400	110,760,646	33.00
% Net Change	0.16%	28.04%	0.00%
Health & Human Resources			
FY 1997-98 Adjusted Budget	3,732,696,360	5,564,690,909	16,879.00
Adopted Changes	276,404,786	271,043,969	235.50
HB 30 Total	4,009,101,146	5,835,734,878	17,114.50
% Net Change	7.40%	4.87%	1.40%
NATURAL RESOURCES			
Secretary of Natural Resources			
FY 1997-98 Adjusted Budget	900,824	0	5.00
Administrative Support for Recycling Council	Language	0	0.00
Monitoring Chesapeake Bay Agreement	Language	0	0.00
HB 30 Total	900,824	0	5.00
% Net Change	0.00%	NA	0.00%
Department of Environmental Quality			
FY 1997-98 Adjusted Budget	88,919,583	149,167,061	765.00
Elizabeth River water quality monitoring	600,000	0	0.00
Virginia Water Quality Improvement Act	17,100,000	0	0.00
Voluntary environmental assessment review	Language	0	0.00
Confined animal feed lot inspections	330,000	0	3.00
APA study of DEQ permit fees	Language	0	0.00
Smith Mountain Lake water quality monitoring	9,500	0	0.00
Claytor Lake water quality monitoring	6,000	0	0.00
Innovative technology project loan	Language	0	0.00
Lower tributaries VWQIA grants	Language	0	0.00
Shenandoah River water quality monitoring	10,000	0	0.00
Elizabeth River sedimentation project	400,000	0	0.00
Volunteer water quality monitoring program	Language	0	0.00
Recycling used motor oil	50,000	0	0.00
Lynchburg/Richmond Sewer Overflow	7,000,000	0	0.00
Reduce Wastewater Revolving Fund match	(2,161,533)	0	0.00
HB 30 Total	112,263,550	149,167,061	768.00
% Net Change	26.25%	0.00%	0.39%
Chippokes Plantation Farm Foundation			
FY 1997-98 Adjusted Budget	0	158,000	0.00
Educational attraction planning	100,000	0	0.00
HB 30 Total	100,000	158,000	0.00
% Net Change	NA	0.00%	NA

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Department of Historic Resources			
FY 1997-98 Adjusted Budget	52,624,022	23,952,608	340.00
Implement corrective audit plan	351,203	0	0.00
Information systems staff	99,132	0	0.00
State Park & GOB Facility Operations	3,024,685	1,768,702	27.00
VWQIA technical support staff	975,561	0	9.00
Dam safety study	90,000	0	0.00
Increase Va. Outdoors Foundation operating	207,766	0	0.00
DCR Progress on implementing JLARC study	Language	0	0.00
Rappahannock River State Park feasibility	Language	0	0.00
Breaks Interstate Park capital costs	325,000	0	0.00
State parks privatization & Grist Mill report	Language	0	0.00
Petersburg recreational project	25,000	0	0.00
Public Beach board	275,000	0	0.00
Natural area preserves management	860,000	0	8.00
Lower tributaries VWQIA grants	Language	0	0.00
Norfolk beach protection project	425,000	0	0.00
Soil and Water Conservation Districts	2,625,000	0	0.00
Rockbridge County flood control	Language	0	0.00
House Bill 807 - Clean Farm award program	20,000	0	0.00
Rappahannock River Basin Commission	60,000	0	0.00
Natural Heritage - NGF positions	0	0	10.00
Nonpoint source pollution control	Language	0	0.00
Flood hazard mitigation funds & language	4,680	0	0.00
Adopt-A-Stream program implementation	Language	0	0.00
Virginia Water Quality Improvement Act	7,970,000	0	0.00
Remove Open Space Preservation Trust funds	(450,000)	0	0.00
HB 30 Total	69,512,049	25,721,310	394.00
% Net Change	32.09%	7.38%	15.88%
Department of Game & Inland Fisheries			
FY 1997-98 Adjusted Budget	0	67,193,093	423.00
Game Protection Fund & general fund revenue	Language	0	0.00
Additional game wardens	0	870,000	10.00
HB 30 Total	0	68,063,093	433.00
% Net Change	NA	1.29%	2.36%
Marine Resources Commission			
FY 1997-98 Adjusted Budget	15,188,429	8,716,040	147.00
Newspaper publication costs	76,156	0	0
Mgmt. information systems staff	189,692	0	2
Technical changes	Language	0	
Oyster replenishment funds	200,000	0	0
Potomac River Fisheries Comm. dues	31,116	0	0
HB 30 Total	15,685,393	8,716,040	148.00
% Net Change	3.27%	0.00%	0.68%
Chesapeake Bay Local Assistance Department			
FY 1997-98 Adjusted Budget	4,299,498	0	18.00
Agricultural water quality protection	169,000	0	0.00
VWQIA technical support staff	93,698	0	1.00
Assume Polecat Creek Project grant costs	120,000	0	0.00
Transfer VWQIA technical support staff to DCR	(93,698)	0	(1.00)
HB 30 Total	4,588,498	0	18.00
% Net Change	6.72%	NA	0.00%

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Virginia Museum of Natural History			
FY 1997-98 Adjusted Budget	4,208,347	822,106	34.00
Nongeneral fund operating support goal	0	Language	0.00
HB 30 Total	4,208,347	822,106	34.00
% Net Change	0.00%	0.00%	0.00%
Natural Resources			
FY 1997-98 Adjusted Budget	172,282,297	251,709,288	1,772.00
Adopted Changes	39,776,710	2,638,702	69.00
HB 30 Total	212,059,007	254,347,990	1,841.00
% Net Change	23.09%	1.05%	3.89%
PUBLIC SAFETY			
Secretary of Public Safety			
FY 1997-98 Adjusted Budget	843,038	0	4.00
Increased staff support	450,000	0	3.00
Interagency radio system study	Language	0	0.00
ICJS progress report	Language	0	0.00
HB 30 Total	1,293,038	0	7.00
% Net Change	53.38%	NA	75.00%
Department of Criminal Justice Services			
FY 1997-98 Adjusted Budget	225,467,351	61,769,708	300.00
Increase asset forfeiture revenue	0	1,000,000	0.00
Increase private security revenue	0	150,000	0.00
O & M for new Norfolk crime laboratory	2,716,782	0	0.00
Crime laboratory DNA program enhancement	7,649,764	0	0.00
Integrated Criminal Justice Info. Sys. (ICJIS)	1,629,372	0	0.00
Expand Weed and Seed program	0	2,000,000	0.00
Weed and Seed evaluation	Language	0	0.00
Weed and Seed grant matching rate	Language	0	0.00
Transfer Dept. Fire Programs fiscal mgmt.	0	201,963	0.00
Evaluation Richmond continuum	Language	0	0.00
Evaluation staff cost assumption	324,000	0	0.00
Alzheimer's disease police training	40,000	0	0.00
Adult drug courts grant funding	Language	0	0.00
Roanoke public inebriate program	Language	0	0.00
Pre-trial services/community corrections	2,261,488	0	0.00
Court-appointed special advocates	500,000	0	0.00
Pre-release/post-incarceration services	400,000	0	0.00
Va. Juv. Community Crime Control Act support grants	Language	0	0.00
Drug treatment grant for corrections	Language	0	0.00
599 program fundiong intent	Language	0	0.00
PAPIS Veto	(3,210,458)	0	0.00
Richmond lab moving costs	(800,000)	0	0.00
O & M for new Richmond crime laboratory	(324,664)	0	0.00
COPS state matching funds	(4,800,000)	0	0.00
HB 30 Total	231,853,635	65,121,671	330.00
% Net Change	0	0	10.00%
Commonwealth's Attorneys' Services Council			
FY 1997-98 Adjusted Budget	893,127	0	3.00
Commonwealth's Attorneys videoconferencing	80,724	0	0.00
HB 30 Total	973,851	0	3.00
% Net Change	9.04%	NA	0.00%

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Department of Fire Programs			
FY 1997-98 Adjusted Budget	0	25,456,583	22.00
Fire Programs Fund revenue increase	0	1,164,760	0.00
Convert part-time to full time positions	0	0	0.00
Fire programs fund code overrides	Language	0	0.00
Northern Neck fire training facility	0	100,000	0.00
Recommended Decreases	0	0	0.00
Transfer fiscal mgmt. to Criminal Justice Services	0	(201,963)	(2.00)
HB 30 Total	0	26,519,380	23.00
% Net Change	NA	4.17%	4.55%
Department of State Police			
FY 1997-98 Adjusted Budget	257,035,719	67,047,968	2,462.00
Communications technicians	231,606	0	3.00
Communications system replacement study	250,000	0	0.00
Criminal records staff	732,740	0	15.00
Increased patrol car costs	0	3,000,000	0.00
Assume military surplus grant	190,833	0	0.00
Lease/purchase computer mainframe	157,481	0	0.00
Lease/purchase computer mainframe language	Language	0	0.00
Supplant transportation funds with GF	17,923,230	(17,923,230)	0.00
HB 570/SB 369 sex offender community notification	753,690	0	8.00
Electronic transfer of protective orders	8,230	0	0.00
Additional dispatchers	734,900	0	12.00
SB 421 Insurance fraud investigation	0	3,702,370	21.00
Remove unspecified one-time activity costs	(1,200,000)	0	0.00
HB 30 Total	276,818,429	55,827,108	2,521.00
% Net Change	7.70%	(16.74%)	2.40%
Department of Corrections			
FY 1997-98 Adjusted Budget	1,205,746,681	83,141,827	12,493.25
Match federal funds for prison construction	140,000	0	0.00
Contract prison bed program authorization	Language	0	0.00
Fluvanna contract beds July, 1999	0	4,364,340	45.00
Open Wallens Ridge for contract beds January, 1999	(3,843,789)	32,002,945	412.50
Open Sussex II for contract beds October, 1998	0	34,398,393	406.50
Open Red Onion prison (Expected July, 1998)	25,291,100	0	0.00
St. Brides Prison funding switch (January, 1999)	(10,728,509)	10,728,509	0.00
Direct inmate costs for 540 contract bed prisoners	0	2,479,395	0.00
Direct Inmate Costs for new prisons	17,597,050	0	0.00
Upgrade underground storage tanks	Language	0	0.00
Assume cost of capital unit positions	322,748	0	(4.00)
Assume grant cost and expand K-9 program	520,774	0	3.00
Assume grant cost of Indian Creek TC program	1,697,440	0	0.00
Assume grant cost of Day Reporting Center	776,892	0	0.00
Develop new inmate time computation system	650,000	911,190	0.00
Henry County Jail capital reimbursement	188,000	0	0.00
Deposit to Corrections Special Reserve Fund	62,500	0	0.00
Substance abuse program director	162,543	0	1.00
St. Brides replacement facility planning	Language	0	0.00
Southside Regional Jail land purchase	Language	0	0.00
Field training officer program	212,000	0	0.00
Health services accreditation	Language	0	0.00
Correctional officers clothing allowance	1,000,000	0	0.00
Drug treatment grant from DCJS	Language	0	41.00
Fluvanna excess funds carry forward language	Language	0	0.00
FTE's for Greensville CC/MCV security unit	0	0	36.50

