

Governor Warner's Executive Amendments to the Budget for FY02, and the 2002-2004 Biennium

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Governor Warner's Principal Budget Objectives

1. Strengthen the state's funding commitment to education.
2. Maintain the safety net for Virginia's most vulnerable citizens.
3. Preserve basic health benefits for state employees.
4. Strengthen Virginia's preparedness to respond to terrorism.
5. Address the long-term structural imbalance in Virginia's budget.

1. Funding Commitment to Education

Public Education

- Restore one half of school construction grants in FY03 and FY04 (\$27.5 million each year).
- Provide additional lottery profits to school divisions (\$1.9 million in FY02, \$3.6 million in FY03, and \$2.2 million in FY04).
- Restore \$10.0 million to the Literary Fund for interest rate subsidies in FY04.
- Fully fund the K-3 primary class size reduction program (\$0.7 million in FY03 and \$0.5 million in FY04).
- Pass on to localities savings that accrue from reducing the contribution rates for group life insurance (over \$9.0 million).
- Fully fund bonuses for teachers who meet certification requirements for the National Board of Professional Teaching Standards (\$2.7 million over three years).

Higher Education

- Allow state colleges and universities some flexibility in using tuition, and restore a portion of the reductions proposed in the introduced budget.
 - Allow colleges and universities to increase tuition by up to five percent per year, and use a portion of the increase to offset budget cuts.
 - Restore a portion of the budget reductions proposed in the introduced budget (\$4.4 million in FY03 and \$24.4 million in FY04).

2. Reinforce Safety Net

- Comprehensive Services Act (CSA):
 - Restore a portion of the reductions for the Comprehensive Services Act (\$5.7 million in FY03, and \$6.6 million in FY04).
 - Re-establish current local match requirement for the initial allocation of CSA funding. Subsequent allocations would have 50 percent match.
- Add funding to provide medical insurance to more eligible children through the Family Access to Medical Insurance Program (FAMIS) Program (\$2.2 million).
- Create an independent agency to oversee and protect the rights of Virginians with disabilities.

3. Basic Health Benefits for State Employees

- Retain basic health benefits for state employees (\$16.2 million in FY03 and \$18.7 million in FY04).

<i>Premium Increases:</i>	
HB/SB Introduced:	Executive Amendments:
Single Coverage: \$2 per month increase (Approximately 11 percent increase)	Single Coverage: Only \$1 per month increase (Approximately 5 percent increase)
Family Coverage: \$25 per month increase (Approximately 11 percent increase)	Family Coverage: Only \$11 per month increase (Approximately 5 percent increase)

<i>Medical Benefit Design:</i>	
HB/SB Introduced:	Executive Amendments:
Increase co-insurance - 20% (Currently 10%).	Continue co-insurance at 10%.
Institute deductible of \$50 per individual, max of \$150 per family for FY 2003. \$100 per individual, max of \$300 per family in FY 2004.	No deductible.
Increase out-of-pocket maximum to \$2,000 per individual for a max of \$6,000 per family.	Retain out-of-pocket maximum at current level (\$1,000 per individual, max of \$3,000 per family)
Increase co-pays: \$20 PCP (Currently \$15) \$30 Specialist (Currently \$25)	Retain the proposed increases.
Adds periodic wellness check-ups.	Retains periodic wellness check-ups.

<i>Pharmaceutical Benefit Design:</i>	
HB/SB Introduced:	Executive Amendments:
Creates a three-tier system with the following co-pay structure: Retail (per 34-day supply) \$15 - generic \$20 - mid-cost brand \$35 - high-cost brand Mail Order (per 90-day supply) \$18 - generic \$33 - mid-cost brand \$63 - high-cost brand	Retain the proposed three-tier system.
(Current drug plan: \$15-retail, \$30-retail for 35-90 day supply, \$23-mail order for 90 day supply)	

- Establish a long-term care benefit for state employees participating in the Virginia Sickness and Disability Program (\$3.5 million in FY03 and \$3.7 million in FY04).

4. Strengthen Virginia's Preparedness

- Governor Gilmore's Virginia Preparedness and Security Panel presented 75 recommendations totaling several hundred million dollars to address needs in this area.
 - The introduced budget proposed \$20.2 million.

- Governor Warner's proposed amendments add \$23.8 million for terrorism preparedness and response initiatives, bringing the total to \$44.0 million.
 - \$4.0 million in FY02, \$15.0 million in FY03, and \$25.0 million in FY04.

- These funds will be used to:
 - FY02: Continue development of the State Police communications system (STARS) and secure the Commonwealth's right to certain radio frequencies.
 - FY03: Provide additional state troopers and criminal investigators as an initial step toward establishing a Special Operations division within the State Police; provide equipment grants, support and training for local search and rescue teams and other First Responders; strengthen bio-containment efforts, epidemiological investigations and infectious disease detection and prevention efforts, as well as improve emergency planning and increase Port Security.
 - FY04: Continue the phase-in of these initiatives, as well as provide for additional State Police positions and equipment grants.

- Funds for the expanded preparedness initiative would come from a \$2 increase in vehicle registration fees, a \$5 filing fee on deed recordation, and balances from uninsured motorist fees.

5. Address the Long-Term Structural Budget Problem

- Reduce the budget's dependence on one-time revenues and savings. Reduce the transfer to the general fund of resources dedicated for specific purposes.
 - Eliminate the diversion of sales tax from the Transportation Trust Fund in FY04 (\$335.6 million).
 - Eliminate the transfer of hunting and fishing license fees, watercraft sales and use tax, Port Authority revenues, and other nongeneral funds (\$36.5 million).
- Eliminate any requirement that retail dealers or employers remit taxes to the state before they have been collected.
 - Withholding: Eliminate proposed acceleration of withholding collections (\$78.0 million).
 - Sales Tax: In June, the largest 400 dealers (\$17.5 million in annual taxable sales) would remit an amount equal to 90 percent of sales tax collected in May. All other dealers would in June remit an amount equal to two-thirds of May collections (equivalent of collections through June 20th) (\$51.6 million).
- Establish a substantial unappropriated balance as a hedge against the re-forecast of general fund revenues that will occur in February 2002.
 - About \$100 million in FY02, FY03, and FY04.
- Restore \$10.0 million to the Literary Fund for interest rate subsidies in FY04.

Summary of General Fund Executive Amendments

	<i>\$ in millions</i>		
	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
Beginning balance	\$0	\$109.4	\$211.3
Resources:			
Introduced budget	\$12,342.1	\$12,158.9	\$12,747.6
Executive amendments	<u>(101.3)</u>	<u>93.6</u>	<u>(228.9)</u>
Total resources	\$12,240.8	\$12,252.5	\$12,518.7
Spending:			
Introduced budget	\$12,268.8	\$12,231.6	\$12,743.1
Executive amendments	<u>(137.4)</u>	<u>(81.0)</u>	<u>(322.5)</u>
Total spending	\$12,131.4	\$12,150.6	\$12,420.6
Ending balance	\$109.4	\$211.3	\$309.4

Overview of General Fund Executive Amendments

	<i>\$ in millions</i>		
	<i>FY 2002</i>	<i>FY 2003</i>	<i>FY 2004</i>
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Resources	\$(119.1)	\$46.6	\$(267.9)
Fees	\$0.2	\$42.1	\$41.1
Spending	\$(3.7)	\$(105.0)	\$(141.9)
Savings	<hr/> \$158.7	<hr/> \$190.9	<hr/> \$462.3
Total Executive Amendments	\$36.1	\$174.6	\$93.6

