

COMMONWEALTH OF VIRGINIA



2020 SPECIAL SESSION I AMENDMENTS TO THE 2020 APPROPRIATION ACT

SUMMARY OF INTRODUCED AMENDMENTS

HB 5005 / SB 5015

RALPH S. NORTHAM
GOVERNOR

Judicial Department

Juvenile and Domestic Relations District Courts

Operating Budget Changes

Language only amendment permitting the waiving of ceremonial requirements of juvenile licensing
Adds language allowing judges to waive ceremonial licensing requirements. (Item 43)

Executive Offices

Office of the Governor

Operating Budget Changes

Provide additional funding for the Office of Diversity, Equity, and Inclusion

Provides funding to the Office of Diversity, Equity, and Inclusion to expand the Commonwealth's membership in the Government Alliance on Race and Equity, provide for a Diversity strategic plan contractor, and to provide racial equity training for cabinet members, agency heads and college presidents. (Item 52)

	<u>2021</u>	<u>2022</u>
General Fund	\$300,000	\$0

Office of Administration

Department of General Services

Operating Budget Changes

Removal of the Robert E. Lee Monument in Richmond

Provides funding for the removal of the Robert E. Lee Monument in Richmond, Virginia. (Item 79)

	<u>2021</u>	<u>2022</u>
General Fund	\$1,083,000	\$0

Department of Elections

Operating Budget Changes

Provide prepaid postage to return absentee ballots for the November 2020 election

Provides funding to reimburse localities for prepaid postage for voters to return absentee ballots for the November 2020 general election. (Item 86)

	<u>2021</u>	<u>2022</u>
General Fund	\$2,000,000	\$0

Provide absentee ballot language provisions

Provides language to clarify procedures for handling absentee ballots that have errors or other issues and additional language clarifying absentee ballot drop-off procedures. (Item 86)

Office of Commerce and Trade

Department of Housing and Community Development

Operating Budget Changes

Increase funding for the Virginia Housing Trust Fund

Provides additional general fund support to the Virginia Housing Trust Fund in the first year, bringing total state support for the trust fund to \$55.0 million in FY 2021 and \$30.0 million in FY 2022. (Item 113)

	<u>2021</u>	<u>2022</u>
General Fund	\$25,000,000	\$0

Department of Housing and Community Development

Increase support for the Virginia Telecommunication Initiative (VATI) for broadband deployment

Provides additional appropriation for the Virginia Telecommunication Initiative (VATI) in the first year bringing total state support for the program to \$49.7 million in FY 2021 and \$34.7 million in FY 2022. VATI is a grant program supporting broadband deployment in the Commonwealth. (Item 114)	General Fund	<u>2021</u> \$15,000,000	<u>2022</u> \$0
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Office of Education

Direct Aid to Public Education

Operating Budget Changes

Update sales tax revenues for public education

Updates funding provided to local school divisions based on the latest sales tax projections provided by the Department of Taxation. (Item 145)	General Fund	<u>2021</u> (\$95,243,837)	<u>2022</u> (\$93,607,047)
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Support Virginia Preschool Initiative with Temporary Assistance for Needy Families (TANF) funds

Supplants \$16.6 million in general fund appropriation with federal Temporary Assistance for Needy Families (TANF) funds to support at-risk students participating in the Virginia Preschool Initiative (VPI). Transfers the \$16.6 million in general fund support to the Virginia Department of Social Services (DSS) to support child care for school-age children. A companion amendment in DSS utilizes uncommitted Child Care and Development Block Grant (CCDBG) federal funds to cover the TANF funding used for VPI. The CCDBG funding cannot be used for VPI. (Item 145)	General Fund	<u>2021</u> (\$16,600,000)	<u>2022</u> \$0
	Nongeneral Fund	\$16,600,000	\$0

Office of Finance

Department of Accounts Transfer Payments

Operating Budget Changes

Appropriate future mandatory Revenue Stabilization Fund deposit

Appropriates amounts estimated to be required for a future mandatory deposit to the Revenue Stabilization Fund. (Item 274)	General Fund	<u>2021</u> \$0	<u>2022</u> \$71,514,454
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Department of Taxation