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Drakes Branch private prison language	Language	0	0.00
Geriatric inmate study	Language	0	0.00
Expand agribusiness operations	785,000	0	3.00
Transitional drug treatment pilot program	200,000	0	0.00
Community correction facilities plans	Language	0	0.00
Probation officer SA certification	342,574	0	0.00
Protective vests for P & P officers	150,000	0	0.00
Richmond drug court cost assumption	324,907	0	5.00
Newport News drug court FTEs	0	0	4.00
Fredericksburg drug court FTEs	0	0	4.00
Regional transition specialists	210,405	0	3.00
Lenowisco day reporting center	602,000	0	8.50
Shenandoah Valley day reporting center	602,000	0	8.00
Martinsville/Henry day reporting center	602,000	0	8.50
Suffolk/Chesapeake day reporting center	850,000	0	8.00
Drug caseload probation and parole officers	1,650,000	0	24.00
Henry County jail	60,928	0	0.00
Norfolk City jail	250,000	0	0.00
Nelson County jail	292,000	0	0.00
Loudoun County jail	Language	0	0.00
Tazewell County jail	Language	0	0.00
Reduce Va. Corr. Ctr. for Women staffing	(823,660)	0	(13.00)
Eliminate Fluvanna, Sussex medical positions	0	0	(89.00)
Transfer Brunswick prison debt service	(5,739,724)	0	0.00
Transfer Wallens Ridge prison debt service	(12,623,084)	0	0.00
Transfer Southampton Det. Ctr. education funds	(78,062)	0	0.00
Reduce funding for diversion centers	(508,826)	0	0.00
HB 30 Total	1,226,943,888	168,026,599	13,408.75
% Net Change	1.76%	102.10%	7.33%
Department of Correctional Education			
FY 1997-98 Adjusted Budget	76,758,823	3,383,110	722.55
Transfer funds for adult detention centers	78,062	0	0.00
Private education at Lawrenceville CC	819,927	0	0.00
Education at Culpeper Juvenile CC (open April 99)	1,105,400	0	0.00
Clarification of education privatization policy	0	0	0.00
Red Onion distance education pilot project	1,000,000	0	7.00
Education for Sussex II & Wallens Ridge contract beds	0	2,418,574	19.00
HB 30 Total	79,762,212	5,801,684	748.55
% Net Change	3.91%	71.49%	3.60%
Virginia Parole Board			
FY 1997-98 Adjusted Budget	1,571,379	0	9.00
Adopted Changes	0	0	0.00
HB 30 Total	1,571,379	0	9.00
% Net Change	0.00%	NA	0.00%
Department of Juvenile Justice			
FY 1997-98 Adjusted Budget	341,320,972	4,329,646	2,380.00
Expand military-style LEADER program	2,674,054	0	33.00
Evaluation reports on LEADER program	Language	0	0.00
Assume cost of intensive parole pilot project	347,344	0	4.00
Open Culpeper Juv. Correctional Center (April 99)	11,217,895	2,774,352	243.00
Plan to transfer residents from Hanover JCC	Language	0	0.00
Payment to Culpeper County for detention beds	325,000	0	0.00
Open two additional boot camps	3,258,355	0	0.00
Maintain contract for Harriet Tubman House	218,040	0	0.00

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
VJCCCA Juv. Community Crime Control formula	2,820,232	0	0.00
VJCCCA Maintenance of Effort clarification	Language	0	0.00
VJCCCA Hold Harmless provision	2,554,370	0	0.00
VJCCCA Minimum Level of Funding	121,983	0	0.00
Fund operating cost of new detention homes	1,003,113	0	0.00
Fund capital cost of new detention homes	4,319,083	0	0.00
Strike outdated language on funding local projects	Language	0	0.00
Clarify language re private 225-bed facility	Language	0	0.00
Reorganize information systems unit	872,720	0	6.00
Add two systems analysts	275,000	0	2.00
SA certified probation officers (HB 664/SB 317)	112,096	0	0.00
New probation officers	917,224	0	16.00
Fredericksburg regional drug court	200,000	0	4.00
Richmond drug court	200,000	0	4.00
Giles County Office on Youth	70,000	0	0.00
Radford Office on Youth	70,000	0	0.00
Rockingham County/Harrisonburg Office on Youth	70,000	0	0.00
Office on Youth Funding Restoration	100,000	0	0.00
Northwestern Detention Home equipment	141,518	0	0.00
Report on CSU manpower allocation	Language	0	0.00
Cancel plans for wilderness work camp	(100,000)	0	0.00
HB 30 Total	373,108,999	7,103,998	2,692.00
% Net Change	9.31%	64.08%	13.11%
Department of Alcoholic Beverage Control			
FY 1997-98 Adjusted Budget	0	469,190,904	903.00
Enforcement of tobacco sales to minors	0	846,000	9.00
Tobacco enforcement not to divert resources	0	Language	0.00
HB 30 Total	0	470,036,904	912.00
% Net Change	NA	0.18%	1.00%
Department of Emergency Services			
FY 1997-98 Adjusted Budget	5,284,370	11,226,992	74.00
Increase search and rescue training	153,948	0	0.00
Maintain Integrated Flood Warning System	60,000	0	0.00
Medical monitoring of HAZMAT teams	170,000	0	0.00
Building rent increase	143,000	0	0.00
Revised estimate of indirect cost recoveries	0	(28,400)	0.00
HB 30 Total	5,811,318	11,198,592	74.00
% Net Change	9.97%	(0.25%)	0.00%
Department of Military Affairs			
FY 1997-98 Adjusted Budget	8,937,001	26,887,657	242.50
Relocate HQ to Fort Pickett	2,118,000	0	0.00
Camp Pendleton-replace federal funds	250,000	285,000	0.00
Army & Air Guard-facilities operations	465,900	600,000	0.00
Joint Use Agreement-Richmond Airport	88,716	256,350	0.00
National Guard tuition assistance	455,244	0	0.00
Commonwealth Challenge	858,000	0	0.00
In-kind match for Commonwealth Challenge	Language	0	0.00
Fort Pickett employee moving expenses	(600,000)	0	0.00
HB 30 Total	12,572,861	28,029,007	242.50
% Net Change	40.68%	4.24%	0.00%
Public Safety			
FY 1997-98 Adjusted Budget	2,123,858,461	752,434,395	19,615.30
Adopted Changes	86,851,149	85,230,548	1,355.50