General Fund Executive Amendments: Resources

	<i>\$ in millions</i>		
	<i>FY 2002</i>	<i>FY 2003</i>	<i>FY 2004</i>
Restore sales tax to transportation	...	...	(\$335.6)
Eliminate acceleration of withholding payments	\$(78.0)	...	...
Revise accelerated sales tax collections	\$(51.6)	...	...
Eliminate scheduled withholding changes	...	...	\$31.8
Re-estimate certain tax exclusions	...	\$13.6	\$13.6
Revise lottery forecast	\$6.0	\$9.0	\$5.5
Sell surplus property – Corrections	...	\$9.6	...
Capture uninsured motorist fees	...	\$5.0	\$5.0
Establish Personal Property Tax Audit Unit	...	\$4.3	\$4.3
Pay VRS contributions quarterly	...	\$1.6	\$1.6
Limit tax credit for qualified securities	...	\$1.0	\$1.0
Revert capital outlay balances	\$2.2	...	...
Capture VASAP balances	\$2.0	...	...
All Other	\$0.3	\$2.5	\$4.9
Total	(\$119.1)	\$46.6	(\$267.9)

General Fund Executive Amendments: Fees

	<i>\$ in millions</i>		
	<i>FY 2002</i>	<i>FY 2003</i>	<i>FY 2004</i>
	<hr/>	<hr/>	<hr/>
Increase motor vehicle registration fees (terrorism)	...	\$15.0	\$15.0
Increase district court fees	...	\$14.0	\$13.0
Implement recordation fee	...	\$5.4	\$5.4
Increase VIPNet fees	\$0.2	\$5.0	\$5.0
Implement fees for drinking water tests	...	\$1.0	\$1.0
Increase fees for well and septic tank inspections	...	\$0.7	\$0.7
Re-inspection fees for restaurants	...	\$0.6	\$0.6
Increase notary's issuing fee	...	\$0.4	\$0.4
Total	<hr/> \$0.2	<hr/> \$42.1	<hr/> \$41.1

General Fund Executive Amendments: Spending

	<i>\$ in millions</i>		
	<i>FY 2002</i>	<i>FY 2003</i>	<i>FY 2004</i>
Restore school construction grants	...	\$27.5	\$27.5
Adjust higher education tuition policy	...	\$4.4	\$24.4
Increase funding for employee health insurance	...	\$16.2	\$18.7
Increase funding for terrorism response	\$(3.5)	\$10.0	\$17.3
Eliminate NGF across-the-board cuts	\$4.9	\$14.8	\$14.8
Reduce judicial across-the-board cuts	...	\$6.5	\$6.5
Revise match for Comprehensive Services Act	...	\$5.7	\$6.6
Restore funding to Literary Fund	...	...	\$10.0
Fund long-term care for state employees	...	\$3.5	\$3.7
Distribute additional lottery profits for public education	\$1.9	\$3.6	\$2.2
Increase funding for emergency medical services	...	\$3.2	\$3.2
Repay Dept. of Game and Inland Fisheries (loan, Big Survey, and sales tax)	...	\$3.8	\$0.8
Restore funding to Marine Resources	...	\$1.0	\$1.0
Increase funding for FAMIS Plan	...	\$1.0	\$1.2
Fund national standards teacher bonuses	\$0.3	\$0.9	\$1.5
All Other	\$0.1	\$2.9	\$2.5
Total	\$3.7	\$105.0	\$141.9

General Fund Executive Amendments: Savings

	<i>\$ in millions</i>		
	<i>FY 2002</i>	<i>FY 2003</i>	<i>FY 2004</i>
Defer salary increase for state employees, faculty, teachers, and local employees	...	\$75.5	\$134.6
Keep car tax relief program at 70%	...	...	\$118.8
Increase across-the-board cuts (3%, 7%, and 8%)	\$28.8	\$30.7	\$59.8
Fund group life for active employees only	...	\$25.1	\$26.5
Eliminate transportation debt service	...	...	\$26.9
Adjust SOQ payments for revised inflation	...	\$22.2	\$22.3
Use Literary Fund balances	\$53.0	...	...
Increase collections from VRS unclaimed property	\$34.0	\$6.0	...
Apply actuarial rate for VaLORS, SPORS, and JRS in FY 2002	\$21.2	\$(3.2)	\$(3.3)
Capture NGF and Constitutional Officers VRS savings	\$11.0	\$8.8	\$9.2
Capture operating efficiencies in Corrections	...	\$2.8	\$10.1
Modify funding for Youth Offices and Juvenile Crime Control Act programs	...	\$8.7	\$8.4
Use NGF for indigent care	...	...	\$8.7
Reduce payments to Advanced Shipbuilding and Carrier Integration Center	\$3.0	\$(4.0)	\$10.0
Capture unneeded solar photovoltaic grants	...	...	\$5.1
Adjust funding for semiconductor manufacturing performance grant	\$4.8
Recover local jail costs (federal prisoners)	...	\$4.5	\$4.5

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General Fund Executive Amendments: Savings

	<i>\$ in millions</i>		
	<i>FY 2002</i>	<i>FY 2003</i>	<i>FY 2004</i>
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Discontinue separate teaching materials funding	...	\$3.2	\$3.2
Changes in enrollment K-3 class size	\$2.4	\$(0.7)	\$(0.5)
Defer SOL web-based testing	...	\$3.0	\$0.4
Reduce funding for public service centers	...	...	\$1.6
Defer microelectronics initiative	...	\$0.7	\$1.3
Lower increase for student financial assistance	...	\$1.1	\$1.4
Consolidate Best Practice Centers	...	\$0.4	\$1.0
All Other	\$5.3	\$6.1	\$7.5
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Total Savings	\$158.7	\$190.9	\$462.3

Major Language Amendments

Agency	Description
Institutions of Higher Education	<p>Adjust higher education tuition policy</p> <p>This amendment modifies language in General Provisions, adjusting the higher education tuition policy to reduce the amount institutions may raise tuition to partially offset budget reductions, and to place certain conditions on the institutions.</p>
Department of Game and Inland Fisheries	<p>Repay loan for the purchase of the Big Survey property</p> <p>This amendment provides \$3.0 million from the sale of surplus property to pay off the treasury loan the department used to purchase the Big Survey Property.</p>
Department of Game and Inland Fisheries	<p>Eliminate transfer from Game Protection fund to the Marine Resources Commission</p> <p>This amendment eliminates the required transfer of \$1.0 million from the Department of Game and Inland Fisheries, from watercraft sales and use tax revenue, to the Marine Resources Commission.</p>
Compensation Board	<p>Clarify per diem reimbursement for consecutive sentences</p> <p>Currently the Compensation Board reimburses local and regional jails at the state responsible per diem rate for inmates that have felon and misdemeanor sentences, that when combined, total 12 months. The state responsible inmate forecast used to develop the budget does not identify this population as state responsible since the total state time (felon sentences) is 12 months or less. This language amendment clarifies that the state responsible per diem rate is only paid for consecutive felony sentences greater than 12 months.</p>
Central Appropriations	<p>Eliminate language that establishes priorities for use of additional General Fund revenue</p> <p>This amendment removes language regarding use of surplus general fund revenue collection.</p>
Department of Medical Assistance Services	<p>A long-term plan to reduce Medicaid costs</p> <p>The strategies formulated to generate the savings proposed by this language will be established as a part of a long-term plan to reduce Medicaid costs for hospital, nursing home, and pharmacy services.</p>