Operating Budget Changes

Adjust Land Preservation Tax Credit limit sunset date

This amendment makes a technical language change in § 3-5.19 (Land Preservation Tax Credit Claimed) to extend the sunset date regarding the limit on the amount of land preservation tax credit that may be claimed by individual taxpayers per year. (§ 3-5.19)

Establish Wayfair-type Nexus standards on Other Tobacco Products Remote Sellers

Modifies language in § 3-5.21 (Cigarette Tax, Tobacco Products Tax and Tax on Liquid Nicotine) to apply the Wayfair nexus standard for remote sellers under Retail Sales and Use Tax to Distributors under the Tobacco Products Tax. (§ 3-5.21)

Implement tobacco products tax on heated tobacco products

Modifies language in § 3-5.21 (Cigarette Tax, Tobacco Products Tax and Tax on Liquid Nicotine) to implement the tobacco products tax pursuant to § 58.1-1021.02 of the Code of Virginia to heated tobacco products. Heated tobacco products would be taxed at a rate of 2.25 cents per stick beginning January 1, 2021. Additional language under Item 282 allows the Department of Taxation to recover administrative costs of implementing this tax from tobacco products tax revenue. (Item 282 and § 3-5.21)

Office of Health & Human Resources

Department of Medical Assistance Services

Operating Budget Changes

Account for enhanced federal medical assistance percentage

Accounts for the impact of Virginia receiving enhanced (by 6.2 percent) federal medical assistance percentage (EFMAP) for Medicaid and children's health care programs. The amounts reflect the latest DMAS estimates based on receiving EFMAP through December 31, 2020. This amendment also provides the necessary federal appropriation. (Items 312, 313, and 315)

	<u>2021</u>	<u>2022</u>
General Fund	(\$330,987,651)	\$0
Nongeneral Fund	\$330,987,651	\$0

Fund federal Medicaid continuation of coverage requirement

Funds the impact of the federal continuation of coverage requirement as required by the Families First Coronavirus Response Act (H.R. 6201). The amounts reflect the latest DMAS estimates for the additional cost to Medicaid and children's health care programs through October 31, 2020. (Items 312, 313, and 315)

	<u>2021</u>	<u>2022</u>
General Fund	\$89,096,662	\$0
Nongeneral Fund	\$245,279,983	\$0

Department of Social Services

Operating Budget Changes

Reduce general fund appropriation for foster care and adoption to account for enhanced FMAP

Reduces the general fund appropriation and increases the nongeneral fund appropriation for foster care and adoptions to account for the temporary enhanced Federal Medical Assistance Percentage (FMAP) rate. This adjustment has been calculated through December 2020, when the enhanced rate is set to expire. (Item 354)

	<u>2021</u>	<u>2022</u>
General Fund	(\$5,763,812)	\$0
Nongeneral Fund	\$5,763,812	\$0

Contract with local partners to increase capacity for in-person child care for school-aged children

Transfers federal Temporary Assistance for Needy Families (TANF) funds from the Department of Social Services (DSS) to Direct Aid to Public Education to support the Virginia Preschool Initiative in FY 2021. A like amount of general fund support is transferred from Direct Aid to Public Education to DSS to address the critical need for in-person child care access for families of school-aged children. Funding from the Child Care Development Fund (CCDF) block grant balances is appropriated to back-fill the TANF funding at DSS, in order to allow those child care-related services to continue uninterrupted. Budget language is modified to allow centers serving families in need of in-person care to be exempt from licensure. (Items 350 and 357)

	<u>2021</u>	<u>2022</u>
General Fund	\$16,600,000	\$0

One-time payment to TANF Unemployed Parent program participants

Funds a one-time payment to Temporary Assistance for Needy Families Unemployed Parents (TANF UP) program participants that is equivalent to 15 percent of the monthly benefit payment for four months. (Item 350)

	<u>2021</u>	<u>2022</u>
Nongeneral Fund	\$211,253	\$0

Provide funding to food banks for emergency food supply packages

Provides funding to build capacity in the emergency food supply package program provided by food banks and other non-profits as a low-touch, convenient way to address food shortages during fall 2020 and winter 2021. (Item 356)