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
HB 30 Total	2,210,709,610	837,664,943	20,970.80
% Net Change	4.09%	11.33%	6.91%
TRANSPORTATION			
Secretary of Transportation			
FY 1997-98 Adjusted Budget	0	788,629	4.00
Study of "Special Needs" Transportation Services	Language	0	0.00
Study Admin. Costs of Dept. of Rail & Pub. Trans.	Language	0	0.00
Delete Point of Fuels Tax Line Item	Language	0	0.00
Study Short-Line Railroads	Language	0	0.00
Transportation Board-Mag Lev Loan Authority	Language	0	0.00
	Language	0	0.00
HB 30 Total	0	788,629	4.00
% Net Change	NA	0.00%	0.00%
Department of Aviation			
FY 1997-98 Adjusted Budget	100,198	38,919,099	32.00
Revised Revenue Forecast	0	1,937,600	0.00
HB 30 Total	100,198	40,856,699	32.00
% Net Change	0.00%	4.98%	0.00%
Department of Transportation			
FY 1997-98 Adjusted Budget	90,000,000	4,073,970,961	10,262.00
Signage for Heart of Appalachia Bike Route	0	0	0.00
Study Qualifications for Access Road Funding	0	0	0.00
Debt Service for Additional NoVa Road Bonds	0	11,700,000	0.00
Increase Maximum for Secondary Road Rev. Sharing	0	0	0.00
West. Trans. Corridor Major Investment Study	0	0	0.00
Rt. 58 Corridor Development Debt Service	0	3,500,000	0.00
Correct Typographical Error	0	0	0.00
Additional Funds for Support Services	0	4,446,000	0.00
Additional Funds for Operating Physical Plant	0	1,481,931	0.00
MIS Year 2000 Strategic Plan	0	22,412,610	0.00
Provide Funds for Geographic Information	0	1,600,000	0.00
Increase Highway Construction Budget	0	99,534,440	0.00
Transfer DMV Funds to Smithsonian Project	0	6,200,000	0.00
Increase Maintenance Budget	0	212,072,504	0.00
Reduce GF for Existing NoVa Road Bonds Debt Serv.	(1,800,000)	0	0.00
HB 30 Total	88,200,000	4,436,918,446	10,262.00
% Net Change	(2.00%)	8.91%	0.00%
Department of Rail & Public Transportation			
FY 1997-98 Adjusted Budget	0	209,971,573	28.00
Delete Light Rail Study Line Item	0	0	0.00
Correct Mass Transit Funding Error	0	(3,978,600)	0.00
Statewide Bus Purchase with Federal Funds	0	3,500,000	0.00
Mass Transit TTF Formula	0	7,930,500	0.00
Dulles Commuter Rail Project	0	0	0.00
Hampton Roads Transit Project	0	5,000,000	0.00
Delete Extraneous Item	0	0	0.00
Enhance Rail Preservation Program	0	3,000,000	0.00
Study Tourist Train Feasibility	0	0	0.00
Performance Incentive Program	0	5,000,000	0.00
Paratransit Assistance program	0	1,600,000	0.00
Adjust Transportation Revenues	0	2,061,500	0.00
HB 30 Total	0	234,084,973	28.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
% Net Change	NA	11.48%	0.00%
Department of Motor Vehicles			
FY 1997-98 Adjusted Budget	0	324,938,946	1,794.00
Study License Plate Replacement	Language	0	0.00
Fund Emporia Customer Service Center	0	900,000	7.00
Virginia Information Providers Network	0	0	0.00
HB 30 Total	0	325,838,946	1,801.00
% Net Change	NA	0.28%	0.39%
Motor Vehicle Dealer Board			
FY 1997-98 Adjusted Budget	0	2,923,423	20.00
Convert Part-Time Positions to Full-Time	0	120,000	6.00
HB 30 Total	0	3,043,423	26.00
% Net Change	NA	4.10%	30.00%
Virginia Port Authority			
FY 1997-98 Adjusted Budget	0	66,410,489	128.00
Study of Rudee Inlet Maintenance	Language	0	0.00
Payroll System	325,000	0	0.00
Electronic Exchange Funds	0	270,000	0.00
Additional Inland Port Funds	0	100,000	0.00
Fund Debt Service on 1997 Bonds	0	13,711,950	0.00
Adjust Revenue Estimate	0	2,132,457	0.00
HB 30 Total	325,000	82,624,896	128.00
% Net Change	NA	24.42%	0.00%
Transportation			
FY 1997-98 Adjusted Budget	90,100,198	4,717,923,120	12,268.00
Adopted Changes	(1,475,000)	(4,717,910,839)	13.00
HB 30 Total	88,625,198	5,219,307,912	12,281.00
% Net Change	(1.64%)	10.63%	0.11%
CENTRAL APPROPRIATIONS			
Compensation Supplements			
FY 1997-98 Adjusted Budget	0	0	0.00
Classified Salary Increase, Dec. 1998 & 1999	10,271,524	0	0.00
State Police Officers' Salary Increase	11,225,833	0	0.00
Social Services Pay Plan	Language	0	0.00
District Court Clerks' Salary Increase	5,485,279	0	0.00
Classified Compensation Reform	200,000	0	0.00
Magistrates Proportional Salary Adjustment	718,057	0	0.00
Cost of State Employees Disability Program (SB 126)	Language	0	0.00
Group Life Savings for state employees	(366 713)	0	0.00
Higher Education Group Life Savings	(4,410,619)	0	0.00
HB 30 Total	161,796,136	0	0.00
% Net Change	NA	NA	NA
Economic Contingency			
FY 1997-98 Adjusted Budget	0	0	0.00
Governor's Opportunity Fund	30,450,000	0	0.00
Economic Contingency	5,500,000	0	0.00
Solar Photovoltaic Grants	6,131,000	0	0.00
Dredging at Hampton Roads	2,608,200	0	0.00
Craney Island Study	500,000	0	0.00
VA Spaceport Funding	500,000	0	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Financial Aid	4,400,000	0	0.00
Gov's Dev Opportunity Fund	Language	0	0.00
Technology Commercialization	Language	0	0.00
Seafood Promotion	Language	0	0.00
Norfolk Southern Project	Language	0	0.00
Newport News Ship	11,200,000	0	0.00
Superfund matching language	Language	0	0.00
Faculty Salary Base Correction	(2,558,639)	0	0.00
Solar Photovoltaic Grant Program	(3,356,000)	0	0.00
Economic Contingency Fund at Historic Levels	(3,500,000)	0	0.00
HB 30 Total	51,874,561	0	0.00
% Net Change	NA	NA	NA
Reversion Clearing Account			
FY 1997-98 Adjusted Budget	0	0	0.00
1998-00 Group Life Premium Holiday	(29,836,329)	0	0.00
Lag-pay Savings on VRS Contributions	(1,588,224)	0	0.00
DIT Rate Reductions	(1,839,765)	0	0.00
HB 30 Total	(33,264,318)	0	0.00
% Net Change	NA	NA	NA
Information Systems Management			
FY 1997-98 Adjusted Budget	0	0	0.00
Agency Year 2000 Compliance	13,663,902	0	0.00
Year 2000 Transfer Authority	Language	0	0.00
HB 30 Total	13,663,902	0	0.00
% Net Change	NA	NA	NA
Virginia Plan for Equal Opportunity			
FY 1997-98 Adjusted Budget	0	0	0.00
Virginia Plan for Equal Opportunity	7,677,430	0	0.00
HB 30 Total	7,677,430	0	0.00
% Net Change	NA	NA	NA
Legal Defense			
FY 1997-98 Adjusted Budget	0	0	0.00
Private Legal Defense	100,000	0	0.00
HB 30 Total	100,000	0	0.00
% Net Change	NA	NA	NA
Employee Health Insurance Program			
FY 1997-98 Adjusted Budget	0	0	0.00
Employer Share of Health Insurance Premiums	30,243,606	0	0.00
Local Choice Premiums	0	122,000,000	0.00
Health Insurance Fund	Language	0	0.00
HB 30 Total	30,243,606	126,000,000	0.00
% Net Change	NA	NA	NA
Revenue Administration Services			
FY 1997-98 Adjusted Budget	0	0	0.00
Adopted Changes	0	0	0.00
HB 30 Total	0	0	0.00
% Net Change	NA	NA	NA
Personal Property Tax Relief Program			
FY 1997-98 Adjusted Budget	0	0	0.00
Local Assistance for Personal Property Tax	260,000,000		

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
GF Balances for additional Tax Relief	Language	0	0.00
Personal Prop. Tax Relief/Fin. Ass. for School Facilities	273,014,788	0	0.00
HB 30 Total	533,014,788	0	0.00
% Net Change	NA	NA	NA
Central Appropriations			
FY 1997-98 Adjusted Budget	0	0	0.00
Adopted Changes	765,106,105	126,000,000	0.00
HB 30 Total	765,106,105	126,000,000	0.00
% Net Change	NA	NA	NA
INDEPENDENT			
State Corporation Commission			
FY 1997-98 Adjusted Budget	0	110,105,877	587.00
Workload Increase Insurance, Financial, Rail	0	1,373,037	16.00
Geographic Information System	0	313,976	0.00
Commission Pay Plan	0	1,595,341	0.00
Securities Div. Computer System Upgrade	0	422,933	0.00
Insurance Div. Computer System Upgrade	0	276,140	0.00
SCC Study of Health Benefit Plans	0	0	0.00
Contract Out Building Management	0	0	(8.00)
Financial Div. Computer System Savings	0	(1,614,967)	0.00
HB 30 Total	0	112,472,337	595.00
% Net Change	NA	2.15%	1.36%
Virginia Workers' Compensation Commission			
FY 1997-98 Adjusted Budget	0	26,814,007	165.00
Workers' Compensation Caseload Increase	0	480,000	0.00
HB 30 Total	0	27,294,007	168.00
% Net Change	NA	1.79%	1.82%
Virginia Retirement System			
FY 1997-98 Adjusted Budget	0	33,753,067	141.00
Administrative & Workload Increases	0	1,432,362	4.00
Computer System Upgrades	0	638,837	6.00
Customer Service Information Center	0	655,980	0.00
Audit & Monitoring Function Increase	0	318,766	2.00
Disabled/Social Security Assistance	0	400,000	0.00
Help Desk/Computer Operations	0	116,795	1.00
State Aid Intercept	0	Language	0.00
Administration of retirement system	0	2,050,000	9.00
Expenses Commonly Borne by Business Enterprises	0	Language	0.00
HB 133 VRS Impact	0	142,000	1.00
Start-up Costs of the State Employee Disability Program (SB 126)	0	250,000	1.00
HB 36 VRS Impact	0	150,000	0.00
Priority needs-Investment Department	0	143,000	7.00
Suspend Lease of Headquarters Building/Asset	0	(555,150)	0.00
HB 30 Total	0	39,495,657	172.00
% Net Change	NA	17.01%	21.99%
State Lottery Department			
FY 1997-98 Adjusted Budget	0	138,530,809	292.00
Study of Lottery Revenue Estimating Process	Language	0	0.00
Lottery Admin. Cost Savings	0	(2,983,000)	0.00

Summary of Detailed Actions in HB 30

1998-00 BIENNIAL TOTAL			
	Gen. Fund	Non-gen. Fund	Total FTE
Paperless Instant Tickets	Language	0	0.00
HB 30 Total	0	135,547,809	292.00
% Net Change	NA	(2.15%)	0.00%
Medical College of Virginia Hospital Authority			
FY 1997-98 Adjusted Budget	0	0	3,727.38
Adopted Changes	0	0	0.00
HB 30 Total	0	0	3,727.38
% Net Change	NA	NA	0.00%
Board of the Va. Higher Education Tuition Trust Fund			
FY 1997-98 Adjusted Budget	0	0	7.00
Higher Education Trust Fund	0	5,187,545	4.00
HB 30 Total	0	5,187,545	11.00
% Net Change	NA	NA	57.14%
Independent Agencies			
FY 1997-98 Adjusted Budget	0	309,203,760	4,919.38
Adopted Changes	0	10,793,595	46.00
HB 30 Total	0	319,997,355	4,965.38
% Net Change	NA	3.49%	0.94%