Agency	Description
Department of Mental Health, Mental Retardation and Substance Abuse	<p>Revise mental health restructuring language</p> <p>This amendment revises the language included in the introduced budget for the restructuring of the mental health system. The new language emphasizes a thorough assessment by an implementation and transition team, which will include all affected parties, for any facility being considered for restructuring. The team will submit its plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees.</p>
Secretary of Transportation	<p>Provide report to the Governor on revenue estimates</p> <p>This amendment instructs the Secretary of Transportation to submit a report, on or before June 30, 2002, to the Governor and the Secretary of Finance on the most recent transportation revenue estimates. In addition, the report shall include, but may not be limited to, possible revenue adjustments to the Department of Transportation's construction and maintenance programs, as well as to any other changes that may impact the Department of Transportation, or other agencies under the Secretary of Transportation, based on revised estimates. The Secretary of Transportation shall inform the Chairmen of the House Appropriations Committee and the Senate Finance Committee of the details of this report.</p>
State Police	<p>Authorize negotiations for a statewide radio system</p> <p>Through this language amendment, the Department of State Police would be authorized to enter into contract negotiations to permit the reporting of firmer funding requirements for the land mobile statewide radio system in the FY 2003 General Assembly session.</p>
Virginia Port Authority	<p>Require approval by Governor prior to issuance of port bonds</p> <p>Requires the Governor to approve any issuance of Commonwealth Port Fund bonds to ensure port transportation revenues are sufficient to support the bonds proposed for issuance.</p>
Secretary of Public Safety	<p>Plan for best utilization of Culpeper correctional facility</p> <p>This amendment directs the Secretary of Public Safety to develop a plan for the best utilization of the facility now operated by the Department of Juvenile Justice in Culpeper County to house juveniles committed to the department. Before any plan can be implemented, the Governor must approve it.</p>

