

Overview of Chair's Introduced Appropriation Bills 2024 Special Session I

June 18, 2024

SB 6008 Amendments to Chapter 2, 2024 Special Session I

- Skill games legislation that includes:
 - Regulation and oversight at Lottery.
 - Part 3 transfer of \$112.5 million the second year from the PreK-12 Priority Fund to the general fund. Transfer supports the Direct Aid appropriation in Chapter 2, 2024 Special Session I.
 - Chapter 2, 2024 Special Session I, does not enumerate the transfer amount to the State Comptroller.
 - SB 6005 provides a \$20.0 million treasury loan for Lottery's costs prior to fee and tax revenue.

SB 6008 – Skill Games Provisions

Item	
Tax Rate on Gross Profits	25%
Distribution of Tax Revenue	75% PreK-12 Priority Fund 15% Host Localities 6% Lottery Admin Costs 2% Problem Gambling Fund 1% State Police 1% Primary Local Law Enforcement
Number of Machines Statewide	Up to 35,000
Machines per Location	4 per non-truck stop, 7 per truck stop; All locations are either an ABC retail license or licensed Lottery agent
Central Accounting System	Required
Referendum	Localities may opt-out from hosting devices; initiated by either local governing board or voters

SB 6005 Amendments to Chapter 2, 2024 Special Session I

Amendment (\$ in millions)	FY 2025	FY 2026
Revenue: Adjust Front Page for Pool Supplement Bond Proceeds and Technical Corrections to Reflect Chp. 2, 2024 Special Session I, Actions	Language	Language
DGS: Correct Rent Plan Rate for FY 2025	Language	-
VEDP: Use Comm. Opp. Fund for Econ. Dev. Project Obligation (Blue Star)	Language	Language
TAX: Clarify Use of Private Contract Collector Fund	Language	Language
DMAS: Clarify Contract Authority for Centralized Mail Services	Language	Language
DMAS: Clarify Contract Authority for Eligibility Determination Automation	Language	Language
Lottery: Authorize \$20.0 M Treasury Loan for Skill Games Administration	Language	Language
Capital: 2024 Higher Education Pool Supplement (*VCBA Tax-Supported Debt)	\$61.5*	-
Part 4: Virginia Military Survivors and Dependents Education Program	Language	Language
Total	\$61.5*	-

SB 6005 - Front Page & Capital Outlay Technical

Front Page:

- Reflects the accurate biennial total for the general fund revenue estimate, included in Chapter 2, 2024 Special Session I.
- Reflects the authorized Part 3 Lottery Proceeds transfer amount in FY 2025, included in Chapter 2, 2024 Special Session I.
- Reflects additional bond proceeds authorized in C-50.10 to supplement the 2024 Higher Education Capital Pool.

Capital Outlay:

- Provides \$61.5 million in VCBA tax-supported bonds to supplement the 2024 Higher Education Capital Pool. The authorized pool funding is insufficient for all the authorized projects, and this supplement ensures sufficient funding is available.

SB 6005 - Other Technical Amendments

- **Economic Development Project Obligation** - Authorizes VEDP to use up to \$3.7 million from the Commonwealth Opportunity Fund for the payment due under the existing agreement to reimburse Wythe County for completed infrastructure improvements. This is related to Blue Star's nitrile glove manufacturing facility project, which is no longer moving forward.
- **Department of Medical Assistance Services Administrative Contracts** - Funding was included in Chapter 2 to centralize mailroom activities and to increase automation of Medicaid eligibility determinations; however, no specific budget language was included. The amendment sets out the purpose of the funding.
- **Correct State Agency Rent Rate for FY 2025** - The rent rate paid by state agencies for office space was increased in FY 2025 to \$18.70 per square foot to reflect lower rent collected due to Monroe building tenants moving to leased space. Since the plan for the Monroe building has been modified, the amendment reduces the rate back to \$15.96 per square foot until a new analysis of the state rent plan is completed.
- **Use of Private Collection Agency Funds for Systems** - Restores language to clarify that the use of private collection agency revenue by the Department of Taxation, which is GF revenue, is only for audit and collections systems.

SB 6005 - Virginia Military Survivors and Dependents Education Program (VMSDEP)

Changes to language from Chapter 2, 2024 Special Session I:

- Exempt survivors and dependents of a military service member who, while serving as an active duty member in the Armed Forces of the United States, Reserves of the Armed Forces of the United States, or Virginia National Guard, during military operations against terrorism, on a peacekeeping mission, as a result of a terrorist act, or in any armed conflict, was killed, became missing in action, or became a prisoner of war, or of a veteran who, as a direct result of such service, has been rated by the U.S. Department of Veterans Affairs as totally and permanently disabled or at least 90 percent permanently disabled and has been discharged or released under conditions other than dishonorable.
- Exempt other waiver programs, including line of duty tuition waiver benefits.
- Clarify that individuals approved for the Program by the Department of Veterans Services by 2024 and enrolled in Summer or Fall 2024 courses are exempt.
- Require SCHEV to issue guidelines by August 1, 2024.
- Require JLARC to conduct a study of the Program and issue recommendations by November 1, 2024.

SB 6005 – Proposed JLARC VMSDEP Study Language

- Provides for a review of the Program to determine long-term sustainability, including:
 - Analysis of participant data;
 - Assessment of waiver costs reported by institutions;
 - Identification of practices to support education and other benefits for veterans and families in other states; and
 - Methods to estimate enrollment and costs.
- Report recommendations are due by November 1, 2024.