NON-STATE AGENCIES

Non-State Agencies

FY 1997-98 Adjusted Budget	0	0	0.00
1829 Johnston House	25,000	0	0.00
Aberdeen Garden Historic and Civic Assoc. for the			
Aberdeen Garden Historic Museum	100,000	0	0.00
Alexandria Academy	25,000	0	0.00
Alexandria Seaport Center	25,000	0	0.00
American Theater	50,000	0	0.00
Appalachian Traditions	20,000	0	0.00
Art Museum of Western Virginia	300,000	0	0.00
Association for the Preservation of Virginia Antiquities	2,000,000	0	0.00
Barter Theatre	400,000	0	0.00
Bedford City/County Museum	125,000	0	0.00
Belle Grove Plantation	50,000	0	0.00
Ben Lomond	50,000	0	0.00
Black History Museum & Cultural Center	200,000	0	0.00
Blue Ridge Community Orchestra	20,000	0	0.00
Blue Ridge Institute Inc.	70,000	0	0.00
Blue Ridge Zoological Society	55,000	0	0.00
Calfee Athletic Field	40,000	0	0.00
Camp Virginia Jaycees	100,000	0	0.00
Cartersville Rescue Squad Building	25,000	0	0.00
Chesapeake Arts Center	50,000	0	0.00
Children's Museum of Richmond	2,150,000	0	0.00
Children's Museum of Virginia	200,000	0	0.00
Chincoteague Center	25,000	0	0.00
Chrysler Museum	1,800,000	0	0.00
City of Petersburg for Centre Hill Museum	62,500	0	0.00
Confederate Museum	140,000	0	0.00
Council for America's First Freedom	632,000	0	0.00
Crispus Attucks Theater	150,000	0	0.00
Culpeper Cavalry Museum	60,000	0	0.00

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Cumberland Gap Tri-State Visitor Center	50,000	0	0.00
Dan River Alliance for Arts and Culture	30,000	0	0.00
Dodona Manor	1,000,000	0	0.00
Fluvanna Arts Council*	10,000	0	0.00
Fluvanna Heritage Trail	20,000	0	0.00
Fort Norfolk 1810 Officers' Quarters	25,000	0	0.00
Fredericksburg Area Museum and Cultural Center	40,000	0	0.00
George C. Marshall Research Foundation	150,000	0	0.00
Giles County Historical Society	45,000	0	0.00
Glencoe Residence	100,000	0	0.00
Good Neighbor Village	50,000	0	0.00
Guest River Gorge Trail	10,000	0	0.00
Halifax Educational Foundation, Inc.	250,000	0	0.00
Hampton History Museum Association	200,000	0	0.00
Hampton University Museum Foundation	400,000	0	0.00
Hand Workshop Art Center	50,000	0	0.00
Hanover County Branch, Association for the Preservation of Virginia Antiquities for Scotchtown	40,000	0	0.00
Hanover Tavern	100,000	0	0.00
Harrison Museum of African American Culture	50,000	0	0.00
Henricus Foundation	200,000	0	0.00
Historic Avenel	50,000	0	0.00
Historic Brentsville Court House	50,000	0	0.00
Historic Christchurch	50,000	0	0.00
Historic Crab Orchard Museum and Pioneer Park, Inc.	90,000	0	0.00
Historic Dumfries Virginia, Inc.	70,000	0	0.00
Historic Exchange Hotel	20,000	0	0.00
Historic Fredericksburg Foundation, Inc. for the Fielding Lewis Store	250,000	0	0.00
Historic Gordonsville	20,000	0	0.00
Historic Pocahontas, Inc. for Emma Yates Millinery Shop	15,000	0	0.00
Historic Pocahontas, Inc. for Pocahontas Cemetery	20,000	0	0.00
Historic Presbyterian Church	2,150	0	0.00
History Museum & Historical Society of Western Virginia	50,000	0	0.00
Holiday Lake 4-H Educational Center	250,000	0	0.00
Hopewell Preservation, Inc.	462,500	0	0.00
Isle of Wight Co. for Boykins Tavern	225,000	0	0.00
Jacksonville Center	30,000	0	0.00
James Madison Museum	27,000	0	0.00
Jamestown 4-H Center	100,000	0	0.00
Jamestown Slave Museum	100,000	0	0.00
John Marshall Foundation	12,500	0	0.00
Julian Stanley Wise Foundation (Rescue Squad Museum)	100,000	0	0.00
Kenmore	300,000	0	0.00
Kerr Place	70,000	0	0.00
Kids Voting Virginia	20,000	0	0.00
King William County Courthouse	40,000	0	0.00
Lady Astor Preservation Trust for Langhorne House	10,000	0	0.00
Last Capitol of the Confederacy (Danville Museum of Fine Arts & History)	340,000	0	0.00
Leesylvania State Park	20,000	0	0.00
Lewis Ginter Botanical Garden	200,000	0	0.00
Lincoln Theater	100,000	0	0.00
Louisa County Library	250,000	0	0.00

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Lynchburg Academy of Music	150,000	0	0.00
MacCallum More Museum & Gardens	60,000	0	0.00
Mariners' Museum	1,490,000	0	0.00
Mary Ball Washington Museum	20,000	0	0.00
Mathematics and Science Center	60,000	0	0.00
Mayfield and Cannon Branch Forts	100,000	0	0.00
Maymont Foundation	1,200,000	0	0.00
Menokin	150,000	0	0.00
Middlesex County Museum	100,000	0	0.00
Miles B. Carpenter Museum	18,202	0	0.00
Mill Mountain Theatre	200,000	0	0.00
Mills Godwin Honorary Foundation	100,000	0	0.00
Montpelier	700,000	0	0.00
National D-Day Memorial Foundation	2,500,000	0	0.00
National Red Cross Convention	60,000	0	0.00
National Trust for Historic Preservation for Oatlands	70,000	0	0.00
New Virginia Review, Inc.	30,000	0	0.00
Newtown Improvement and Civic Club, Inc. for Little England Chapel	50,000	0	0.00
Newport News Street Watch	150,000	0	0.00
Norfolk Botanical Garden Society, Inc.	350,000	0	0.00
Norge Train Depot	5,000	0	0.00
Northern Virginia 4-H Educational Center	100,000	0	0.00
Northumberland Co. Community Center	15,000	0	0.00
Ocean View Station Museum	60,000	0	0.00
Old Dinwiddie Courthouse	100,000	0	0.00
Opera Roanoke	100,000	0	0.00
OpSail 2000	500,000	0	0.00
Patrick Henry Memorial Foundation for Red Hill	50,000	0	0.00
Peninsula Fine Arts Center	520,000	0	0.00
Piedmont Arts Association	275,000	0	0.00
Poe Foundation, Inc. for the Poe Museum	60,000	0	0.00
Point of Honor	25,000	0	0.00
Poplar Forest	2,000,000	0	0.00
Port Royal Town Hall and Lyceum	24,000	0	0.00
Preservation Alliance of Virginia	40,000	0	0.00
Prince Edward County for Historic Worsham Clerk's Office	65,000	0	0.00
Pythian Castle	50,000	0	0.00
Rawls Museum Arts	50,000	0	0.00
Reedville Fishermen's Museum	50,000	0	0.00
Richmond Behavioral Health Authority for the South			
Richmond Seniors' Behavioral Health Care Project	131,500	0	0.00
Richmond Boys Choir	60,000	0	0.00
Roanoke Higher Education Center	5,379,000	0	0.00
Robert E. Lee Memorial Association, Inc. for Stratford Hall Plantation	200,000	0	0.00
Rosewell Foundation for the Rosewell Mansion Ruins	45,000	0	0.00
Saltville Foundation	35,000	0	0.00
Science Museum of Danville	50,000	0	0.00
Science Museum of Western Virginia	850,000	0	0.00
Settlers Museum of S.W. Virginia	20,000	0	0.00
Shenandoah County Public Library System	200,000	0	0.00
Shenandoah Valley Discovery Museum	75,000	0	0.00
Smith Mountain Lake 4-H Educational Center	100,000	0	0.00
Smyth County Historical & Museum Society, Inc. for the Staley-Collins House	10,000	0	0.00

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Southeast 4-H Educational Center, Inc.	100,000	0	0.00
Southwest Virginia 4-H Educational Center, Inc.	100,000	0	0.00
Special Friends Project	50,000	0	0.00
Sports Virginia, Inc.	150,000	0	0.00
Tazewell County Historical Society	10,000	0	0.00
TheaterVirginia	100,000	0	0.00
Theatre IV	50,000	0	0.00
Tinner Hill Heritage Foundation	20,000	0	0.00
Trail of the Lonesome Pine Outdoor Drama	120,000	0	0.00
Valentine Museum	300,000	0	0.00
Very Special Arts Virginia	110,000	0	0.00
Village View	2,000	0	0.00
Virginia Air and Space Center	650,000	0	0.00
Virginia Amateur Sports	150,000	0	0.00
Virginia Association of Museums	65,000	0	0.00
Virginia Ballet Theater	70,000	0	0.00
Virginia Center for the Creative Arts	100,000	0	0.00
Virginia Creeper Trail	10,000	0	0.00
Virginia Equine Center Foundation	2,044,906	0	0.00
Virginia Foundation for Agriculture in the Classroom	25,000	0	0.00
Virginia Historical Society	700,000	0	0.00
Virginia Living Museum	900,000	0	0.00
Virginia Manne Science Museum	1,000,000	0	0.00
Virginia Museum of Transportation*	500,000	0	0.00
Virginia Opera	100,000	0	0.00
Virginia Recreational Facilities Authority	1,500,000	0	0.00
Virginia Special Olympics	200,000	0	0.00
Virginia Sports Hall of Fame	250,000	0	0.00
Virginia Symphony	100,000	0	0.00
Virginia Trust for Historic Preservation of Lee-Fendall House	75,000	0	0.00
Virginia War Museum for End View Plantation	80,000	0	0.00
Virginia War Museum for Lee Hall Mansion	100,000	0	0.00
Virginia Zoological Society	200,000	0	0.00
Warren County Courthouse	50,000	0	0.00
Watermen's Museum*	50,000	0	0.00
Waynesboro Heritage Foundation	25,000	0	0.00
Western Virginia Foundation for the Arts & Sciences	1,000,000	0	0.00
William King Regional Arts Center	300,000	0	0.00
Williamsburg Area Civic & Cultural Center	5,000	0	0.00
Williamsburg's 300th Anniversary	150,000	0	0.00
Windmore Foundation - Art in the Park	10,000	0	0.00
Wolf Trap Foundation for the Performing Arts	750,000	0	0.00
Women in Military Service For America Memorial Foundation, Inc	25,000	0	0.00
Woodlawn	100,000	0	0.00
Woodrow Wilson Birthplace Foundation, Inc.	200,000	0	0.00
Y H. Thomas Athletic Association	50,000	0	0.00
HB 30 Total	46,563,258	0	0.00
% Net Change	NA	NA	NA
Non-State Agencies			
FY 1997-98 Adjusted Budget	0	0	0.00
Adopted Changes	46,563,258	0	0.00
HB 30 Total	46,563,258	0	0.00
% Net Change	NA	NA	NA