Governor Warner's Executive Amendments: Resources

Executive Amendments: Resource Actions

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Adjust general fund revenue estimates	Funds proposed for transfer to the general fund in fiscal year 2004 will now remain in the Department of Transportation.	\$0	\$0	(\$335,600,000)	\$0	\$0	\$0
Adjust seed funding for 400th Anniversary of Jamestown Settlement	This amendment adjusts seed funding for the 400th Anniversary of the Jamestown Settlement. In the introduced budget, \$1 million is provided through FY 2004 general fund balances. In addition, Treasury loan authority in the amount of \$5 million is provided to the agency in FY 2003. This adjustment removes the \$1 million in balances. The \$5 million Treasury loan will provide sufficient seed funding.	\$0	\$0	\$1,000,000	\$0	\$0	\$0
Allow the Department of Corrections to sell surplus property	This amendment allows the Department of Corrections to sell unneeded surplus property and to deposit the proceeds from these sales to the general fund.	\$0	\$9,565,895	\$0	\$0	\$0	\$0
Amend the accelerated collection of the sales and use tax	This amendment reduces the general fund revenue forecast to reflect a change in the proposal to accelerate sales tax revenue. With this change, dealers with annual sales in excess of \$17.5 million will remit in June an amount equal to 90 percent of May sales tax collections. All other dealers will remit an amount equal to two-thirds of May sales tax collections (the equivalent of collections through June 20th).	(\$51,600,000)	\$0	\$0	\$0	\$0	\$0
Apply reductions to administrative services in the Department of Information Technology	This amendment applies three, seven, and eight percent across-the-board reductions to the administrative services function in the Department of Information Technology. Previously the Department of Information Technology was exempted from the across-the-board reductions.	\$156,203	\$364,473	\$416,541	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Capture anticipated balances from the Virginia Juvenile Community Crime Control Act projects	This action captures the anticipated FY 2003 and FY 2004 balances found in the Virginia Juvenile Community Crime Control Act (VJCCCA) programs.	\$0	\$500,000	\$500,000	\$0	\$0	\$0
Capture capital outlay project balances from the renovation of the Finance Building	This amendment captures the balances in a capital project for the renovation of the Finance Building. These balances are insufficient to complete the work for which they were appropriated.	\$1,000,000	\$0	\$0	\$0	\$0	\$0
Capture excess balances	This amendment captures excess balances from the special fund of the Commission on the Virginia Alcohol Safety Action Program.	\$2,000,000	\$0	\$0	\$0	\$0	\$0
Capture the nongeneral fund portion of Group Life rate reductions	This amendment captures nongeneral fund savings resulting from funding only the active employee portion of the group life program for state employees.	\$0	\$7,115,687	\$7,425,066	\$0	\$0	\$0
Capture the nongeneral fund portion of retirement contribution rate reductions	This action captures the nongeneral fund portion of savings in employer retirement contribution rates resulting from using the actuarial determined rates which were based on a valuation of retirement system assets and liabilities as of June 30, 2001.	\$9,747,125	\$7,619,310	\$7,950,579	\$0	\$0	\$0
Change monthly VRS contributions to quarterly contributions	This amendment reflects a change under which State agencies and institutions of higher education will make quarterly rather than monthly contributions to the Virginia Retirement System. This will allow additional interest to be earned on the balances.	\$0	\$1,618,840	\$1,618,840	\$0	\$0	\$0
Eliminate acceleration of withholding tax revenue collections	This amendment reduced the general fund revenue forecast to reflect elimination of the proposal to accelerate the collection of withholding taxes. A language amendment deletes language in HB 29 and HB 30.	(\$78,000,000)	\$0	\$0	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Eliminate funding for construction of emergency egress from Eighth Street Office Building	This amendment captures balances in a capital project for the Eighth Street Office Building. These balances are insufficient to complete the work for which they were appropriated. The construction of this project has also been delayed because of future plans to demolish the Eighth Street Office Building.	\$475,000	\$0	\$0	\$0	\$0	\$0
Eliminate funding for construction of emergency egress from Ninth Street Office Building	This amendment captures balances in a capital project for the Ninth Street Office Building. These balances are insufficient to complete the work for which they were appropriated. The department now estimates that the project would cost in excess of \$3.0 million.	\$705,000	\$0	\$0	\$0	\$0	\$0
Eliminate withholding changes included in introduced budget bill	This amendment adjusts general fund revenue to reflect the proposed repeal of withholding tax changes slated to go into effect on January 1, 2003, pursuant to Chapter 501 and 553, 2000 Acts of Assembly	\$0	\$0	\$31,800,000	\$0	\$0	\$0
Establish the Personal Property Tax Relief Act audit and compliance program	This amendment reflects the creation of an ongoing Audit Compliance Program under which the Tax Department will identify those individuals who have received personal property tax relief for unqualified vehicles.	\$0	\$4,250,000	\$4,250,000	\$0	\$0	\$0
Implement recordation fee	This amendment adjusts general fund revenues to reflect a five dollar fee which will be assessed on each deed admitted to record on or after July 1, 2002. These funds will be used for terrorism preparedness and homeland security. A companion language amendment in Part 3 of the budget bill imposes this fee.	\$0	\$5,430,000	\$5,430,000	\$0	\$0	\$0
Increase administrative fees for sale of department records through VIPNet	This amendment adjusts general fund revenues to reflect a \$1 increase in the fee assessed for each VIPNet record transaction. The current fee is \$5.	\$166,000	\$5,000,000	\$5,000,000	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Increase district court processing and filing fees	This amendment adjusts general fund revenues to reflect a 44 increase in the District Court processing and filing fees. Currently this portion of the criminal and traffic processing fees are \$22 and civil filing fees are \$12 dollars. Fees would be increased to \$26 and \$16 respectively.	\$0	\$14,000,000	\$13,000,000	\$0	\$0	\$0
Increase motor vehicle registration fees by two dollars	This amendment adjusts general fund revenues to reflect a \$2 increase in motor vehicle registration fees. The additional funds will be appropriated for the use of these funds for EMS and anti-terrorism activities.	\$0	\$15,000,000	\$15,000,000	\$0	\$0	\$0
Increase the collection of VRS unclaimed property from \$50 million to \$90 million	This amendment adjusts general fund revenue to reflect an estimate that an additional \$40 million of Virginia Retirement System dormant accounts will be cleared, and the liabilities eliminated. This increases the projected amount from \$50 million to \$90 million. A portion of this additional \$40 million will come from nongeneral fund sources. This amendment captures the nongeneral fund portion of the savings.	\$12,827,302	\$7,168,654	\$0	\$0	\$0	\$0
Increase unrefunded motor fuel tax recovery amount for Chesapeake Bay programs	This action proposes to increase the amount of funding recovered to the general fund from unrefunded marine motor fuel taxes. Owners of certain motorized watercraft are statutorily allowed to recover fuel taxes associated with fuel purchased for their watercraft. Many watercraft owners do not request recovery of these taxes. Recognizing this, the state has identified an unrefunded motor fuel tax recovery amount to deposit to the general fund to help offset general fund costs to the state for operating programs to cleanup and protect the Chesapeake Bay. This amendment proposes to increase the recovery amount by \$1 million annually.	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Increases notary's fee for issuing and renewing a commission	This amendment adjusts general fund revenues to reflect an increase to \$35 in the issuance and renewal fee for a notary's license. Approximately 45,000 notary licenses come up for renewal each year. The fee for this service has remained unchanged since the 1979 legislative session, and before that, was set at \$35.	\$0	\$400,000	\$400,000	\$0	\$0	\$0
Limit the sales tax exemption for Internet-access service providers	This amendment increases general fund revenue by limiting to 80 percent the sales and use tax exemption available to Internet-access service providers for the purchase of production, distribution, and other equipment used to provide Internet-access services. This limit applies to purchases made between July 1, 2002, and June 30, 2004. A companion language amendment in Part 3 of the budget bill limits this tax credit.	\$0	\$520,000	\$520,000	\$0	\$0	\$0
Limit the tax credit for qualified equity and subordinated debt investments	This amendment increases general fund revenue by limiting for taxable years beginning on or after January 1, 2001, but before January 1, 2003, the amount of the Qualified Equity and Subordinated Debt Investments Tax Credit to \$4 million for a calendar year. A companion language amendment in Part 3 of the budget bill limits this tax credit.	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$0
Limit the tax credit on retaliatory costs paid by insurance companies	This amendment increases general fund revenue by limiting the amount of the tax credit for retaliatory cost paid to other states to 80 percent of the amount paid for license years beginning on or after July 1, 2003, but before July 1, 2005. A companion language amendment in Part 3 of the budget bill limits this tax credit.	\$0	\$480,000	\$480,000	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Reduce payment to State Corporation Commission for disbursement to insurance companies	This action would reduce the amount transferred to private companies via the SCC and allow the Commonwealth to regain its historical share of the fees. These funds are derived from the payment of uninsured motorist fees to the department. Through substantially improved collection processes and techniques, the department has in the past two or three years more than doubled the fees collected from approximately \$8 million to \$20 million annually. The Commonwealth used to retain approximately 50 percent of these fees. While the fees collected has grown, the Commonwealth's share has steadily decreased and the insurance companies have received the greatest benefit of the growth. This additional funding is also proposed to be deposited to the general fund in support of anti-terrorism related programs.	\$0	\$5,000,000	\$5,000,000	\$0	(\$5,000,000)	(\$5,000,000)
Reestimate tax exclusions	This amendment reflects a re-estimate of the fiscal impact of the income tax credit for low income individuals and the exclusion from taxation of a portion of military pay.	\$0	\$13,600,000	\$13,600,000	\$0	\$0	\$0
Reflect recovery of federal funds for unbudgeted fire suppression activities	This action is needed to increase the revenue estimate on page one of House Bill 30. House Bill 29 includes an authorized deficit of up to \$2 million for the Department of Forestry. The authorized deficit is for unbudgeted fire suppression costs incurred in fiscal year 2002 due to an unusually robust fall forest fire season. It is anticipated that the agency will receive a payment of \$1 million in fiscal year 2003 from the federal government to help offset these costs. The funds will be deposited to the general fund.	\$0	\$1,000,000	\$0	\$0	\$0	\$0
Remove nongeneral fund across-the-board reductions	This amendment removes the across-the-board for nongeneral fund agencies included in Section 3 1.01 of HB/SB 29 and 30 as introduced.	(\$4,919,837)	(\$14,788,244)	(\$14,788,244)	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Revise amount assessed for nongeneral fund portion of expenses incurred by central service agencies	This amendment is a technical adjustment to ensure that transfers in Part 3 of the Appropriation Act do not capture funds artificially inflated by indirect cost recoveries.	\$0	(\$356,980)	(\$356,980)	\$0	\$0	\$0
Revise estimated transfer from the State Lottery Fund	This amendment increases the estimated transfer from the State Lottery Fund to the general fund.	\$6,000,000	\$9,000,000	\$5,500,000	\$0	\$0	\$0
Transfer COVANET Savings	This amendment captures COVANet savings attributed to the downsizing of the eGovernment Division in the Department of Technology Planning.	\$0	\$878,652	\$957,079	\$0	\$0	\$0
Transfer funding to use for state parks	This amendment designates \$1.8 million from the proceeds of surplus property for the Conservation Resources Fund, to be used for the acquisition and development of state parks.	\$0	(\$1,782,948)	\$0	\$0	\$0	\$0
Transfer FY 2001 special fund balances to the general fund	This amendment will capture \$170,393 in special fund balances from FY 2001 and transfer that amount to the general fund in FY 2002.	\$170,393	\$0	\$0	\$0	\$0	\$0
	Total	(\$101,272,814)	\$93,583,339	(\$228,897,119)	\$0	(\$5,000,000)	(\$5,000,000)

Governor Warner's Executive Amendments: Spending

Executive Amendments: Spending Actions

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Administration							
Compensation Board	<p>Adjust constitutional officers retirement reimbursements to reflect new VRS contribution rates</p> <p>A net savings is produced for the Commonwealth by applying new Virginia Retirement System contribution rates to the constitutional officers overseen by the Compensation Board.</p>	(\$1,260,601)	(\$1,208,697)	(\$1,208,697)	\$0	\$0	\$0
Compensation Board	<p>Modify Compensation Board out-of-state inmate cost recovery methodology for state-funded personnel</p> <p>Chapter 1073 (Item 64, J.1.) mandates that the Compensation Board recover 50 percent of the federal share of state-funded personnel costs based upon the ratio of "contract" federal prisoners to total prisoners held in local and regional jails. This amendment provides a revised methodology which will establish the per diem recovery rate for each jail's fiscal year as the state's reimbursed rate for personal services for the individual jail (as reported in the latest Jail Cost Report). This change permits the Commonwealth to be reimbursed for its share of the personal services costs that had been paid for housing local and state responsible inmates.</p>	\$0	(\$4,500,000)	(\$4,500,000)	\$0	\$0	\$0
	Compensation Board Total	(\$1,260,601)	(\$5,708,697)	(\$5,708,697)	\$0	\$0	\$0
Department for the Rights of Virginians with Disabilities	<p>Eliminate Department for the Rights of Virginians with Disabilities</p> <p>This amendment eliminates the department from the executive branch and creates an independent agency renamed the Virginia Office for Protection and Advocacy</p>	\$0	(\$211,733)	(\$211,957)	\$0	(\$1,963,285)	(\$1,963,285)
	Department for the Rights of Virginians with Disabilities Total	\$0	(\$211,733)	(\$211,957)	\$0	(\$1,963,285)	(\$1,963,285)