	<u>2021</u>	<u>2022</u>
Nongeneral Fund	\$650,000	\$0

Provide household food benefit to families with children in Head Start

Provides a one-time benefit payment from the Temporary Assistance for Needy Families (TANF) block grant to qualifying families with children in Head Start who did not receive the federal Pandemic-EBT food benefit payment for school-aged children. (Items 349 and 359)

	<u>2021</u>	<u>2022</u>
Nongeneral Fund	\$3,738,901	\$0

Office of Natural Resources

Secretary of Natural Resources

Operating Budget Changes

Require a plan to implement a solid waste disposal fee

Directs the Secretary of Natural Resources, in consultation with the Secretary of Agriculture and Forestry, to study and develop a plan for the implementation of a solid waste disposal fee, and to submit the plan to the Governor and the General Assembly by November 1, 2020. (Item 372)

Department of Conservation and Recreation

Operating Budget Changes

Directs the required deposit to the Water Quality Improvement Fund from the FY 2020 discretionary year-end general fund balances.

Directs the required deposit to the Water Quality Improvement Fund from the FY 2020 discretionary year-end general fund balances. (Item 373)		<u>2021</u>	<u>2022</u>
	General Fund	\$0	\$34,175,400

Modify line of credit language

Modifies language in § 3-2.03 (Lines of Credit) to allow for the use of the agency's existing line of credit for the continued development of the coastal master plan, including use of a consultant to assist in the plan's development. Language also requires that any use of the line of credit for this purpose be repaid from revenues generated by the Commonwealth's participation in the sale of allowances through the Regional Greenhouse Gas Initiative. (§ 3-2.03)

Department of Environmental Quality

Operating Budget Changes

Continue the Water Quality Enhancement Fee

Budget language continues the Water Quality Enhancement Fee. Also, directs the Department of Environmental Quality (DEQ) to convene a group of stakeholders to produce recommendations by November 1, 2020, for the Governor and General Assembly to improve the long-term sustainability of the fee and DEQ's oversight of nutrient credit use in Virginia. (Item 377)

Office of Public Safety and Homeland Security

Department of Criminal Justice Services

Operating Budget Changes

Provide funding for proposed legislation related to law-enforcement civilian review panels

Provides one-time funding to support proposed legislation related to law-enforcement civilian review panels. (Item 403)		<u>2021</u>	<u>2022</u>
	General Fund	\$200,000	\$0

Provide funding for proposed legislation related to the decertification of law-enforcement officers

Provides funding and two positions to support proposed legislation related to the decertification of law-enforcement officers. (Item 403)		<u>2021</u>	<u>2022</u>
	General Fund	\$208,079	\$249,695
	Authorized Positions	2.00	2.00

Provide funding for proposed legislation related to the development of a statewide officer database

Provides funding to support proposed legislation to develop a statewide officer database for purposes of sharing information between law-enforcement agencies. (Item 403)		<u>2021</u>	<u>2022</u>
	General Fund	\$50,000	\$50,000

Provide funding for proposed legislation related to the expansion of the decertification process of law-enforcement personnel

Provides funding and one position to support proposed legislation related to the expansion of the decertification process of law-enforcement personnel. (Item 403)		<u>2021</u>	<u>2022</u>
	General Fund	\$94,825	\$113,790
	Authorized Positions	1.00	1.00

Department of Criminal Justice Services

Provide funding for proposed legislation to establish statewide mandatory minimum training standards for law-enforcement training academies

Provides funding and five positions to support proposed legislation to establish statewide mandatory minimum training standards for law-enforcement training academies. (Item 403)

	<u>2021</u>	<u>2022</u>
General Fund	\$1,504,321	\$605,185
Authorized Positions	5.00	5.00

Department of State Police

Operating Budget Changes

Provide funding for proposed legislation related to law enforcement officer minimum training standard

Provides \$500,000 the first year to support proposed legislation in the 2020 Special Session I of the General Assembly related to law enforcement officer training curriculum. (Item 427)