Summary of Detailed Actions in HB 30

	1998-00 BIENNIAL TOTAL		
	Gen. Fund	Non-gen. Fund	Total FTE
Grand Total			
FY 1997-98 Adjusted Budget	17,358,957,327	18,252,144,153	107,052.86
Adopted Changes	<u>2,592,602,856</u>	<u>1,381,424,504</u>	<u>2,726.70</u>
HB 30 Grand Total	19,951,560,183	19,633,568,657	109,779.56
% Net Change	14.94%	7.57%	2.55%

Capital Outlay

	1998-00 BIENNIAL TOTAL			
	Gen. Fund	Nongeneral Fund	\$ 9 (c) Bonds	\$ 9 (d) Bonds
<u>CAPITAL OUTLAY</u>				<u>Total</u>
Central Appropriations				
Maintenance Reserve	51,343,180	33,166,000		84,509,180
Central Repair and Improvements	3,132,550			3,132,550
Handicapped Access	5,616,000			5,616,000
Life, Health, Safety Improvements	4,739,000	4,593,000		9,332,000
Energy Conservation Project Loans	Language			
Equipment for Capital Projects Reversion	(19,600,000)			(19,600,000)
Oil Overcharge Savings	(1,340,000)	1,340,000		0
\$ 9 (c) Projects				
Distributed to Agencies Below				
\$ 9 (d) Projects				
Distributed to Agencies Below				
<u>Independent Agencies</u>				
Lottery Department				
Blanket Equipment Authorization		12,985,000		12,985,000
<u>Administration</u>				
Department of General Services				
Security Upgrades Seat of Government	790,000	1,118,000		1,908,000
Plan Facility Use at Seat of Government	500,000			500,000
<u>Commerce & Trade</u>				
Virginia Employment Commission				
Maintenance Reserve		67,000		67,000
Newport News Office		1,816,000		1,816,000
Richmond Central Office Renovation		835,000		835,000
Department of Ag. & Consumer Services				
Plan Harrisonburg Laboratory Replacement	215,000			215,000
Northern Neck Farmers Mkt. Refrigeration	250,000			250,000

Capital Outlay

	1998-00 BIENNIAL TOTAL			
	<u>Gen. Fund</u>	<u>Nongeneral Fund</u>	<u>§ 9 (c) Bonds</u>	<u>§ 9 (d) Bonds</u>
<u>CAPITAL OUTLAY</u>				<u>Total</u>
Dept. of Mines, Minerals, & Energy				
Big Stone Gap Conveyance				
Department of Forestry				
Maintenance Reserve		421,000		421,000
Const. Abingdon Shop & Cold Storage	376,000			376,000
Nature Educational Center	200,000			200,000
Matthews State Forest Area Office	100,000			100,000
<u>Education</u>				
Va. Community College System				
VCCS Water Supply Corrections	740,000			740,000
Va. Western Roof Repair & Replace	159,000			159,000
Lord Fairfax Fauquier Campus Phase I		317,000		317,000
Lord Fairfax Community Cultural Center		12,942,000		12,942,000
Germanna Domestic Water Connection		418,000		418,000
Germanna Planning for F'burg Campus, II	300,000	47,000		347,000
NVCC Loudoun Arts & Technology Center		9,850,000		9,850,000
NVCC Medical Education Campus	16,800,000	3,710,000		20,510,000
NVCC Annandale Campus Renovations	2,000,000			2,000,000
NVCC Alexandria Campus Parking Lot		1,000,000		1,000,000
Tidewater CC Va. Beach Academic Building	10,000,000	12,957,000		22,957,000
Piedmont CC Humanities Phase II	1,704,000	144,000		1,848,000
John Tyler Site Improvements			1,479,000	1,479,000
Mountain Empire Godwin & Holton Renov.	2,000,000			2,000,000
Mountain Empire Parking Improvements			635,500	635,500
JS Reynolds Goochland Campus Sup.	500,000	500,000		500,000
JS Reynolds Acquire Downtown Property				
PD Camp Workforce Development Center	2,675,000	1,500,000		4,175,000
Eastern Shore Maintenance Building	250,000	30,000		280,000
Blue Ridge Veterinary Tech Renovations	900,000			900,000
Central Virginia Manufacturing Tech Ctr.		2,500,000		2,500,000

Capital Outlay

	1998-00 BIENNIAL TOTAL			
	<u>Gen. Fund</u>	<u>Nongeneral Fund</u>	<u>§ 9 (c) Bonds</u>	<u>§ 9 (d) Bonds</u>
<u>CAPITAL OUTLAY</u>				<u>Total</u>
Danville Workforce Development Ctr.	2,000,000	1,500,000		3,500,000
University of Virginia				
Special Collections Library	10,000,000	16,000,000		26,000,000
Clark Hall Renovation/Addition	18,858,000	8,000,000		26,858,000
Renovate Pavilion Balconies	550,000			550,000
Repair Steam Tunnels	800,000			800,000
East Precinct Chillers	1,290,000			7,000,000
Campbell Hall Addition		5,710,000		2,900,000
Gilmer Hall Renovation, Phase III		2,900,000		2,500,000
Renovate Jordan Hall		2,500,000		2,000,000
Const. Environmental Science Field Station		2,000,000		2,000,000
Academic & Research Renovation Blanket		2,000,000		8,000,000
Auxiliary Facilities Renovation Blanket		8,000,000		3,000,000
Energy Conserve: Various Sites		3,000,000		
Rugby Road Apartments Renovations			3,500,000	3,500,000
Observatory Hill Dining Renovations			4,000,000	4,000,000
Scott Stadium Expansion				60,000,000
Biomedical Engineering & Med. Science				30,024,000
Parking for 250 Cars				2,000,000
Central Grounds Electrical Upgrade		800,000		800,000
Pavilion VII Renovation		3,000,000		3,000,000
University of Virginia Medical Center				
Renovate Digestive Health Center		3,600,000		3,600,000
Construct or Acquire Child Care Center		2,400,000		2,400,000
Construct or Acquire Medical Office Bldg.		4,500,000		4,500,000
Medical Facilities Renovation Blanket		10,000,000		10,000,000
Acquire Medical Office Building				9,000,000
Acquire Dialysis Center		1,100,000		1,100,000
Clinch Valley College				
Science Building Renovation & Addition	9,726,000			9,726,000

Capital Outlay

	1998-00 BIENNIAL TOTAL			
	Gen. Fund	Nongeneral Fund	§ 9 (c) Bonds	§ 9 (d) Bonds
<u>CAPITAL OUTLAY</u>	<u>Gen. Fund</u>	<u>Fund</u>	<u>Bonds</u>	<u>Total</u>
Residence Hall Construction			4,500,000	4,500,000
Athletic Fields				6,000,000
Student Center				8,000,000
Virginia Polytechnic Institute and SU				
Chemistry & Physics Building Const.	23,431,000	1,763,000		25,194,000
Plan Alumni & Cont. Ed. Center		2,309,000		2,309,000
Auxiliary Facilities Renovation Blanket		2,000,000		2,000,000
Plan Construction of Dairy Complex	293,000			293,000
Energy Conserve: Centrifugal Chillers	Language			
Dining System HVAC-Chiller				
Substation Expansion			2,098,000	2,098,000
Special Purpose Housing, Phase III			3,800,000	3,800,000
Parking Auxiliary			10,658,000	10,658,000
Supplement to Dry Rendering Facility			2,200,000	2,200,000
Building and Construction Learning Lab			800,000	800,000
Catawba Property Transfer	Language	1,000,000		1,000,000
VPI Research & Cooperative Extension				
Plan Agriculture & Forestry Research Lab	1,167,000			1,167,000
Virginia Commonwealth University				
Property Acquisitions		1,500,000		1,500,000
Auxiliary Technology Improvements		3,200,000		3,200,000
Renovate Dentistry Building		2,700,000		2,700,000
Renovate Hibbs Building		3,500,000		3,500,000
Energy Conservation		2,000,000		2,000,000
New Science Building Construction			4,733,000	26,640,000
Sanger Hall Renovation			3,113,000	13,292,000
Renovate Anderson Gallery		1,395,000		1,395,000
Energy Conserve: MCV Steam Tunnel	Language			
Residence Hall			12,381,000	12,381,000
School of Social Work	Language		7,983,000	7,983,000

Capital Outlay

	1998-00 BIENNIAL TOTAL			
	<u>Gen. Fund</u>	<u>Nongeneral Fund</u>	<u>\$ 9 (c) Bonds</u>	<u>\$ 9 (d) Bonds</u>
<u>CAPITAL OUTLAY</u>				<u>Total</u>
Sports Medicine Center		2,889,000		6,065,000
Central Chilled Water Plant Lease	Language			
Alternative Residence Hall Construction	Language			
Parking Deck D			3,176,000	
Old Dominion University			1,200,000	1,200,000
Constant Hall Renovation & Addition	9,943,000	2,607,000		12,550,000
Fine Arts Humidification Project	390,000			390,000
Parking Deck on Lot 30	Language		6,025,000	6,025,000
Property Acquisition		5,000,000		5,000,000
George Mason University				
Const. Academic Bldg. IV, Fairfax	18,988,000			18,988,000
Plan Prince William Campus, Phase III	500,000			500,000
Renovate Student Union Facilities		5,000,000		5,000,000
Physical Education Bldg. Renov.		5,500,000		5,500,000
Expand General Parking		500,000		500,000
Parking Garage Expansion			4,000,000	4,000,000
College of William and Mary				
Upgrade Underground Utilities, Stormwater	295,000			295,000
Energy Conserve: Chillers & Utilities	Language			
Marshall Wythe Library Addition			1,917,000	1,917,000
Property Acquisition Blanket Authority		600,000		600,000
Richard Bland College				
Replace Outside Lighting	340,000			340,000
Repair Boiler & Ventilation Systems	630,000	12,000		642,000
Virginia Institute of Marine Science				
Byrd Hall Renovation	4,216,000			4,216,000
Replace Gloucester Point Bulkhead	862,000			862,000
Upgrade Energy Management		737,000		737,000
Acquire Wachapreague Property		195,000		195,000
Acquire Property Adjacent to Campus	280,000			280,000