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Department of General Services	Establish user fees for drinking water tests This amendment substitutes user fees for the general fund dollars supporting the drinking water tests performed by the Division of Consolidated Laboratory Services (DCLS). The division analyzes water samples from approximately 1,100 small and 35 medium-sized water suppliers. These suppliers are required to submit samples for testing by federal and state regulations created pursuant to the federal Safe Drinking Water Act.	\$0	(\$1,020,000)	(\$1,020,000)	\$0	\$0	\$0
	Department of General Services Total	\$0	(\$1,020,000)	(\$1,020,000)	\$0	\$0	\$0
Department of Veterans' Affairs	Provide grant for World War II Memorial This amendment appropriates general fund dollars in the first year to the World War II Memorial Campaign. The total sum committed to the memorial's construction represents one dollar for every Virginian who served in the armed forces during World War II.	\$0	\$334,000	\$0	\$0	\$0	\$0
	Department of Veterans' Affairs Total	\$0	\$334,000	\$0	\$0	\$0	\$0
Central Appropriations							
Central Appropriations	Adjust funding for semiconductor manufacturing performance grant programs This amendment adjusts funding for the semiconductor manufacturing performance grant programs. This amendment also includes language that states that it is the intent that funding for the semiconductor manufacturing performance grant programs will be provided in the FY 2004-2006 biennium.	\$0	\$0	(\$4,860,000)	\$0	\$0	\$0
Central Appropriations	Adjust higher education tuition policy This amendment modifies language in Central Appropriations, adjusting the higher education tuition policy to a) reduce the amount institutions may raise tuition; b) reduce the amount that will be transferred to the general fund; and c) place certain conditions on the institutions.	\$0	\$4,396,378	\$24,392,876	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Central Appropriations	Apply actuarially calculated retirement rates for VaLORS, SPORS, and JRS to FY 2002 Applies the new rates calculated for 2002-04 for the VaLORS, SPORS, and JRS programs to FY 2002. HB/SB 29 and 30 as introduced reflects this retroactive application to state employee retirement only. Rates are based on the actuary's valuation of the retirement system's assets and liabilities as of June 30, 2001. Applying the rates to FY 2002 results in higher rates in the next biennium.	(\$21,206,253)	\$3,214,611	\$3,354,380	\$0	\$0	\$0
Central Appropriations	Delay funding for anti-terrorist initiatives Delays some funding included in the Caboose Bill for anti-terrorism response initiatives, to reflect a more realistic assessment of when the funds will be required..	(\$3,500,000)	\$0	\$0	\$0	\$0	\$0
Central Appropriations	Eliminate salary increases for state and local employees This amendment eliminates the proposed two percent salary increase for state employees and state-supported local employees in FY 2003. A companion amendment eliminates the salary increases for public school teachers.	\$0	(\$30,748,690)	(\$55,741,789)	\$0	\$0	\$0
Central Appropriations	Freeze car tax at the current level Freezes the car tax reimbursement rate to localities at the current level of 70 percent for fiscal years 2002, 2003, and 2004.	\$0	\$0	(\$118,826,165)	\$0	\$0	\$0
Central Appropriations	Fully fund only the active employee portion of the group life program for state employees This amendment provides funding to cover only the cost of term life insurance for active state employees. The retiree portion of the group life program for state employees would be funded from available assets.	\$0	(\$12,900,062)	(\$13,460,937)	\$0	\$0	\$0
Central Appropriations	Fund long-term care for state employees in the Virginia Sickness and Disability Program This amendment provides funding for an increase in contribution rates for the Virginia Sickness Disability Program to cover the implementation of this new program.		\$3,516,553	\$3,669,446			
Central Appropriations	Increase appropriation for higher education operating funds based on an estimated five percent tuition and fee increase. This amendment appropriates nongeneral fund revenue resulting from tuition and fee increases.	\$0	\$0	\$0	\$0	\$38,703,622	\$80,386,160

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Central Appropriations	<p>Increase general fund across-the-board reduction for executive branch agencies to three percent, seven percent, and eight percent</p> <p>This amendment increases the general fund across-the-board reductions for agencies assigned to the executive branch. The FY 2002 reduction is increased from two percent to three percent, the FY 2003 reduction from six percent to seven percent, and the FY 2004 reduction from six percent to eight percent.</p>	(\$28,836,891)	(\$30,744,453)	(\$59,811,310)	\$0	\$0	\$0
Central Appropriations	<p>Increase the collection of VRS unclaimed property from \$50 million to \$90 million</p> <p>This amendment anticipates that an additional \$40 million of Virginia Retirement System unclaimed property will not be located. This increases the projected amount from \$50 million to \$90 million. This amendment captures the general fund portion of the savings.</p>	(\$21,159,323)	\$1,223,980	\$0	\$0	\$0	\$0
Central Appropriations	<p>Provide funding for terrorism preparedness and homeland security</p> <p>This amendment supports the development of core capacity needed for preparation and response.</p>	\$0	\$10,030,600	\$17,253,000	\$0	\$0	\$0
Central Appropriations	<p>Reduce funding for research and public service centers and projects</p> <p>This amendment reduces funding for research and public service centers and certain projects at institutions of higher education. These amounts are based on a 10 percent reduction in FY 2004 to such activities, with the expectation that these centers will move toward external funding by FY 2004.</p>	\$0	\$0	(\$1,637,459)	\$0	\$0	\$0
Central Appropriations	<p>Reduce funding for the visitors technology program</p> <p>This amendment reduces FY 2002 funding for the Virginia Tourism Authority's visitors technology program from \$1,500,000 to \$573,000.</p>	(\$927,000)	\$0	\$0	\$0	\$0	\$0
Central Appropriations	<p>Increase funding for the state employee health insurance program</p> <p>Eliminates the proposed 20 percent co-payment on inpatient and outpatient services, eliminates the proposed \$50 deductible on services, and reduces employee premium increases to five percent of the current rates.</p>	\$0	\$16,212,797	\$18,703,060	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
	Central Appropriations Total	(\$75,629,467)	(\$35,798,286)	(\$186,964,898)	\$0	\$38,703,622	\$80,386,160
Central Capital Outlay Appropriations	Supplant general fund maintenance reserve funding with excess interest earnings This amendments offsets general fund capital dollars for maintenance reserve with excess interest earnings on 1992 General Obligation Bond proceeds.	(\$1,500,000)	\$0	\$0	\$1,500,000	\$0	\$0
	Central Capital Outlay Appropriations Total	(\$1,500,000)	\$0	\$0	\$1,500,000	\$0	\$0
Commerce and Trade							
Department of Mines, Minerals and Energy	Adjust funding for solar photovoltaic manufacturing incentive grant program This amendment removes excess funding in fiscal year 2004 for the solar photovoltaic manufacturing incentive grant program, based on revised estimates. This program encourages companies developing new solar photovoltaic manufacturing facilities to locate in Virginia.	\$0	\$0	(\$5,050,000)	\$0	\$0	\$0
	Department of Mines, Minerals and Energy Total	\$0	\$0	(\$5,050,000)	\$0	\$0	\$0
Virginia Economic Development Partnership	Adjust operating funds for the Virginia Advanced Shipbuilding and Carrier Integration Center This amendment reduces the FY 2002 appropriation for operations of the Virginia Advanced Shipbuilding and Carrier Integration Center from \$7.0 million to \$4.0 million. It also provides \$4.0 million in FY 2003 and reduces the FY 2004 appropriation for such operations from \$14.0 million to \$4.0 million. The amendment also includes language that states that it is the intent that funding for Center operations will be continued in the 2004-2006 biennium.	(\$3,000,000)	\$4,000,000	(\$10,000,000)	\$0	\$0	\$0
	Virginia Economic Development Partnership Total	(\$3,000,000)	\$4,000,000	(\$10,000,000)	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Education							
Department of Education (Central Office administration only)	<p>Capture savings from Standards of Accreditation Academic Review Teams</p> <p>The state provided funding for the Academic Review Teams based on 213 schools requiring a review. Recent Standards of Learning (SOL) results indicate dramatic improvements in school scores (October 16 Department of Education press release indicates the number of Accredited with Warning schools has dropped to 130). Funding for these Academic Review Teams is currently \$1.6 million per year. This action would focus funding in the next biennium on schools most in need of assistance.</p>	\$0	(\$373,720)	(\$357,471)	\$0	\$0	\$0
Department of Education (Central Office administration only)	<p>Consolidate Best Practice Centers</p> <p>This action would consolidate the regional best practice centers from eight centers to four centers, effective at the end of the 2002 school year, based on a review of the needs of school divisions. These centers provide technical assistance to school divisions to enhance classroom instruction in an effort to improve their accreditation status.</p>	\$0	(\$432,000)	(\$1,008,000)	\$0	\$0	\$0
	Department of Education (Central Office administration only) Total	\$0	(\$805,720)	(\$1,365,471)	\$0	\$0	\$0
Direct Aid to Public Education	<p>Apply additional Lottery proceeds to the Lottery Hold Harmless distribution</p> <p>The state has increased its Lottery proceeds estimates for fiscal years 2002, 2003, and 2004 by \$6 million, \$9 million, and \$5.5 million respectively. The state normally distributes these additional proceeds based on state and local distribution of (60 percent state/40 percent local) with the local share counting against the Lottery Hold Harmless, which exists in FY 2002.</p>	(\$452,662)	\$0	\$0	\$0	\$0	\$0
Direct Aid to Public Education	<p>Authorize additional debt service in order to increase the FY 2003 equipment note debt issuance for completing the SOL Technology Initiative</p> <p>This additional debt service will enable the Department of Education to include several regional schools currently not covered by the debt issuance. The Literary Fund would finance the additional debt service.</p>	\$0	\$0	\$0	\$0	\$0	\$200,000