	<u>2021</u>	<u>2022</u>
General Fund	\$500,000	\$0

Office of Transportation

Secretary of Transportation

Operating Budget Changes

Provide flexibility for CTB to cash flow projects

Adds language giving flexibility to the Commonwealth Transportation Board (CTB) to move and manage the cash supporting transportation projects to minimize the number of projects that need to be stopped due to declining transportation revenues. (Item 430)

Virginia Commercial Space Flight Authority

Capital Outlay Budget Changes

Reduce Accomack Regional Airport Hangar Funding

Removes the general fund amount that was previously unallotted for the Accomack Regional Airport Hangar. (Item C-61.50)

	<u>2021</u>	<u>2022</u>
General Fund	(\$1,000,000)	\$0

Department of Motor Vehicles

Operating Budget Changes

Modify Department of Motor Vehicles emergency powers

Provides the Department of Motor Vehicles' (DMV) Commissioner flexibility to allow customers to retain valid DMV-issued identification credentials and authorizations to operate a motor vehicle when a declared state of emergency makes renewing or obtaining new credentials or authorization difficult or impossible. (Item 436)

Department of Rail and Public Transportation

Operating Budget Changes

Allow DRPT to manage Rail Authority until staff hired

Allows the Department of Rail and Public Transportation (DRPT) to manage the affairs of the newly created Virginia Rail Authority until the Authority is able to have a functioning board, hire an executive director and supporting staff, and function independently. (Item 443)

Maintain operating budget of DRPT at FY2020 levels

Allows the Commonwealth Transportation Board to maintain the Department of Rail and Public Transportation's (DRPT) operating budget at FY2020 levels. Otherwise, given declining transportation revenues due to the COVID-19 emergency, the agency's operating budget could decline, making it difficult for the agency to manage the many public transportation projects it has to address. (Item 444)

Central Appropriations

Central Appropriations

Operating Budget Changes

Convert agency unallotment actions to budget reductions

Converts certain Chapter 1289 operating budget unallotment actions to reductions to be transferred from applicable agency budgets. See Appendix A document for more information. (Item 482.20)

	<u>2021</u>	<u>2022</u>
General Fund	(\$754,015,992)	(\$1,335,540,477)

Central Capital Outlay

Capital Outlay Budget Changes

Adjust property options for consideration of a new Juvenile Correctional Center in Central Virginia

Provides language to include consideration of state property along Old Bon Air Road in the options to be considered for a new Juvenile Correctional Center to be located in Central Virginia. This property was previously excluded from the options to be considered for such a facility pursuant to Item C-47 F.3. of Chapter 1283, 2020 Acts of Assembly. (Item C-76.10)

Remove Funding Related to the Nimmo Parkway Project

Removes general fund amounts previously unallotted for the Nimmo Parkway project. (Item C-72.10)

	<u>2021</u>	<u>2022</u>
General Fund	(\$10,000,000)	\$0

Remove General Fund Capital Project Planning Amounts

Removes the general fund amounts previously unallotted for capital outlay planning. (Item C-66)

	<u>2021</u>	<u>2022</u>
General Fund	(\$9,956,290)	\$0

General Provisions

General Provisions

Operating Budget Changes

Authorize memorandum of understanding with U.S. Forest Service

Amends language in § 4-5.07 (Lease, License or Use Agreements) to authorize the Governor to enter into a memorandum of understanding with the U.S. Forest Service regarding permits, rights of way, and other legal constructs which impact various state capital and transportation projects. (§ 4-5.07)

Implement temporary moratorium on evictions

Provides language in Enactment 8 to implement a temporary moratorium on evictions with certain exceptions until after April 30, 2021. Language also establishes the requirement for landlords to offer tenants the right to enter into a repayment plan for past due accounts. (Enactment 8)

Implement temporary moratorium on utility disconnections

Provides language in Enactment 7 to prohibit utility disconnections until at least 60 days after the end of a state of emergency declared by the Governor pursuant to § 44-146.17 of the Code of Virginia in response to a communicable disease of public health threat. Language also establishes the requirement for electric companies, natural gas suppliers, and water service providers to offer customers the right to enter into a repayment plan for past due accounts. (Enactment 7)