Capital Outlay

<u>CAPITAL OUTLAY</u>	1998-00 BIENNIAL TOTAL			
	<u>Gen. Fund</u>	Nongeneral		<u>Total</u>
		<u>Fund</u>	<u>§ 9 (c) Bonds</u>	<u>§ 9 (d) Bonds</u>
James Madison University				
Alumni House Construction		3,000,000		3,000,000
New Sports Services Building		1,409,000		1,409,000
Arboretum Nature Center Construction		3,000,000		3,000,000
Energy Conserve: Campus Steam System				
Main Campus Parking Deck	Language			
CISAT Student Services				
Miller Hall Chemistry Renovations				6,261,000
Acquire Medical Office Buildings		3,500,000		9,879,000
Christopher Newport University				2,580,000
Renovate/Addition to Ratcliffe Gym	2,449,000			6,261,000
Supplement to Performing Arts Center	1,000,000			9,879,000
Acquire Shoe Lane Parcels	497,000			2,580,000
Acquire Property on Warwick Boulevard	500,000			3,500,000
Dormitory			12,726,000	12,726,000
Supplement to Sports and Wellness Ctr.			9,960,000	9,960,000
Longwood College				
Hiner Building Equipment	1,575,000			1,575,000
Renovate East, West & Main Ruffner	9,105,000			9,105,000
Residence Hall Improvements			2,800,000	2,800,000
Norfolk State University				
Renovate Communications Building	3,593,000			3,593,000
Mary Washington College				
Renovate Combs Hall	688,000			688,000
Upgrade Goolrick HVAC	2,206,000			2,206,000
Renovate HVAC Residence Hall			1,500,000	1,500,000
Seacobeck Hill Dining Hall renovation			5,000,000	5,000,000
Replace Tennis Courts				1,047,000
Melchers-Monroe Memorials				
Addition to Belmont Gallery	500,000			500,000

Capital Outlay

	1998-00 BIENNIAL TOTAL			
	Gen. Fund	Nongeneral Fund	§ 9 (c) Bonds	§ 9 (d) Bonds
<u>CAPITAL OUTLAY</u>	<u>Gen. Fund</u>	<u>Fund</u>	<u>Bonds</u>	<u>Total</u>
Radford University				
Acquire Property for Site Development		450,000		450,000
Improve Electrical Distribution System	400,000	400,000		800,000
Const. Track & Soccer Field Phase II		1,900,000		1,900,000
Improve Steam Distribution	715,000			715,000
Renovate/Addition to Student Center		4,622,000		4,622,000
Renovate Walker Hall	2,563,000			2,563,000
Virginia Military Institute				
Crozet Hall Reconsideration	Language			
Renovate Scott-Shipp Hall	10,229,000			10,229,000
Virginia State University				
Renovate Rogers Stadium		2,840,000		2,840,000
Repair Dormitories, Phase II		1,939,000		1,939,000
Renovate Johnston Memorial Library	10,047,000			10,047,000
Renovate Owens Hall	5,444,000			5,444,000
Science Museum of Virginia				
Install Fiber Optic Cable	500,000			500,000
Improve Museum Campus Area	2,105,000			2,105,000
Renovate East & West Terraces	919,000			919,000
Virginia Museum of Fine Arts				
Plan Fire Suppression Improvements	200,000			200,000
Access & Security System Upgrades	1,786,000			1,786,000
Plan Renovation of Robinson House	174,000			174,000
Jamestown-Yorktown Foundation				
Jamestown Settlement, Phase II Supplement	550,000			550,000
Jamestown Settlement Cafe	2,470,000			2,470,000
Visitor Center-Jamestown Gallery Link	4,513,000			4,513,000
Plan Park Entry for 2007 Celebration	694,000			694,000
Renovate & Expand Jamestown Gallery	6,305,000			6,305,000
Plan 2007 Monument	125,000			125,000

Capital Outlay

1998-00 BIENNIAL TOTAL

	Gen. Fund	Nongeneral Fund	\$ 9 (c) Bonds	\$ 9 (d) Bonds	Total
<u>CAPITAL OUTLAY</u>					
Plan Monument Plaza	223,000				223,000
Frontier Culture Museum					
Const. Maintenance Facility	50,000				50,000
Const. Emergency Accessway	33,000				33,000
<u>Finance</u>					
Improve Office Panels & Appurtenances	1,693,000				1,693,000
<u>Health & Human Resources</u>					
Dept. of Mental Health, MR, & SAS					
Asbestos Abatement	7,579,000				7,579,000
Plan Boiler Replacement SVTC	535,000				535,000
Replace Boilers, Steam Lines, HVAC	3,237,000				3,237,000
Department for Visually Handicapped					
Renovate Charlottesville Workshop	5,000,000				5,000,000
<u>Natural Resources</u>					
Dept. of Conservation & Recreation					
Maintenance Reserve		4,000,000			4,000,000
Bear Creek Lake Dredging	600,000	400,000			1,000,000
Karlan State Park Improvements	125,000				125,000
Dept. of Game & Inland Fisheries					
Maintenance Reserve		2,000,000			2,000,000
Const. Boating Access Facilities		1,000,000			1,000,000
Improve King & Queen Hatchery		4,100,000			4,100,000
Museum of Natural History					
Construct New Museum	1,650,000				1,650,000
<u>Public Safety</u>					
Department of State Police					
Plan Combined Hdqtrs./Emerg. Oper. Center	400,000	400,000			800,000
Air Conditioning of Gymnasium	250,000				250,000
Department of Military Affairs					
Powhatan Armory	500,000	2,800,000			3,300,000

Capital Outlay

	1998-00 BIENNIAL TOTAL			
	Gen. Fund	Nongeneral Fund	\$ 9 (c) Bonds	\$ 9 (d) Bonds
<u>CAPITAL OUTLAY</u>	<u>Gen. Fund</u>	<u>Fund</u>	<u>Bonds</u>	<u>Total</u>
Ft. Pickett Warehouses		300,000		300,000
Warrenton Armory Paving	28,000			28,000
Department of Corrections				
Reversion Clearing Account	(8,042,000)	8,042,000		0
Expand & Renovate Housing	178,000			178,000
Improve James River CC Segregation	188,000			188,000
Powhatan Electrical Upgrade	577,000			577,000
VCCW Boiler Replacement	100,000			100,000
Southampton Water Storage Tank	516,000			516,000
Const. Deerfield Admin Building	60,000			60,000
Pocahontas Wastewater Treatment Plant	1,551,000			1,551,000
Coffwood Wastewater Treatment Plant	1,120,000			1,120,000
Acquire Brunswick Warehouses	61,000			61,000
Locks & Cell Door Replacement	1,257,000			1,257,000
Window Frame Replacement	500,000			500,000
Steam & Water Line Repairs	1,065,000			1,065,000
Southampton Interior Security Fence	500,000			500,000
Greensville Laundry Improvements		96,000		96,000
Bland Isolation Bldg. Construction	369,000			369,000
Department of Juvenile Justice				
Reversion Clearing Account	(1,158,000)	1,158,000		0
Security Upgrades	598,000			598,000
HVAC Upgrades	2,599,000			2,599,000
Fire safety Improvements	1,000,000			1,000,000
Wastewater System Repairs	3,086,000			3,086,000
Hanover Pre-engineered Modular Offices	324,000			324,000
Department of Emergency Services				
Cheatham Annex Fuel Storage Cleanup	2,707,000	500,000		3,207,000
Expenditures from Unapprop. Balance	Language			
Lease with Localities for Fire Training	Language			

Capital Outlay

	1998-00 BIENNIAL TOTAL			
	Gen. Fund	Nongeneral Fund	\$ 9 (c) Bonds	\$ 9 (d) Bonds
<u>CAPITAL OUTLAY</u>	<u>Gen. Fund</u>	<u>Fund</u>	<u>Bonds</u>	<u>Total</u>
Alcoholic Beverage Control				
Maintenance Reserve		1,025,000		1,025,000
<u>Transportation</u>				
Department of Transportation				
Maintenance Reserve		5,600,000		5,600,000
Acquire Land for New Facilities		602,000		602,000
Construct Central Warehouse		4,500,000		4,500,000
Renovate Elko Materials Lab		500,000		500,000
Upgrade Operating Facilities		8,254,000		8,254,000
Construct New District/Residency Facilities		5,861,000		5,861,000
New Equipment Division Facility		1,300,000		1,300,000
National Air & Space Museum Extension		10,423,000		10,423,000
Air & Space Museum Financing	Language	800,000		800,000
Planning for Use of Old State Library				
Virginia Port Authority				
Maintenance Reserve		3,800,000		3,800,000
Improve Cargo Handling Facilities		3,800,000		3,800,000
Department of Motor Vehicles				
Maintenance Reserve		1,270,000		1,270,000
GRAND TOTAL-CAPITAL OUTLAY	\$323,905,730	\$319,264,000	\$49,140,500	\$888,145,230

APPENDIX C

Revenue Changes for 1996-98

HB 29 adopts net changes totaling \$541.6 million to the general fund resources available during 1996-98. These changes, combined with the \$3.9 million in balances previously embedded in the budget, and a \$46.6 million net increase in existing appropriations will leave a total of \$495.0 million to be carried forward into the next biennium. The \$495.0 million is included as a beginning balance in HB 30.