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Direct Aid to Public Education	<p>Capture participation rate savings in At-Risk Four-Year-Old Program in fiscal year 2004</p> <p>The introduced budget bill reduced funding for the At-Risk Four-Year-Old Program in fiscal year 2003 in order to capture the expected participation rate savings. This action would capture anticipated savings in the second year as well.</p>	\$0	\$0	(\$1,500,000)	\$0	\$0	\$0
Direct Aid to Public Education	<p>Defer the SOL web-based testing program until the Governor and staff have time to review the SOL program</p> <p>This action would defer for one year contracting with a vendor to provide web-based testing. This would grant the Department of Education an additional year to anticipate and correct any technical issues with going on-line with this program. Moreover, it enables school divisions to have their infrastructure fully operational and ready for testing in fiscal year 2004. The department would still have over \$1.3 million in fiscal year 2003 to move forward with other aspects of the program.</p>	\$0	(\$2,988,537)	(\$446,189)	\$0	\$0	\$0
Direct Aid to Public Education	<p>Discontinue separate funding for teaching materials</p> <p>In the introduced budget for the 2002-2004 biennium, separate funding for teaching materials was reduced by 50 percent (\$10 to \$5 per pupil). This action eliminates the remaining funding. School divisions will still receive textbook funding through the Standards of Quality distribution.</p>	\$0	(\$3,208,790)	(\$3,227,564)	\$0	\$0	\$0
Direct Aid to Public Education	<p>Distribute local share of additional Lottery proceeds</p> <p>The state has increased its Lottery proceeds estimates for fiscal years 2002, 2003, and 2004 by \$6 million, \$9 million, and \$5.5 million respectively. The state normally distributes these additional proceeds based on state and local distribution (60 percent state/40 percent local) with the local share counting against the Lottery Hold Harmless for FY 2002.</p>	\$2,400,010	\$3,555,338	\$2,175,380	\$0	\$0	\$0
Direct Aid to Public Education	<p>Eliminate salary increase for public school teachers</p> <p>This amendment eliminates the two percent increase for public school teachers scheduled to go into effect on December 1, 2002. A companion amendment removes salary increases for state employees, higher education faculty, and state supported local employees.</p>	\$0	(\$28,415,171)	(\$48,953,794)	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Direct Aid to Public Education	Establish the Virginia Career Education Foundation This action would provide funding to establish the Virginia Career Education Foundation, which will work to expand career and technical training in the public school system.	\$0	\$624,000	\$735,000	\$0	\$0	\$0
Direct Aid to Public Education	Fully fund National Board of Professional Teaching Standards bonuses The cost of funding the eligible teachers' bonuses exceeds the current appropriation of fiscal year 2002. In fiscal year 2002, 70 teachers are eligible for \$5,000 initial bonus and 53 teachers are eligible for the \$2,500 continuing bonus. The program is expected to grow in the next biennium as well. For fiscal year 2003, it is estimated that 138 teachers will be eligible for the \$5,000 initial bonus and 137 teachers eligible for \$2,500 continuing bonus. In fiscal year 2004, it is projected that 198 teachers will be eligible for the \$5,000 bonus and 275 for a \$2,500 bonus.	\$325,000	\$875,000	\$1,520,000	\$0	\$0	\$0
Direct Aid to Public Education	Fully fund only the active employee portion of the group life program (K-12) This amendment captures savings from funding only the active employee portion of the group life program for public school teachers. The group life insurance employer rate would drop from 0.4 percent to 0.13 percent.	\$0	(\$5,091,606)	(\$5,561,529)	\$0	\$0	\$0
Direct Aid to Public Education	Increase offset of general fund support for teacher retirement for fiscal year 2002 by utilizing additional Literary funds The Department of Education has conducted a review of the funding earmarked for Literary Fund low-interest loans and has identified amounts that are now unobligated because school divisions have chosen to use the interest rate subsidy program instead. This has freed up significant funding that can now be used for other education purposes in fiscal year 2002.	(\$53,000,000)	\$0	\$0	\$53,000,000	\$0	\$0
Direct Aid to Public Education	Provide additional funding to Governor's School account The Department of Education has indicated that its Governor's Schools account will be short \$50,000 in each year of the next biennium. The additional funding will fully fund the current state commitment to the Governor's Schools.	\$0	\$50,000	\$50,000	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Direct Aid to Public Education	<p>Provide additional funding to support the K-3 Primary Class Size Reduction Program</p> <p>This program is normally recalculated for any changes to student fall membership, composite index, and fringe benefit rates as well as any other actions taken in the introduced budget. As in the past, school divisions provided this information late in the budget process, and the Department of Education did not have the time to conduct a thorough review of the information to ensure accuracy before the December budget submission. This impacts funding for fiscal year 2003 and fiscal year 2004 only.</p>	(\$2,426,941)	\$669,065	\$514,581	\$0	\$0	\$0
Direct Aid to Public Education	<p>Restore funding to the Literary Fund for interest rate subsidies</p> <p>This action reduces the teacher retirement Literary Fund offset by \$10 million, effectively restoring this funding for use in the interest rate subsidy program.</p>			\$10,000,000			(\$10,000,000)
Direct Aid to Public Education	<p>Restore school construction funding</p> <p>The introduced budget for the 2002-2004 biennium discontinues funding for direct grants to support school construction. Many school divisions use these funds to pay debt service on their existing debt load. This amendment would restore one half of this funding.</p>		\$27,500,000	\$27,500,000			
Direct Aid to Public Education	<p>Update Standards of Quality formula for 2002-2004 biennium with the latest inflation factors</p> <p>This action captures savings by updating inflation factors in the Standards of Quality model for third quarter data.</p>	\$0	(\$22,175,903)	(\$22,315,210)	\$0	\$0	\$0
	Direct Aid to Public Education Total	(\$53,154,593)	(\$28,606,604)	(\$39,509,325)	\$53,000,000	\$0	(\$9,800,000)
Institutions of Higher Education	<p>Eliminate increase for faculty salaries</p> <p>This amendment eliminates the proposed faculty salary increases to help address declining revenues.</p>		(\$16,351,941)	(\$30,188,189)		\$0	\$0
Institutions of Higher Education	<p>Reduce proposed increase to student financial assistance</p> <p>This amendment reduces the proposed increase to student financial assistance by 20 percent.</p>	\$0	(\$1,129,871)	(\$1,401,040)	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Selected institutions of higher education (William and Mary, University of Virginia, Virginia Commonwealth University, Virginia Tech, George Mason University, Old Dominion University, and Community College System)	Defer microelectronics initiative This amendment defers funding for the proposed microelectronics initiative.	\$0	(\$698,682)	(\$1,257,843)	\$0	\$0	\$0
	Institutions of Higher Education Total	\$0	(\$18,180,494)	(\$32,847,072)	\$0	\$0	\$0
State Council of Higher Education	Eliminate grant funds associated with the outdated Office of Civil Rights Agreement This action eliminates grant funds no longer needed to meet commitments to the federal Office of Civil Rights.	\$0	(\$3,421,655)	(\$3,384,218)	\$0	\$0	\$0
State Council of Higher Education	Restore funding for Virtual Library of Virginia This amendment restores funding for the Virtual Library of Virginia Program, or VIVA.	\$0	\$426,270	\$426,270	\$0	\$0	\$0
	State Council of Higher Education Total	\$0	(\$2,995,385)	(\$2,957,948)	\$0	\$0	\$0
Virginia Commonwealth University	Eliminate funding for marketing operations of the Virginia Biotechnology Center This amendment proposes discontinuing general fund support for marketing operations of the Virginia Biotechnology Center.	\$0	(\$150,000)	(\$150,000)	\$0	\$0	\$0
	Virginia Commonwealth University Total	\$0	(\$150,000)	(\$150,000)	\$0	\$0	\$0
Virginia Institute of Marine Science	Defer funding for economic partnership cooperative endeavor This amendment defers funding for a cooperative endeavor with Hampton Roads Economic Development Partnership.	\$0	(\$198,000)	(\$150,000)	\$0	\$0	\$0
	Virginia Institute of Marine Science Total	\$0	(\$198,000)	(\$150,000)	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Finance							
Department of Taxation	<p>Cover administrative expenses for proposed legislation to accelerate tax collections</p> <p>This amendment funds the administrative costs for implementing proposed legislation to accelerate the collection of the sales and use tax.</p>	\$0	\$464,704	\$0	\$0	\$0	\$0
Department of Taxation	<p>Establish a Personal Property Tax Relief Act audit program</p> <p>This amendment directs the Tax Department as part of its ongoing Audit Compliance Program, to identify those individuals who have received personal property tax relief for unqualified vehicles. The future payments to local Treasurers, Commissioners of the Revenue, and Directors of Finance will be adjusted to recover payments made for these unqualified vehicles. A companion amendment increases general fund revenue by \$4.25 million in FY 2003 and FY 2004.</p>	\$0	\$400,000	\$400,000	\$0	\$0	\$0
	Department of Taxation Total	\$0	\$864,704	\$400,000	\$0	\$0	\$0
Health & Human Resources							
Comprehensive Services for At-Risk Youth	<p>Enhance the Comprehensive Services Act</p> <p>This amendment modifies the local match rates for the Comprehensive Services Act. The match rates will be restored to the "ability to pay" levels for local allocations. Supplemental funding will still require a fifty percent state and local match on non-Medicaid expenditures. However, for localities that require supplemental Medicaid funding, no local match will be required. In essence, this "caps" local liability for Medicaid expenditures. This amendment also requires the development of performance standards to identify and address areas for improvement. These standards will be developed in conjunction with state and local stakeholder groups from the State Executive Council and will include a nine-month trial period prior to full implementation.</p>	\$0	\$5,700,406	\$6,617,577	\$0	\$0	\$0
	Comprehensive Services for At-Risk Youth Total	\$0	\$5,700,406	\$6,617,577	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Department for the Aging	Provide funding for program to assist older Virginians This amendment provides \$700,000 (\$250,000 general fund, \$450,000 nongeneral funds) for a unique Internet guide for Virginia's seniors, their families and caregivers that provides information about services and issues affecting older Virginians.	\$0	\$250,000	\$250,000	\$0	\$450,000	\$450,000
	Department for the Aging Total	\$0	\$250,000	\$250,000	\$0	\$450,000	\$450,000
Department of Health	Increase fees for well and septic inspections This amendment would allow the State Health Commissioner to increase by no more than \$50 the state fees associated with applications for construction permits for private wells, on-site sewage systems, and alternative discharging systems. The increased fee revenue will serve to cover a larger portion of inspection and permit issuance costs.	\$0	(\$690,000)	(\$690,000)	\$0	\$690,000	\$690,000
Department of Health	Increase funding for emergency medical services This amendment would provide \$1.9 million to improve emergency medical services throughout the Commonwealth. Specifically, this funding will be used to address the concerns raised by the 1999 Emergency Medical Services Task Force and improve the state's ability to respond to acts of terrorism.	\$0	\$3,200,000	\$3,200,000	\$0	\$0	\$0
Department of Health	Institute fees for the re-inspection of restaurants This amendment directs the State Health Commissioner to assess a fee for the additional inspections required when a restaurant violates state health regulations. The intent of this fee is to recover a portion of the costs associated with these re-inspections and to provide a deterrent to repeated restaurant non-compliance.	\$0	(\$600,000)	(\$600,000)	\$0	\$600,000	\$600,000
	Department of Health Total	\$0	\$1,910,000	\$1,910,000	\$0	\$1,290,000	\$1,290,000
Department of Medical Assistance Services	Adjust funds for the Family Access to Medical Insurance Security (FAMIS) Plan This amendment will provide additional funds to support the Governor's goal of enrolling eligible Virginia children in the Family Access to Medical Insurance Security (FAMIS) Plan.	\$0	\$1,049,850	\$1,157,062	\$0	\$1,995,756	\$2,184,151

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Department of Medical Assistance Services	<p>Supplant FY 2004 general fund support for indigent health care with nongeneral funds</p> <p>This amendment proposes that nongeneral fund dollars be used to offset the impact on the FY 2004 general fund dollars earmarked for indigent care at Virginia's academic health centers. Existing budget language also permits use of these agencies' projected balances to address these costs.</p>	\$0	\$0	(\$8,675,000)	\$0	\$0	\$8,675,000
	Department of Medical Assistance Services Total	\$0	\$1,049,850	(\$7,517,938)	\$0	\$1,995,756	\$10,859,151
Department of Mental Health, Mental Retardation and Substance Abuse	<p>Suspend and evaluate efficacy of Performance and Outcome Measurement System</p> <p>This amendment postpones further implementation of the Performance and Outcome Measurement System (POMS) within the agency's Central Office and community services boards in order to ascertain its effectiveness. POMS is the system that collects data on consumer treatment outcomes and client satisfaction within community services boards. Funds have continued beyond initial development and subsequent phases. The system's efficacy will be evaluated before funding is continued.</p>	\$0	(\$1,729,610)	(\$1,729,610)	\$0	\$0	\$0
	DMHMRSAS Total	\$0	(\$1,729,610)	(\$1,729,610)	\$0	\$0	\$0
Independent Agencies							
Virginia Office for Protection and Advocacy	<p>Create Virginia Office for Protection and Advocacy</p> <p>This amendment removes the Department for the Rights of Virginians with Disabilities from the executive branch and makes it an independent agency renamed the Virginia Office for Protection and Advocacy. The amendment also creates an 11-member governing board and adds two additional responsibilities that the old agency did not have. These are to monitor compliance with human rights regulations under Section 37.1-84.1 of the Code of Virginia and to establish an ombudsman program with a protection and advocacy fund.</p>	\$0	\$735,566	\$726,557	\$0	\$1,980,341	\$1,980,341
	Virginia Office for Protection and Advocacy Total	\$0	\$735,566	\$726,557	\$0	\$1,980,341	\$1,980,341