Additional General Fund Revenue Available for Appropriation (FY 1998, \$ millions)			
	<u>Original Amount</u>	<u>Revised Amount</u>	<u>Difference</u>
Additions to the Balance	\$ 70.1	\$ 78.8	\$ 8.7
Official Revenue Estimates	8,068.9	8,600.0	531.1
Transfers	<u>410.1</u>	<u>412.0</u>	<u>1.9</u>
Additional GF Revenues Available for Appropriation	\$8,549.2	\$9,090.8	\$541.6

Changes in the Balance

The budget, as introduced, increases additions to the balance by \$8.7 million in FY 1998. This increase is primarily the result of several large offsetting transactions. The revenue surplus from FY 1997 resulted in an undesignated balance on June 30, 1997 of \$76.3 million. In addition, there was \$11.1 million in agency reappropriation savings and \$14.5 million in Compensation Board balances and recoveries from FY 1997. Partially offsetting these increases is the \$87.6 million reserve for the Revenue Stabilization Fund payment that the Comptroller's FY 1997 balance sheet anticipated from revenue growth in FY 1998.

Other additions to balances include \$1.4 million from excess balances from capital projects, and \$1.1 million in balances resulting from 1997 veto actions by the governor.

Reductions to balances include a \$1.0 million economic contingency supplement, a \$2.0 million Region 2000 supplement that was originally provided to help attract Frito Lay, and Compensation Board reversions that were \$2.2 million lower than expected.

Changes in Revenue

Revenue changes since the 1997 Session have resulted in an increase in expected revenues of \$531.1 million for FY 1998. Expected increases in individual income tax collections, especially nonwithholding receipts, comprise the bulk of the expected change. Nonwithholding tax receipts are being driven by stock market gains, a healthy small business climate, and federal tax changes regarding capital gains. Other revenue sources exhibiting stronger growth than previously expected include corporate income taxes, interest income on general fund balances, estate taxes, and recordation taxes. Revenue sources that are now expected to have slower growth include insurance premiums taxes, and public service gross receipts taxes.

Estimate of General Fund Taxes By Source (\$ Millions)				
	<u>Estimated FY98</u>	<u>Estimated % Growth</u>	<u>Thru February % Growth</u>	<u>Change From Last Year Est.</u>
Net Individual	\$5,246.8	11.0%	11.0%	\$435.5
<i>Non-withholding</i>	1,232.3	18.3	14.8	334.1
Corporate	456.6	5.6	13.7	62.1
Sales	1,933.9	5.9	5.1	30.5
Insurance	220.4	0.6	0.2	(29.3)
Public Service	98.5	(22.0)	(27.1)	(24.2)
All Other	<u>643.8</u>	4.3	11.8	<u>56.5</u>
Total Revenues	\$8,600.0	8.2%	9.0%	\$531.1

Other changes affecting the general fund revenue estimate include a \$4.2 million reduction in MCI prison telephone receipts, an estimated \$1.7 million reduction in jail construction recoveries from federal prisoners, a \$1.6 million damage payment from Electronic Data Systems, \$0.9 million from the AVTEX Fiber settlement, and a \$0.7 million increase in additional revenues from the sale of VELA property.

Transfers

Although several changes are recommended for transfers in FY 1998, the net result is a small \$1.8 million change in total transfers. ABC profit transfers are expected to increase by \$2.0 million, and Lottery profits are forecast to decrease by \$3.5 million. Since DGS self-insurance funds are now going to receive their interest earnings, the previously expected transfer of \$1.7 million will not be made to the general fund. Other transfer changes are listed in a table on the next page.

**General Fund Revenue and Appropriation Changes
Since April 1997 (\$ in Millions)**

<u>Balance Adjustments:</u>	<u>1996-98</u>
Undesignated Balance 6/30/97	\$ 76.3
Reappropriation Savings	11.1
Comp Board Balances	10.6
Comp Board Recovery	3.9
Balances on Capital Projects	1.4
Adjust Balances for 1997 Veto Actions	1.1
Capital Outlay Restoration Reserve	0.5
Revenue Stabilization Fund Reserve 6/30/98	(87.6)
Comp Board Reversions	(2.2)
Region 2000 Supplement	(2.0)
Economic Contingency Supplement	(1.0)
Community Care Supplement	(1.0)
Federal Cash Management Act	(0.9)
Va Racing Commission	(0.7)
Tuition Assistance Grants	(0.4)
Other	(0.4)
Total Additional Balances	\$ 8.7

Revenue Amendments:

December Tax Re-forecast	\$ 450.2
January Tax Re-forecast	35.2
December Tax Re-forecast	38.6
Correct Error on HIF Balance Interest Calculation	8.1
Re-estimate of Interest Revenue	3.0
Damage Payment from EDS	1.6
Sales Tax Compliance	0.7
VELA Reserves	0.7
VEDP-ITA Bond Refinancing	0.2
MCI Prison Revenue	(4.2)
Jail Const Recovery, Fed Prisoners	(1.7)
Parental Support (DYFS)	(0.8)
Camp Pendleton Sale	(0.4)
Medicaid Recoveries	(0.3)
Total Revenue Adjustments	\$ 531.1

Transfers:

ABC Profits	\$ 2.0
Self Insurance Funds Interest	1.7
Courts Debt Collection	0.9
Local & Transp. Sales Tax Compliance	0.8

Attorney General Legal Service Balances	0.4
DIT Rate Reductions	0.4
Lottery Profits	(3.5)
Indirect Cost Recoveries	(0.6)
MotorBoat and Water Safety Fund	(0.3)
DEQ Indirect Costs	<u>(0.1)</u>
Total Transfer Amendments	\$ 1.8
Total Additional GF Revenues	\$ 541.6

Judicial

- **Circuit Courts**
 - *Criminal Fund.* Adds \$6.2 million GF for the Criminal Fund based on increased utilization, raising total appropriations for the program in the current fiscal year to approximately \$41 million GF.
 - *Involuntary Mental Commitment Fund.* Adds \$1.5 million GF to the Involuntary Mental Commitment Fund, based on an increase in the number of hearings.

Administration

- **Secretary of Administration**
 - *Year 2000 Project Office.* Adds language which specifies that the Year 2000 Project Office within the Council on Information Management will report directly to the Secretary.
- **Compensation Board**
 - *Per Diem Payments.* Adds \$1.1 million GF for inmate per diem payments to localities, based on the revised forecasts of state and local prisoners.

- *Turnover and Vacancy Savings.* Reduces by \$10.6 million GF the Compensation Board budget for the current year, based on anticipated savings which will accrue as a result of turnover and vacancies.
- *Delayed Opening of New Jails.* Reduces by \$2.4 million GF the funding earmarked for jail expansion projects in Fairfax and Albemarle/Charlottesville. Funds will not be needed until the next biennium.
- *DOC Jail Contracting Program.* Saves \$4.3 million GF based on the actual utilization of the Department of Corrections program for contracting with local jails to hold state prisoners. Funds had been budgeted for over 1,100 such placements, but utilization is running at around 550 beds.
- **Department of Information Technology**
 - *Norton Relay Center.* Authorizes the Department of Information Technology to locate the relay center, for the Department of the Deaf and Hard of Hearing, in Norton, Virginia. Also requires a study examining long-term funding options for relay center services which do not necessarily rely on the use of a toll.
- **Council on Information Management**
 - *Year 2000 Project Office.* Adds \$247,056 and nine positions to establish an office with the Council on Information Management to provide oversight of statewide efforts to address the Year 2000 Computer Date Change problem.

Commerce and Trade

- **Department of Housing and Community Development**
 - *Enterprise Zone Incentives.* Adds \$1.2 million GF in FY 1998 for Job Grant incentive payments provided by the Virginia Enterprise Zone Program.
- **Department of Business Assistance**
 - *Workforce Training Program.* Provides an additional \$3.9 million GF in FY 1998 to expand commitments for worker

training programs offered to new businesses locating in Virginia or existing businesses that are expanding.

Public Education

- **Direct Aid to Public Education**
 - ***Reduced Enrollment and Sales Tax Adjustments.*** Reduces Direct Aid by \$16.1 million GF to reflect lower than projected enrollment (3,917) and the basic aid offset for sales tax collections that are being revised upward by \$9.6 million.
 - ***Increased Enrollment Loss.*** Increases Enrollment Loss funding by \$1.6 million GF to reflect the impact of lower than projected enrollment.
 - ***Reduced Benefits Costs.*** Reduces the Employee Benefits accounts by \$0.8 million to reflect lower than projected enrollment.
 - ***Increased Enrollment in At-Risk Four-Year-Olds Program.*** Provides \$1.9 million GF to reflect increased participation by localities in the At-Risk Four-Year-Olds program. The action does not change the current state policy of covering 60 percent of at-risk four-year-olds not served by other quality preschool programs.
 - ***Teacher Liability Insurance.*** Eliminates funding for the teacher liability insurance program which was initiated administratively, using carry-forward balances of \$788,707 GF. The General Assembly provided that any claims made during the time period the program was administratively operating would be covered from other self-insurance programs operated by the Department of General Services.
 - ***Drop-Out Prevention.*** Increases funding by \$63,367 million GF in the Drop-Out Prevention program.
 - ***Special Education Regional Tuition and Hospitals, Clinics and Detention Homes Payments.*** Increases funding by \$3.9 million GF due to increased student participation in these programs.
 - ***Payments for Foster Care Children.*** Reduces funding by \$2.0 million GF to reflect updated estimates of the reimbursements

school divisions will require for the education of students placed in foster care. Language is added to allow other unobligated balances in Direct Aid for Public Education to be used if remaining funding is insufficient to reimburse school divisions.