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Judicial Department							
Judicial Department Clearing Account	Reduce judicial across-the-board budget reduction amount This amendment reduces the judicial agencies across-the-board reduction amount to a level that is less likely to disrupt judicial proceedings and minimizes the number of layoffs at the courts.	\$0	\$6,488,941	\$6,488,941	\$0	\$0	\$0
	Judicial Department Clearing Account Total	\$0	\$6,488,941	\$6,488,941	\$0	\$0	\$0
Natural Resources							
Department of Conservation and Recreation	Operate state parks This amendment provides general fund support to operate state parks. There is a corresponding reduction to the nongeneral fund transfer from the Game Protection Fund to the Conservation Resources Fund.	\$0	\$750,000	\$750,000	\$0	\$(750,000)	\$(750,000)
	Department of Conservation and Recreation total	\$0	\$750,000	\$750,000	\$0	\$(750,000)	\$(750,000)
Department of Game and Inland Fisheries	Repay loan for the purchase of the Big Survey property This amendment provides \$3.0 million from the sale of surplus property to pay off the treasury loan the department used to purchase the Big Survey Property.	\$0	\$3,000,000	\$0	\$0	\$0	\$0
	Department of Game and Inland Fisheries Total	\$0	\$3,000,000	\$0	\$0	\$0	\$0
Marine Resources Commission	Increase general fund appropriation and reduce nongeneral fund appropriation from game protection fund This amendment eliminates the transfer from the game protection fund of the Department of Game and Inland Fisheries to the marine patrols fund of the Marine Resources Commission. The transfer is replaced with a general fund appropriation generated through revised revenue projections for unrefunded motor fuels taxes for marine use.	\$0	\$1,000,000	\$1,000,000	\$0	\$(1,000,000)	\$(1,000,000)
	Marine Resources Commission Total	\$0	\$1,000,000	\$1,000,000	\$0	\$(1,000,000)	\$(1,000,000)

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Public Safety							
Department of Military Affairs	Fund the Virginia Military Advisory Council This amendment provides funding for the expenses associated with the work of the Virginia Military Advisory Council, which Senate Bill 322 proposes to reestablish.	\$0	\$50,000	\$50,000	\$0	\$0	\$0
	Department of Military Affairs Total	\$0	\$50,000	\$50,000	\$0	\$0	\$0
Department of Corrections	Implement additional cuts in operating costs This amendment establishes a reversion clearing account to implement additional general fund savings in the operating budget of the Department of Corrections.	\$0	(\$2,870,331)	(\$10,084,952)	\$0	\$0	\$0
	Department of Corrections Total	\$0	(\$2,870,331)	(\$10,084,952)	\$0	\$0	\$0
Department of Juvenile Justice	Capture general fund balances from delayed openings of new local secure detention programs This amendment would capture funds currently appropriated to reimburse localities for the operating costs of juvenile detention centers. Because these facilities have not opened as scheduled, less funding will be needed.	(\$2,901,806)	\$0	\$0	\$0	\$0	\$0
Department of Juvenile Justice	Modify funding for the Offices on Youth and the Virginia Juvenile Community Crime Control Act programs This action transfers the Offices on Youth program to the Virginia Juvenile Community Crime Control (VJCCCA) program. Rather than provide separate funding for these offices, the two offices will be included in localities' VJCCCA funding plans. In addition, this action will require localities to provide a "match" for VJCCCA program grants.	\$0	(\$8,728,758)	(\$8,412,812)	\$0	\$0	\$0
	Department of Juvenile Justice Total	(\$2,901,806)	(\$8,728,758)	(\$8,412,812)	\$0	\$0	\$0
The Parole Board	Reduce the number of Parole Board positions This amendment proposes the elimination of two appointed members and one support position, effective July 1, 2002. Currently, there are five board members, including the chairman. The number of parole reviews has continuously decreased over the years. Given this, the workload placed on board members has also decreased.	\$0	(\$157,489)	(\$193,497)	\$0	\$0	\$0
	Parole Board Total	\$0	(\$157,489)	(\$193,497)	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Technology							
Department of Technology Planning	<p>Streamline the Electronic Government Implementation Division</p> <p>This amendment scales back the Department of Technology Planning's electronic government activities. Along with the reduction of two positions, a significant reduction is made in the use of private contractors. The contractors were intended to support the implementation of Executive Order 65(00). This order necessitated the contractors support specific requirements. These included: coordination of electronic procurement, identifying administrative applications suitable for web-based applications, developing various procedures and guidelines, facilitating the deployment of digital signatures, and supporting the Digital Opportunity Task Force.</p>	\$0	\$0	\$0	\$0	(\$878,652)	(\$957,079)
	Department of Technology Planning Total	\$0	\$0	\$0	\$0	(\$878,652)	(\$957,079)
Transportation							
Department of Motor Vehicles	<p>Retain a percentage of the mobile home and vehicle rental fees for departmental overhead costs</p> <p>This action would allow the department to cover its costs in collecting the mobile home and vehicle rental fees that are passed along to localities. Currently the department collects these fees and forwards the proceeds to localities while absorbing all of the associated costs. This action would allow the department to retain a percentage of the fees to offset its costs.</p>	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
	Department of Motor Vehicles Total	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
Department of Transportation	<p>Adjust FRANs authorization to include sales and use tax revenue</p> <p>This amendment authorizes VDOT to issue FRANs to replace \$317 million in sales and use tax revenue transferred from the Transportation Trust Fund to the general fund in FY 2003, instead of the proposed general fund supported Commonwealth Transportation bonds. This amendment also removes the general fund debt service that will no longer be needed to support the Commonwealth Transportation bonds.</p>	\$0	\$0	(\$26,915,361)	\$0	\$0	\$0
	Department of Transportation Total	\$0	\$0	(\$26,915,361)	\$0	\$0	\$0

Agency	Description	General Fund			Nongeneral Funds		
		FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Grand Total	Total	(\$137,446,467)	(\$81,027,640)	(\$322,596,463)	\$54,500,000	\$41,827,782	\$82,495,288