- ***Remedial Education.*** Increases funding by \$511,930 GF due to an increase in the number of students qualifying for remedial education.
- ***Governor's School Operating Funds.*** Adjusts Governor's School funding by a net reduction of \$0.6 million GF to reflect the Commonwealth Governor's School's inability to enroll students in the 1996-98 biennium, and to reflect increased enrollment in other Governor's Schools.
- ***K-3 Primary Class Size Program.*** Captures projected balances of \$178,057 GF in the K-3 Primary Class Size program due to the decision of some schools to participate in the program at higher pupil-to-teacher ratios than originally projected.
- ***Group Life Contribution Holiday.*** Captures savings of \$71,469 GF from a Group Life contribution holiday in the final two months of the 1997-98 fiscal year. The General Assembly approved a similar action for the 1998-2000 biennium in House Bill 30.
- ***Balances in the Department of Education.*** Captures \$125,350 GF in projected balances in the Department of Education, \$25,350 of which is from a two-month vacancy in the position of Superintendent of Public Instruction.
- ***Clarifying Language on Trigon Funds.*** Adds language clarifying that the Trigon funds available for purchase of scientific probes and graphing calculators equals the deposits of unclaimed property remitted by Trigon, less any claims paid as a result of the supplemental co-payment refund program.
- ***Conforms Appropriation Act Language to Code of Virginia.*** Adds vocational and fine arts classes to the courses for which school divisions may receive partial Average Daily Membership (ADM) payments when home-instructed or nonpublic school students enroll in public school courses. This action conforms the Appropriation Act language to the Code of Virginia.

Higher Education

- **State Council of Higher Education**
 - *Women's Institute for Leadership.* Reduces general funds by \$149,280 in FY 1998 to reflect a drop in the fall 1997 in-state enrollment in the VWIL program at Mary Baldwin College.
 - *Tuition Assistance Grants.* Provides \$678,000 GF in FY 1998 to assure grants of \$2,000 to an estimated 13,339 Virginia students at Virginia's private colleges and universities.
- **Virginia Community College System**
 - *Operating and Maintenance Savings.* Reduces general funds by \$109,783 in FY 1998 to reflect the late openings of several new facilities.
- **University of Virginia**
 - *Operating and Maintenance Savings.* Reduces general funds by \$7,500 in FY 1998 to reflect the late completion of the Old Multistory Hospital Renovation project.
- **Virginia Polytechnic Institute and State University**
 - *Operating and Maintenance Savings.* Reduces general funds by \$120,833 in FY 1998 to reflect the late openings of several new facilities.
- **Norfolk State University**
 - *Deficit Loan.* Authorizes a deficit reduction loan of \$6.5 million for FY 1998, and requires the university to prepare a detailed plan for repayment.
- **Virginia Military Institute**
 - *Women's Institute for Leadership.* Reduces general funds by \$45,600 in FY 1998 to reflect a drop in the fall 1997 enrollment in the VWIL program at Mary Baldwin College. VMI provides the ROTC component of the program.

Finance

- **Department of Accounts**
 - *Revised Revenue Projections of Aid to Localities Payments.* Projects an additional \$800,667 in FY 1998 for payments to localities from shared tax sources due to increased alcoholic beverage control profits and decreased proceeds from the wine tax.
 - *VELA Loan Service Reserve Fund.* Adds language and an appropriation of \$544,778 NGF to establish a reserve fund to cover any claims from the residual reserve accounts and security pledges which remain a State responsibility from the privatization of the Virginia Education Loan Authority (VELA) and the State Education Assistance Authority.
- **Department of Taxation**
 - *Internet Privacy Protection Program.* Provides \$97,000 GF to develop and install a system to protect the confidentiality of tax returns, should unauthorized individuals gain access to the Department's computer files through the internet.
 - *Printing Revised Forms and Instructions.* Approves an additional \$175,000 GF for printing costs of revised tax forms and instructions and a revised Motor Voter registration form and instructions. Funding increases are also recommended for this purpose in the 1998-2000 biennial budget.
 - *Harper III.* Includes an additional \$134,613 GF required to pay federal retirees under the Final Settlement Program, or Harper III. Harper III provided federal retirees who did not receive settlement payments pursuant to the original (Harper I) or supplemental program (Harper II) an opportunity to receive settlement payments. Payments to Harper III claimants will be made through FY 1999.
- **Treasury Board**
 - *Reduced Debt Service Requirement.* Reduces by \$3.3 million GF the amount required for debt service on issued bonds. The reduction reflects lower interest rates actually obtained, compared to the interest rates assumed in Chapter 924, and a refunding of existing bonds.

Health and Human Resources

- **Department of Health**
 - *Safe Drinking Water Act Funds.* Adds language that would allow the department to use unexpended FY 1998 state match for federal Safe Drinking Water Act funds as a match in the 1998-2000 biennium. The carry-forward amount is estimated at \$2.3 million. Also, language sets aside \$2.0 million in loans for Southwest Virginia, the same annual amount set aside in the 1998-2000 adopted budget.
 - *Match for Abstinence Education Grants.* Provides \$100,000 GF in FY 1998 as a state match for federal grants targeted to the reduction of teenage pregnancy through abstinence education. Changes in federal law now require state appropriations as match, rather than in-kind contributions as previously allowed.
- **Dept. of Mental Health, Mental Retardation & Substance Abuse Services**
 - *Compliance with U.S. Department of Justice Agreements.* Increases funding and adds language to allow the agency to continue to meet a U.S. Department of Justice settlement agreement at Northern Virginia Mental Health Institute (NVMHI) and implement a plan of correction for patient care at Central State Hospital. An increase of \$4.2 million GF and \$5.4 million NGF is included to provide necessary staffing and community placements at Central State and NVMHI, and inpatient hospitalization diversions at NVMHI.
 - *Services for Mentally Retarded Persons Served by Waivers.* Replaces lost federal funding for persons with mental retardation served in the community under Medicaid waivers. Increased funding of \$1.0 million GF is included for specialized active treatment, vocational, and day support services.
 - *Facility Master Plan.* Adds \$200,000 to balances of \$700,000 for completion of a facility master plan prior to the 1999 Session of the General Assembly. The plan would guide future facility downsizing and expansion of community services for discharged patients.

- **Department of Social Services**
 - *Count Child Support Disregard toward State Match.* Saves \$5.1 million GF in FY 1998, and adds \$2.1 million in federal funds from the welfare reform block grant. Virginia allows welfare recipients to retain up to \$50 per month collected on their behalf for child support payments while receiving welfare payments. Recent changes in federal law now allow states to count this funding toward the minimum state spending requirement -- "maintenance of effort" -- for the federal block grant. Since Virginia is already spending at the minimum required level, state spending on welfare payments can be decreased.
 - *Assistance for Hard-to-Employ Welfare Recipients.* Provides \$2.4 million from the federal grant on welfare reform (Temporary Assistance for Needy Families, TANF) for training, job search skills, and other services provided to welfare recipients likely to be the most difficult to place in jobs. The introduced budget had proposed \$801,216 GF in FY 1998 as match for \$1.6 million from a new federal "Welfare to Work" block grant. TANF funds do not require additional state match and would provide the state with greater administrative flexibility.
 - *Use of TANF for Computer Systems.* Saves \$2.8 million GF by using TANF funds for automated systems in DSS. The TANF funds would be transferred to the Social Services Block Grant, so they would qualify for the automated child welfare system currently supported in part by the general fund.
 - *Child Support Enforcement Revenue Losses.* Provides \$1.4 million GF to offset declining revenues allowed by federal law to be retained by the department for its child support enforcement operations. Previously, states could retain past-due child support payments as an offset against welfare payments. Recent changes in federal law require that these payments now be passed through to clients.
 - *Food Stamp Administration Report.* Adds language requiring the department to report on efforts to reduce food stamp errors and avoid federal penalties.

Public Safety

- **Department of Criminal Justice Services**
 - *COPS Matching Funds.* Includes \$2.7 million GF reduction in FY 1998 to reflect the slow start of the Community-Oriented Policing Services matching grant program.
- **Department of Correctional Education**
 - *Teacher Salary Regrade.* Includes GF reduction of \$421,000 in FY 1998 to reflect the fact that salary adjustments for teachers in adult and juvenile correctional schools have not yet been made. However, a transfer from Central Accounts is included for this purpose in the 1998-2000 budget.
- **Department of Juvenile Justice**
 - *Delayed Opening of Boot Camps.* Reduces GF by \$3.7 million in FY 1998 due to delayed opening of two juvenile boot camps.
 - *Delayed Opening of Juvenile Facilities.* Reduces GF by \$1.6 million to reflect the delayed opening of the new facilities at Beaumont and Culpeper.
- **Department of Corrections**
 - *Delayed Opening of Mecklenburg.* Reduces general funds by \$692,000 in FY 1998 to reflect the delayed opening of the new facilities at Mecklenburg Correctional Center
 - *Average Daily Population Reduction.* Reduces general funds by \$1.2 million in FY 1998 to reflect lower average daily population.

Central Appropriations

- **Economic Contingency**
 - *Year 2000 Compliance.* A language amendment allows savings from future DIT rate reductions to be retained by the agencies

and used to fund Year 2000 projects. Agencies would be required to submit plans to the Director of DPB for approval.

Non State Agencies

- **Nonstate Agencies**
 - *Changes for Nonstate Agencies.* Changes the second year appropriation designations from operating to capital for Good Hope School, Mathews County, National D-Day Memorial Foundation, Shady Grove School, Virginia Watermen's Museum, and the Virginia Recreational Facilities Authority. Also changes the second year appropriation designation from capital to operating for the Virginia Marine Science Museum.
 - *Fluvanna Arts Council.* Eliminates the requirement for local matching funds for the Fluvanna Arts Council.
 - *Belle Grove Plantation.* Provides \$10,000 in the second year to Belle Grove Plantation for restoration and rehabilitation of Belle Grove's manor house, selected outbuildings and grounds.

Capital Outlay

- **Department of General Services**
 - *Capitol Square Buildings.* Provides \$8.9 million GF to renovate the Executive Mansion and the Finance Building.
- **James Madison University**
 - *College of Integrated Science and Technology, Phase II.* Provides \$28.0 million GF for the completion of the second academic building on the CISAT campus of JMU.
- **College of William & Mary**
 - *Swem Library.* Provides \$24.0 million for the renovation of and addition to Swem Library.

- **Virginia Community College System**
 - *Midlothian Campus of John Tyler Community College.*
Provides \$296,000 GF for equipment at the new Midlothian campus.

